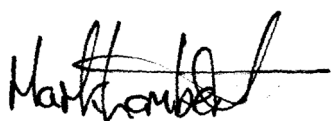


# COUNCIL

## 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, 06 March 2018 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 9 January and 6 February 2018.

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 2018/19**

**7 - 24**

To consider a report of the Chief Finance Officer regarding the setting of Council Tax for 2018/19.  
(Copy Report RD.48/17 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 17 January and 12 February 2018 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) Leader's Portfolio 25 - 28**

**(ii) Finance, Governance and Resources 29 - 30**

**(iii) Environment and Transport 31 - 34**

**(iv) Economy, Enterprise and Housing 35 - 38**

**(v) Communities, Health and Wellbeing 39 - 42**

**(vi) Culture, Heritage and Leisure 43 - 46**

and ask questions of the Leader and Portfolio Holders on those Reports.

(Copy Reports herewith)

## **12. Scrutiny**

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

**(i) Health and Wellbeing Scrutiny Panel 47 - 48**

(a) Minutes of the meeting held on 11 January 2018

(b) Chairman's Report

- (ii) **Business and Transformation Scrutiny Panel** 49 - 56  
(a) Minutes of the meetings held on 4 January and 15 February 2018  
(b) Chairman's Reports
- (iii) **Joint Meeting of the Business and Transformation; and Health and Wellbeing Scrutiny Panels**  
(a) Minutes of the joint meeting held on 29 January 2018
- (iv) **Economic Growth Scrutiny Panel** 57 - 62  
(a) Minutes of the meeting held on 18 January 2018  
(b) Chairman's Report  
(Copy Reports herewith)
13. **Regulatory Panel**  
To receive the Minutes of the meetings of the Regulatory Panel held on 20 December 2017 and 24 January 2018.
14. **Licensing Committee**  
To receive the Minutes of the meeting of the Licensing Committee held on 24 January 2018.
15. **Development Control Committee**  
To receive the Minutes of the meetings of the Development Control Committee held on 24 November 2017; and 3 and 5 January 2018.
16. **Audit Committee**  
To receive the Minutes of the meeting of the Audit Committee held on 12 January 2018.
17. **Employment Panel**  
To receive the Minutes of the meeting of the Employment Panel held on 31 January 2018.
18. **Appeals Panels**  
To receive the Minutes of the Appeals Panel meetings held on 11 December 2017 and 18 January 2018.

**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 Mrs Parsons:

"Will the Council agree to suspend the night time closure of the three city centre car parks in order to facilitate an open and transparent decision making process including a consultation exercise"

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

**(i) Sands Centre Redevelopment 63 - 162**

Pursuant to Minute EX.132/17 and EX.09/18, to consider recommendations from the Executive concerning proposals for the redevelopment of the Sands Centre.  
(Copy Report CS.16/18 and Minutes / Extracts herewith)

**(ii) Capital Budget Overview and Monitoring Report: April to December 2017 163 - 184**

Pursuant to Minute EX.15/18, to consider a recommendation from the Executive that the City Council approve reprofiling of £1,100,000 from 2017/18 into 2018/19 as detailed in paragraph 3.3 and Appendix A to Report RD.44/17.  
(Copy Report RD.44/17 and Minute Extracts herewith)

**21. Pay Policy Statement 2018/19 185 - 198**

Pursuant to Minute EMP.05/18, to consider a recommendation from the Employment Panel that the City Council approves the 2018/19 Policy Statement on Chief Officers' Pay.  
(Copy Report RD.47/17 and Minute Extract herewith)

**22. Decisions taken as a Matter of Urgency 199 - 202**

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.17/18 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: 6<sup>th</sup> March 2018  
Portfolio: Finance, Governance and Resources  
Key Decision:  
Within Policy and Budget Framework YES  
Public / Private Public

Title: COUNCIL TAX 2018/19  
Report of: CHIEF FINANCE OFFICER  
Report Number: RD48/17

## Summary & Recommendation:-

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

- a) To approve the updated funding schedules as outlined at 1.4 and **Appendix A**
- b) The level of basic Council Tax in 2018/19 in respect of City Council Services at £225.15 and the amount to be levied in non-parished areas at £207.20;
- 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 2018/19, 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:	6 March 2018
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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 2018/19.
- 1.2 Stage 1 required the City Council to calculate its Tax Base – this was delegated to the Chief Finance Officer and calculated, for 2018/19, as at 15 January 2018.
- 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 6 February 2018.
- 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 7 February 2018, after the Council agreed the 2018/19 budget, although no significant changes were announced, there were changes to the overall settlement figures in 2018/19 of £42,976 in total. The Business Rate Multiplier Grant has also been confirmed as a funding stream rather than an income stream and this change is reflected in the attached schedules. The revised schedules are detailed at **Appendix A** for approval.
- 1.5 The Parish Council Precepts for 2018/19 are detailed in **Appendix B** and total £613,051. The total amount chargeable to taxpayers will be £598,221, the difference of £14,830 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 15 February 2018. The precept was set at £44,395,177. This results in a Band D Council Tax of £1,332.13 (1.99% increase for 2018/19 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 14 February 2018. The precept was set at £7,756,400. This results in a Band D Council Tax of £232.74 (an increase of 5.42%).

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 (2.47%) for 2018/19. The County Council has raised its share for 2018/19 by 1.99% and 2% for the Social Care Precept. The Police and Crime Commissioner has raised its Council Tax rates for 2018/19 by 5.42%.

## **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 33,326.46 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 2018/19 has been determined as £6,905,243.

## **5. GRANT INCOME**

5.1 The City Council is required to calculate the aggregate of its estimated income specified grants for 2018/19. These have been notified as: -

	£
Retained Business Rates Baseline / S.31 Grant	3,282,187
Revenue Support Grant	448,541
<b>Total</b>	<b>3,730,728</b>

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 2018. If a deficiency is anticipated, or the transactions to be accounted for in 2018/19 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 2017/18 has been determined at £763,657. The County Council's share of this surplus has been certified and rounded as £568,503, the Police and Crime Commissioner for Cumbria's Share certified and rounded as £97,975, leaving a balance of £97,179 for the City Council. The Chief Finance Officer has determined the budget for 2018/19 will include the £97,179 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 £3,827,907.

## 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	12,581,371
Less BR Estimate Pooling/Growth (note 1)	1,250,000
Less Grant Income	3,827,907
<b>Net Requirement from Collection Fund</b>	<b>7,503,464</b>
Divided by Tax Base	33,326.46
<b>Basic Tax</b>	<b>225.15</b>

Note 1 – The assumed level of Business Rate income because 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 various parts of the City Council's area, according to whether 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	7,503,464
Less Special Items	598,221
<b>Net requirement excluding Special Items</b>	<b>6,905,243</b>
Divided by Tax Base	33,326.46
<b>Basic Amount of Tax for the Urban Area and Parishes Not Levying a Precept</b>	<b>207.20</b>

- 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 £44,395,177 and set its basic Council Tax as £1,332.13 to be charged against each category of dwelling as follows: -

### Valuation Band / Basic Amount of Tax

A	B	C	D	E	F	G	H
£888.09	£1,036.10	£1,184.11	£1,332.13	£1,628.16	£1,924.19	£2,220.22	£2,664.26

## 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 £7,756,400 and set its basic Council Tax as £232.74 to be charged against each category of dwelling as follows: -

### Valuation Band / Basic Amount of Tax

A	B	C	D	E	F	G	H
£155.16	£181.02	£206.88	£232.74	£284.46	£336.18	£387.90	£465.48

## 10. TOTAL AMOUNT OF COUNCIL TAX 2018/19

- 10.1 The amount of Council Tax to be levied in 2018/19 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 6.4 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	207.20	2.47	11.7%
County*	1,332.13	3.99	75.2%
Police	232.74	5.42	13.1%
<b>Total</b>	<b>1,772.07</b>		<b>100.0%</b>

\*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 11<sup>th</sup> 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 Budget Schedules

Schedule 2 – Proposed Budget Reductions

Proposed Budget Reductions	Note	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000
<b>Expenditure Reductions/Increased Income:</b>						
Building Control Discretionary Charges	1	(23)	(23)	(23)	(11)	(11)
Bring Site Savings	2	(18)	(49)	(49)	(49)	(49)
Revenue Contribution to Capital	3	0	0	0	(92)	(92)
Tullie House Grant	4	0	0	(300)	(300)	(300)
New Homes Bonus	5	(72)	(99)	(99)	(99)	36
Rural Services Delivery Grant	6	(70)	0	0	0	0
<b>Total Expenditure Reductions/Increased Income</b>		<b>(183)</b>	<b>(171)</b>	<b>(471)</b>	<b>(551)</b>	<b>(416)</b>
<b>TOTAL BUDGET REDUCTION PROPOSALS</b>		<b>(183)</b>	<b>(171)</b>	<b>(471)</b>	<b>(551)</b>	<b>(416)</b>
Split:						
Recurring		(29)	(60)	(360)	(452)	(452)
Non-Recurring		(154)	(111)	(111)	(99)	36

## **Schedule 5 – Summary Net Budget Requirement for Council Tax Purposes**

<b>2017/18 Revised £000</b>	<b>Summary Net Budget Requirement</b>	<b>2018/19 Budget £000</b>	<b>2019/20 Proj £000</b>	<b>2020/21 Proj £000</b>	<b>2021/22 Proj £000</b>	<b>2022/23 Proj £000</b>
	<b>Recurring Revenue Expenditure</b>					
	Existing Expenditure (Schedule 1)	11,217	11,921	11,700	11,970	12,337
	Budget Reductions (Schedule 2)	(29)	(60)	(360)	(452)	(452)
	New Spending Pressures (Schedule 3)	278	702	964	464	363
<b>11,616</b>	<b>Total Recurring Expenditure</b>	<b>11,466</b>	<b>12,563</b>	<b>12,304</b>	<b>11,982</b>	<b>12,248</b>
	<b>Non Recurring Revenue Expenditure</b>					
(931)	Existing Commitments (Schedule 1)	(323)	(690)	(585)	(124)	0
490	Carry Forward	0	0	0	0	0
(39)	Budget Reductions (Schedule 2)	(154)	(111)	(111)	(99)	36
853	Spending Pressures (Schedule 4)	396	160	0	0	0
<b>11,989</b>	<b>Total Revenue Expenditure</b>	<b>11,385</b>	<b>11,922</b>	<b>11,608</b>	<b>11,759</b>	<b>12,284</b>
	<b>Less Contributions (from)/to Reserves:</b>					
<b>(151)</b>	Recurring Commitments (Note 1) Sub Total	<b>502</b>	<b>(642)</b>	<b>(664)</b>	<b>(52)</b>	<b>(58)</b>
	Non Recurring Commitments					
117	- Existing Commitments (Note 2)	323	690	585	124	0
10	- New Commitments	(242)	(49)	111	99	(36)
<b>127</b>	Sub Total	<b>81</b>	<b>641</b>	<b>696</b>	<b>223</b>	<b>(36)</b>
<b>11,965</b>	<b>Total City Council Budget requirement</b>	<b>11,968</b>	<b>11,921</b>	<b>11,640</b>	<b>11,930</b>	<b>12,190</b>
582	Parish Precepts	613	628	644	660	677
<b>12,547</b>	<b>Projected Net Budget Requirement for Council Tax purposes</b>	<b>12,581</b>	<b>12,549</b>	<b>12,284</b>	<b>12,590</b>	<b>12,867</b>

## **Schedule 6 – Total Funding and Provisional Council Tax Projections**

2017/18	Total Funding and Council Tax Impact	2018/19	2019/20	2020/21	2021/22	2022/23
32,927.91 £000	Estimated TaxBase	33,326.46 £000	33,111.90 £000	33,204.29 £000	33,296.93 £000	33,389.82 £000
	Projected Net Budget Requirement for Council Tax Purposes (Schedule 5)					
11,965	- City	11,968	11,921	11,640	11,930	12,190
582	- Parishes	613	628	644	660	677
<b>12,547</b>	<b>Total</b>	<b>12,581</b>	<b>12,549</b>	<b>12,284</b>	<b>12,590</b>	<b>12,867</b>
	Funded by:					
(6,658)	- Council Tax Income	(6,905)	(7,092)	(7,279)	(7,467)	(7,657)
(856)	- Revenue Support Grant	(434)	0	0	0	0
(3,114)	- Retained Business Rates	(3,208)	(3,279)	(3,411)	(3,513)	(3,583)
	- Business Rate					
(1,200)	Growth/Pooling	(1,250)	(1,400)	(900)	(900)	(900)
	-Business Rate Multiplier					
0	Grant	(74)	(100)	0	0	0
(137)	- Estimated Council Tax Surplus	(97)	(50)	(50)	(50)	(50)
(30)	- Parish CTRS Grant	(15)	0	0	0	0
(552)	- Parish Precepts	(598)	(628)	(644)	(660)	(677)
<b>(12,547)</b>	<b>TOTAL</b>	<b>(12,581)</b>	<b>(12,549)</b>	<b>(12,284)</b>	<b>(12,590)</b>	<b>(12,867)</b>
	<b>City Council Tax</b>					
£ 202.20	Band D Council Tax	£ 207.20	£ 212.20	£ 217.20	£ 222.20	£ 227.20
	Increase over Previous year:					
£3.77	£	£ 5.00	£ 5.00	£ 5.00	£ 5.00	£ 5.00
1.95%	%	2.47%	2.41%	2.36%	2.30%	2.25%

## Schedule 10 – Usable Reserve Projections

Analysis of Council Reserves	Outturn 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	Projected 31 March 2023 £000
<b>Revenue Reserves</b>							
General Fund Reserve	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Projects Reserve	(1,089)	(1,526)	(2,344)	(2,343)	(2,375)	(2,547)	(2,452)
	<b>(3,089)</b>	<b>(3,526)</b>	<b>(4,344)</b>	<b>(4,343)</b>	<b>(4,375)</b>	<b>(4,547)</b>	<b>(4,452)</b>
Carry Forward Reserve	(1,105)	(1,055)	(820)				
Flood Reserve	(500)						
Conservation Reserve	0						
Transformation Reserve	(150)						
EEAC Reserve	0						
Building Control Reserve	(187)	(155)					
Cremator Reserve	(756)	(797)					
Leisure Reserve	(80)	(49)					
Economic Investment Reserve	(6)	(6)					
Car Parking Reserve	(107)						
City Centre Reserve	(42)						
Welfare Reform Reserve	(200)						
Repairs & Renewals Reserve	(214)	0					
Business Rates Volatility Reserve	(110)						
Revenues & Benefits Reserve	(338)						
Revenue Grants Reserve	(865)	(769)					
Promoting Carlisle Reserve	(30)	(20)					
Prosecutions Reserve	(21)						
<b>Total Revenue Reserves</b>	<b>(7,800)</b>	<b>(6,377)</b>	<b>(5,164)</b>	<b>(4,343)</b>	<b>(4,375)</b>	<b>(4,547)</b>	<b>(4,452)</b>
<b>Capital Reserves</b>							
Usable Capital Receipts	0	0	0	0	0	0	0
Asset Disposal Reserve	0	0	0	0	0	0	0
Unapplied capital grant	(794)	(794)	(794)	(794)	(794)	(794)	(794)
Asset Investment Reserve	(48)	(48)	(48)	(48)	(48)	(48)	(48)
GLL Reserve	(522)	(453)	(453)	(453)	(453)	(453)	(453)
Lanes Capital Reserve	(30)	(45)	(60)	(75)	(90)	(105)	(120)
<b>Total Capital Reserves</b>	<b>(1,394)</b>	<b>(1,340)</b>	<b>(1,355)</b>	<b>(1,370)</b>	<b>(1,385)</b>	<b>(1,400)</b>	<b>(1,415)</b>
<b>Total Usable Reserves</b>	<b>(9,194)</b>	<b>(7,717)</b>	<b>(6,519)</b>	<b>(5,713)</b>	<b>(5,760)</b>	<b>(5,947)</b>	<b>(5,867)</b>
<b>Other Technical Reserves (i)</b>	(103,627)						
<b>Total All Reserves</b>	<b>(112,821)</b>						

**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	48,906	3,394.08	52,300	698.87	69.98
Askerton	0	0.00	0	54.24	0.00
Beaumont	7,388	61.75	7,450	194.28	38.03
Bewcastle	4,335	164.75	4,500	138.86	31.22
Brampton	121,264	5,432.93	126,697	1,515.88	80.00
Burgh By Sands	15,749	150.96	15,900	488.70	32.23
Burtholme	2,358	41.93	2,400	84.37	27.95
Carlatton & Cumrew	1,700	0.00	1,700	58.47	29.07
Castle Carrock	5,217	35.81	5,253	141.95	36.75
Cummersdale	11,632	151.35	11,783	496.94	23.41
Cumwhitton	4,471	29.00	4,500	134.77	33.18
Dalston	65,478	983.75	66,462	1,156.87	56.60
Denton Nether	6,833	166.65	7,000	101.62	67.24
Denton Upper	1,200	15.82	1,216	34.95	34.34
Farlam	5,730	68.47	5,798	222.57	25.74
Hayton	16,197	303.21	16,500	842.98	19.21
Hethersgill	6,781	218.83	7,000	123.31	54.99
Irthington	6,616	74.59	6,691	314.70	21.02
Kingmoor	9,103	98.19	9,201	396.31	22.97
Kingwater	953	16.97	970	60.97	15.63
Kirkandrews	7,873	203.14	8,076	152.19	51.73
Kirklington	2,198	17.36	2,215	144.11	15.25
Midgeholme	0	0.00	0	22.55	0.00
Nicholforest	5,857	142.53	6,000	133.70	43.81
Orton	6,388	112.07	6,500	169.31	37.73
Rockcliffe	4,881	111.18	4,992	297.72	16.39
Scaleby	5,366	33.84	5,400	137.96	38.90
Solport & Stapleton	2,778	22.48	2,800	142.02	19.56
Stanwix Rural	43,045	494.95	43,540	1,339.64	32.13
St Cuthbert Without	24,187	313.40	24,500	1,574.76	15.36
Walton	5,393	106.65	5,500	105.20	51.27
Waterhead	1,204	2.66	1,207	50.64	23.78
Westlinton	1,963	37.33	2,000	135.90	14.44
Wetheral	145,177	1,823.38	147,000	2,454.68	59.14
<b>Total</b>	<b>598,221</b>	<b>14,830</b>	<b>613,051</b>		

**2017/18 Council Tax Surplus to be distributed in 2018/19**

	£	£
Income into Fund 2017/18		
Council Tax Payments (inc MOD)	55,671,652	
Plus Arrears to be Collected 2018/19 Onwards	1,168,324	
Net Transfers from Council Fund		
Rebates Including Second Adult		
Total Estimated Income 2017/18	<b>56,839,977</b>	
Expenditure from Fund 2017/18		
Police Authority Precept	7,269,495	12.8%
County Precept	42,181,311	74.4%
City Including Parish Precepts	7,210,422	12.7%
	<b>56,661,228</b>	
Estimated (Deficit)/Surplus on Fund as at 15/01/18	<b>178,749</b>	
1. <u>Surplus to be Returned 2018/19</u>		
(Surplus) on Collection Fund 31/03/17	(1,708,288)	
Deficit/(Surplus) 1993-2016	56,492	
Deficit/(Surplus) 2017/18 (See Above)	(178,749)	
Less (Deficit) / Surplus Distributed to 2016/17	1,066,888	
Deficit / (Surplus) to be Returned 2018/19	<b>(763,657)</b>	
Police Authority Share	(97,975.30)	
County Council Share	(568,502.57)	
City Council Share	(97,179.14)	
	<b>(763,657.00)</b>	

Note 1 – The Chief Finance Officer has determined a recurring surplus of £50,000 from 2019/20 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 6 March 2018 the City Council calculated the Council Tax Base 18/19:-
  - a) For the whole Council area as 33,326.46 (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:

<b>Parish of:</b>	
Arthuret	698.87
Askerton	54.24
Beaumont	194.28
Bewcastle	138.86
Brampton	1,515.88
Burgh By Sands	488.70
Burtholme	84.37
Carlton & Cumrew	58.47
Castle Carrock	141.95
Cummersdale	496.94
Cumwhitton	134.77
Dalston	1,156.87
Denton Nether	101.62
Denton Upper	34.95
Farlam	222.57
Hayton	842.98
Hethersgill	123.31
Irthington	314.70
Kingmoor	396.31
Kingwater	60.97
Kirkandrews	152.19
Kirklington	144.11
Midgeholme	22.55
Nicholforest	133.70
Orton	169.31
Rockcliffe	297.72
Scaleby	137.96
Solport & Stapleton	142.02
Stanwix Rural	1,339.64
St Cuthbert Without	1,574.76
Walton	105.20
Waterhead	50.64
Westlinton	135.90
Wetheral	2,454.68
& for the urban area of CARLISLE	19,204.47
<b>Total</b>	<b>33,326.46</b>

2. Calculate that the Council Tax requirement for the Council’s own purposes for 2018/19 (excluding Parish Precepts) is £6,905,243

3. That the following amounts be now calculated by the City Council for the year 2018/19 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 (as amended):-
  - (a) 12,581,371 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) £3,730,728 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
  - (c) £7,503,464 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) £225.15 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) £598,221 Being the aggregate amount of all special items (Parish Precepts) referred to in Section 34(1) of the Act.
  - (f) £207.20 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 2018/19 for each part of its area and for each of the categories of dwellings.

<b>BASIC AMOUNT OF COUNCIL TAX FOR CITY COUNCIL SERVICES APPLICABLE TO EACH CATEGORY OF DWELLING IN EACH PART OF</b>								
<b>PART OF THE COUNCIL'S AREA</b>	<b>VALUATION BANDS</b>							
	<b>BAND A</b>	<b>BAND B</b>	<b>BAND C</b>	<b>BAND D</b>	<b>BAND E</b>	<b>BAND F</b>	<b>BAND G</b>	<b>BAND H</b>
Parish of:	£	£	£	£	£	£	£	£
ARTHURET	184.78	215.59	246.38	277.18	338.77	400.37	461.96	554.36
ASKERTON	138.13	161.16	184.18	207.20	253.24	299.29	345.33	414.40
BEAUMONT	163.48	190.74	217.98	245.23	299.72	354.22	408.71	490.46
BEWCASTLE	158.94	185.44	211.93	238.42	291.40	344.39	397.36	476.84
BRAMPTON	191.46	223.38	255.29	287.20	351.02	414.85	478.66	574.40
BURGH BY SANDS	159.62	186.23	212.83	239.43	292.63	345.84	399.05	478.86
BURTHOLME	156.76	182.90	209.02	235.15	287.40	339.66	391.91	470.30
CARLATTON & CUMREW	157.51	183.77	210.02	236.27	288.77	341.28	393.78	472.54
CASTLE CARROCK	162.63	189.74	216.85	243.95	298.16	352.37	406.58	487.90
CUMMERSDALE	153.74	179.37	204.99	230.61	281.85	333.10	384.35	461.22
CUMWHITTON	158.81	185.29	211.75	238.22	291.15	344.10	397.03	476.44
DALSTON	175.86	205.18	234.49	263.80	322.42	381.05	439.66	527.60
DENTON NETHER	182.96	213.46	243.95	274.44	335.42	396.41	457.40	548.88
DENTON UPPER	161.02	187.87	214.70	241.54	295.21	348.89	402.56	483.08
FARLAM	155.29	181.18	207.06	232.94	284.70	336.47	388.23	465.88
HAYTON	150.44	175.52	200.59	225.66	275.80	325.95	376.10	451.32
HETHERSGILL	174.79	203.93	233.06	262.19	320.45	378.72	436.98	524.38
IRTHINGTON	152.14	177.51	202.86	228.22	278.93	329.65	380.36	456.44
KINGMOOR	153.44	179.03	204.60	230.17	281.31	332.47	383.61	460.34
KINGWATER	148.55	173.32	198.07	222.83	272.34	321.87	371.38	445.66
KIRKANDREWS	172.62	201.39	230.16	258.93	316.47	374.01	431.55	517.86
KIRKLINTON	148.30	173.02	197.74	222.45	271.88	321.32	370.75	444.90
MIDGEHOLME	138.13	161.16	184.18	207.20	253.24	299.29	345.33	414.40
NICHOLFOREST	167.34	195.23	223.12	251.01	306.79	362.57	418.35	502.02
ORTON	163.28	190.51	217.72	244.93	299.35	353.79	408.21	489.86
ROCKCLIFFE	149.06	173.91	198.75	223.59	273.27	322.96	372.65	447.18
SCALEBY	164.06	191.42	218.76	246.10	300.78	355.48	410.16	492.20
SOLPORT & STAPLETON	151.17	176.37	201.57	226.76	277.15	327.54	377.93	453.52
STANWIX RURAL	159.55	186.15	212.74	239.33	292.51	345.70	398.88	478.66
ST CUTHBERT WITHOUT	148.37	173.11	197.83	222.56	272.01	321.48	370.93	445.12
WALTON	172.31	201.04	229.75	258.47	315.90	373.35	430.78	516.94
WATERHEAD	153.98	179.66	205.32	230.98	282.30	333.64	384.96	461.96
WESTLINTON	147.76	172.39	197.02	221.64	270.89	320.15	369.40	443.28
WETHERAL	177.56	207.16	236.75	266.34	325.52	384.71	443.90	532.68
All other parts of the City Council's area	138.13	161.16	184.18	207.20	253.24	299.29	345.33	414.40

	<b>VALUATION BANDS</b>							
<b>Precepting Authority</b>	<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>
	£	£	£	£	£	£	£	£
Cumbria County Council	888.09	1,036.10	1,184.11	1,332.13	1,628.16	1,924.19	2,220.22	2,664.26
Police & Crime Commissioner for Cumbria	155.16	181.02	206.88	232.74	284.46	336.18	387.90	465.48

## Aggregate of Council Tax requirements

AMOUNT OF COUNCIL TAX TO BE LEVIED IN 2018/19 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	1,228.03	1,432.71	1,637.37	1,842.05	2,251.39	2,660.74	3,070.08	3,684.10
ASKERTON	1,181.38	1,378.28	1,575.17	1,772.07	2,165.86	2,559.66	2,953.45	3,544.14
BEAUMONT	1,206.73	1,407.86	1,608.97	1,810.10	2,212.34	2,614.59	3,016.83	3,620.20
BEWCASTLE	1,202.19	1,402.56	1,602.92	1,803.29	2,204.02	2,604.76	3,005.48	3,606.58
BRAMPTON	1,234.71	1,440.50	1,646.28	1,852.07	2,263.64	2,675.22	3,086.78	3,704.14
BURGH BY SANDS	1,202.87	1,403.35	1,603.82	1,804.30	2,205.25	2,606.21	3,007.17	3,608.60
BURTHOLME	1,200.01	1,400.02	1,600.01	1,800.02	2,200.02	2,600.03	3,000.03	3,600.04
CARLATTON & CUMREW	1,200.76	1,400.89	1,601.01	1,801.14	2,201.39	2,601.65	3,001.90	3,602.28
CASTLE CARROCK	1,205.88	1,406.86	1,607.84	1,808.82	2,210.78	2,612.74	3,014.70	3,617.64
CUMMERSDALE	1,196.99	1,396.49	1,595.98	1,795.48	2,194.47	2,593.47	2,992.47	3,590.96
CUMWHITTON	1,202.06	1,402.41	1,602.74	1,803.09	2,203.77	2,604.47	3,005.15	3,606.18
DALSTON	1,219.11	1,422.30	1,625.48	1,828.67	2,235.04	2,641.42	3,047.78	3,657.34
DENTON NETHER	1,226.21	1,430.58	1,634.94	1,839.31	2,248.04	2,656.78	3,065.52	3,678.62
DENTON UPPER	1,204.27	1,404.99	1,605.69	1,806.41	2,207.83	2,609.26	3,010.68	3,612.82
FARLAM	1,198.54	1,398.30	1,598.05	1,797.81	2,197.32	2,596.84	2,996.35	3,595.62
HAYTON	1,193.69	1,392.64	1,591.58	1,790.53	2,188.42	2,586.32	2,984.22	3,581.06
HETHERSGILL	1,218.04	1,421.05	1,624.05	1,827.06	2,233.07	2,639.09	3,045.10	3,654.12
IRTHINGTON	1,195.39	1,394.63	1,593.85	1,793.09	2,191.55	2,590.02	2,988.48	3,586.18
KINGMOOR	1,196.69	1,396.15	1,595.59	1,795.04	2,193.93	2,592.84	2,991.73	3,590.08
KINGWATER	1,191.80	1,390.44	1,589.06	1,787.70	2,184.96	2,582.24	2,979.50	3,575.40
KIRKANDREWS	1,215.87	1,418.51	1,621.15	1,823.80	2,229.09	2,634.38	3,039.67	3,647.60
KIRKLINTON	1,191.55	1,390.14	1,588.73	1,787.32	2,184.50	2,581.69	2,978.87	3,574.64
MIDGEHOLME	1,181.38	1,378.28	1,575.17	1,772.07	2,165.86	2,559.66	2,953.45	3,544.14
NICHOLFOREST	1,210.59	1,412.35	1,614.11	1,815.88	2,219.41	2,622.94	3,026.47	3,631.76
ORTON	1,206.53	1,407.63	1,608.71	1,809.80	2,211.97	2,614.16	3,016.33	3,619.60
ROCKCLIFFE	1,192.31	1,391.03	1,589.74	1,788.46	2,185.89	2,583.33	2,980.77	3,576.92
SCALEBY	1,207.31	1,408.54	1,609.75	1,810.97	2,213.40	2,615.85	3,018.28	3,621.94
SOLPORT & STAPLETON	1,194.42	1,393.49	1,592.56	1,791.63	2,189.77	2,587.91	2,986.05	3,583.26
STANWIX RURAL	1,202.80	1,403.27	1,603.73	1,804.20	2,205.13	2,606.07	3,007.00	3,608.40
ST CUTHBERT WITHOUT	1,191.62	1,390.23	1,588.82	1,787.43	2,184.63	2,581.85	2,979.05	3,574.86
WALTON	1,215.56	1,418.16	1,620.74	1,823.34	2,228.52	2,633.72	3,038.90	3,646.68
WATERHEAD	1,197.23	1,396.78	1,596.31	1,795.85	2,194.92	2,594.01	2,993.08	3,591.70
WESTLINTON	1,191.01	1,389.51	1,588.01	1,786.51	2,183.51	2,580.52	2,977.52	3,573.02
WETHERAL	1,220.81	1,424.28	1,627.74	1,831.21	2,238.14	2,645.08	3,052.02	3,662.42
All other parts of the City Council's area	1,181.38	1,378.28	1,575.17	1,772.07	2,165.86	2,559.66	2,953.45	3,544.14



Meeting Date: 6<sup>th</sup> March 2018

Public/Private\*: Public

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

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## **BORDERLANDS**

Discussions on the detail of the Borderlands Growth Deal are ongoing with UK and Scottish Governments, triggered by a meeting with the two UK Government Ministers championing the Deal in January. Consultation is planned with businesses and stakeholders to further explore the detail of the Deal.

## **COUNCIL TAX SUPPORT FOR CARE LEAVERS**

A meeting has taken place to discuss a countywide scheme to provide council tax support for young people leaving care. All of the District Councils were represented at the meeting as was Cumbria County Council. All six of the Districts and Cumbria County Council are supportive of a scheme and the Police & Crime Commissioner has also indicated support. All of the authorities are in agreement to provide council tax support for Care Leavers from April 2018.

Now that the principle has been confirmed, a further meeting will take place to agree what the scheme will be and how it is implemented and funded.

## **CARLISLE DEMENTIA ACTION ALLIANCE**

The Carlisle Dementia Action Alliance held a development day at the Civic Centre, following the successful launch event in May 2017. Stakeholder representation included: Asda, Active Cumbria, Alzheimer's Society, Botcherby Community Centre, Carlisle City

Council, Churches Together in Cumbria, Cumberland Building Society, Cumbria County Council, Cumbria Partnership Trust, Rotary Club of Brampton & Longtown and Tullie House.

Attendees presented ideas, policies and best practices that they have implemented. The aim was to cultivate ideas from across the Dementia Action Alliance and beyond to move us towards the goal of transforming Carlisle into a Dementia Friendly City.

Two examples of great work across the City were presented by Cumbria County Council Library Services and Cumberland Building Society.

It was explained how Carlisle Library Service is evolving to better serve and improve the experience of those both with dementia and caring for those with dementia. Initiatives included improving library facilities in order for the library to function better for those with dementia, hosting reading groups and providing dementia resource bags which were full of information and free stimulating books, audio books, puzzles, films, music, smell pots and quizzes.

Cumberland Building Society demonstrated how the organisation continues to build awareness and understanding of dementia into its everyday practices and thinking. The Cumberland Building Society now has at least one 'Dementia Friend' in every branch (34 branches), has successfully implemented the 'mother test' (Treat everyone how you would like your own mother to be treated) and has raised £19,896 for the Alzheimer's Society.

The presentations were truly inspiring and a testament to the outstanding work being done by the Dementia Action Alliance.

The next meeting will coincide with the first anniversary of the launch of Carlisle Dementia Action Alliance. The aim is to use the anniversary to celebrate and share the innovative work demonstrated at the development day with a wider audience and encourage other businesses and organisations across the city to join the Dementia Action Alliance and drive the transformation of Carlisle into a Dementia Friendly City.

## **PLASTIC FREE CARLISLE**

The Council's announced intention to move towards becoming Plastic Free has been warmly welcomed by partners and residents. Plastic Free Cumbria is one of the fastest growing campaigns in recent years and the city is keen to play its part. Long established practices and attitudes towards single-use plastic will not be changed overnight, but this is the start of a journey to improve the local environment for generations to come.

A number of people and organisations have said that they are keen to join us in this work and we look forward to various initiatives and activities that are being planned. The work will include reducing the amount of single-use plastics and packaging being used, dealing with litter in and around the district and encouraging more people to use recycling facilities.

## **ROUND-UP OF EVENTS**

The events were delivered very successfully at Christmas and well received by the public and visitors.

There were over 1000 people attended the Santa's Grotto and Winter Wonderland in the City Centre from the 16<sup>th</sup> – 21<sup>st</sup> December 2017.

Plans are being made for the Christmas events for 2018 including a brand-new Christmas lights scheme.

The Chinese New Year Festival took place on 16<sup>th</sup> February. The event included a Dragon Dance, Music and Drumming workshop, arts and crafts demonstrations and acrobatic performances in the City Centre.

The Easter Fair returns to Castle Car Park from the 29<sup>th</sup> March to 7<sup>th</sup> April, along with the Easter International Market from the 29<sup>th</sup> March to 2<sup>nd</sup> April and there will be an Easter Pantomime at the Sands Centre.

The Carlisle Farmers market, which is held in the city centre, moved to the first Saturday of each month, is growing and working well.

## **NEXT EVENTS PLANNED**

### **Carlisle Events 2018**

**Thursday 29 March – Saturday 7th April 2018** Easter Fair at Castle Car Park

**Thursday 29 March - Monday 2 April** Easter International Market, Carlisle city centre

**Tuesday 22 May - Sunday 8 July** Weeping Window Installation, Carlisle Castle

**Monday 28 May** Upperby Gala, Hammond's Pond

**Saturday 16 June** Cumberland Show, East Park, Brisco

**Sunday 17 June** Lionel Richie, Carlisle United FC, Brunton Park

**Saturday 30 June** Armed Forces Day, Carlisle city centre

**Saturday 7 July** Unity Festival, Carlisle city centre

**Saturday 7 July** Paloma Faith, Carlisle Racecourse

**Sunday 15 July** Cancer Research UK Pretty Muddy and Race for Life, Bitts Park

**Wednesday 18 July** The Importance of Being Earnest open-air theatre, Talkin Tarn

**Thursday 9 August** Pirate Pearl and the Big Blue Monster, open-air theatre, Talkin Tarn

Report to:

**Council**

Agenda  
Item:

11(b)(ii)

Meeting Date: 6<sup>th</sup> March 2018

Public/Private\*: Public

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

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## **FINANCIAL SERVICES**

### **Strategic Planning**

The Council, at its meeting on 6<sup>th</sup> February, approved the revenue and capital budgets for 2018/19, including a £5 per annum increase for a Band D property for 2018/19 for the city and surrounding areas. Tonight's Council, which is the final element of the 2018/19 budget process, will formally approve the overall council tax for the Carlisle area.

### **2017/18 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 new statutory deadline of 31 May (one month earlier than previous years).

## **ELECTORAL REGISTRATION**

The section have organised and administered the Referendum for the Dalston Neighbourhood Plan. The referendum was held on Thursday 22<sup>nd</sup> February.

A refresh of the Absent Vote Signature process has been completed. This year there were 4376 signatures which required a refresh.

Arrangements are being made for the City Council elections which this year will be held on Thursday 3<sup>rd</sup> May. There are 17 Wards where there will be scheduled elections this year.

## **INFORMATION MANAGEMENT**

Recent counts for information requests (From 9 December – 9 February 2018):

- Environmental Information Regulations requests received - 9
- Environmental Information Regulations requests responded to - 10
- Freedom of Information Act requests received – 64
- Freedom of Information Act requests responded to - 66
- Data Protection Act subject access requests received - 1
- Data Protection Act subject access requests responded to – 0
- Data Protection Act s29/s35 requests received - 0
- Data Protection Act s29/s35 requests responded to – 0

## **ORGANISATIONAL DEVELOPMENT**

The apprenticeship programme continues to grow and we are currently developing a process to support the salary costs of additional apprenticeships. This will provide the Council with the opportunity to support development in key areas to aid future progression planning. Access to this provision will be available at three points during the year.

Cholesterol Checks and a Finance Awareness day were delivered at the Civic Centre and also at Bousteads Grassing, this was very well supported. Further Health and Wellbeing events have been planned and include sleep awareness and additional mental health support. The recent review with the 'Better Health at Work' award co-ordinator confirmed the excellent work the City Council is doing and that we are working at a higher level.

We have listened to staff comments and are discussing options to create a temporary rest /staff room facility, this will provide a relaxation area where staff can go to eat and meet colleagues.

Skill Gate the eLearning programme continues to grow in use and we are now planning to develop key learning modules for specific service areas resulting in the attainment of certificates. This will contribute to the identification of a bespoke learning experience for service areas without a qualification framework in place.

We have 5 Managers undertaking a level 4 management development programme with the University, fully funded, we will evaluate the success of this once completed and may be able to repeat this opportunity.

Meeting Date: 6<sup>th</sup> March 2018

Public/Private\*: Public

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

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## **GREEN SPACES & BEREAVEMENT SERVICES**

**Green Spaces** have been busy working on a new project in Bitts Park. The disused bowling green has been remodelled and will soon be the site of a modern outdoor gym. Aimed at keeping people active, the new equipment will include instructions on how to use it to keep fit and active. It will be located close to the children's play area and we hope it will encourage families to visit the park and have fun together.

In Dalston, money from a Section 106 planning agreement has been used to replace the dilapidated play area at Summerfields. Once complete the new play area will be handed over to Dalston Parish Council to maintain.

Allotment occupancy continues to rise as we bring derelict plots back into use, with the figure now standing at 86%. We have also had more applications for self-managed allotments, with Nicholson Street being the latest site to make the move.

The team has also started preparations for the 2018 Fireshow which will be on the theme of the Centenary of Women's Emancipation.

**Talkin Tarn** – A local vet showed his compassionate side and his professional skill in rescuing a young swan that had become entangled in discarded fishing tackle. Having coaxed it from the tarn he took it to the surgery for a lengthy operation to remove the hooks and line from the bird's gizzard before delivering it to Knox Wood Wildlife Rescue Centre for a few days of care until it could be released safely back to the rest of its family at Talkin Tarn.

**Bereavement Services** It is 25 years since Carlisle became the very first place in the world to offer 'woodland burial' as an option for those who prefer a natural funeral. Instead of a headstone, a tree is planted over the grave and becomes the living

memorial to the deceased person. Since the first woodland burials took place in 1993, hundreds of people have chosen this option. As a result, new woodlands are maturing in the cemetery made up of native trees and creating new habitats for wildlife. Former Bereavement Services manager Ken West, now retired, was the driving force behind this world-first for Carlisle.

## **ENVIRONMENTAL HEALTH**

The Environmental Health Services provide both regulatory and advice services to support local businesses. It is pleasing to note that in surveys of businesses contacted following inspections over **90%** of those who responded either agree or strongly agree that the Environmental Health visits are both helpful and fair.

## **CAR PARKING**

Avid readers of these reports will recall that last time we agreed to gate some car parks after consultation with the Police to inhibit anti-social behaviour. Castle, Caldew Riverside and West Walls car parks were gated from 8.00pm. After receiving several reasoned arguments, the City Council has now made arrangement that West Walls will closed from 11pm.

We are very pleased to have received thanks from residents on Abbey Street and Milbourne Court for their first few peaceful nights in a considerable period.

New charges will be introduced on the 3<sup>rd</sup> April including a new early bird tariff. Vehicles parking in The Sands, The Viaduct and West Walls car parks before 9.30am can do so at a discounted rate.

## **NEIGHBOURHOOD SERVICES**

**Christmas Refuse and Recycling Collections** - This report provides an opportunity to register appreciation for the efforts of the Neighbourhood Services staff that worked across weekends over Christmas and New Year to catch up on refuse collections at this busy time of year.

**Christmas Tree Collections For Charity** - I would also like to register my thanks to all the volunteers and supporters as well as the Council staff for their efforts in collecting over 500 Christmas trees across Carlisle and Penrith, raising over £4,000 in donations for Hospice at Home (Carlisle and North Lakeland). This scheme was expanded to

different post-code areas in Carlisle this year following a successful trial in Christmas 2016. Hopefully, we can work with this organisation again to support further collections and raise more money for this important charity.

## **PUBLIC SPACE PROTECTION ORDER**

Public consultation on the proposed PSPO for Carlisle ran from December 2017 to January 2018. The Council received 93 responses with comments overall very positive in support of the controls proposed to be included in the new order. Scrutiny considered the PSPO at its meeting in February with Executive due to review at its meeting in March. If agreed, the PSPO will run for three years and will be a clear and visible demonstration that the City Council is serious in tackling the problem of anti-social and nuisance behaviour working with our partners.



Meeting Date: 6<sup>th</sup> March 2018

Public/Private\*: Public

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

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## **ST CUTHBERT'S GARDEN VILLAGE**

A six-week period of public engagement is underway on the scope of a St. Cuthbert's Local Plan and a vision for the new development. The engagement is running parallel to one by Cumbria County Council seeking views on two route options for a potential new Carlisle Southern Link Road.

The engagement runs from 26<sup>th</sup> January until 9<sup>th</sup> March. Over 1,000 people attended drop in events at the Racecourse on 2<sup>nd</sup> and 3<sup>rd</sup> February and in The Lanes Shopping Centre on 9<sup>th</sup> and 10<sup>th</sup> February. An event was held at the Racecourse on 8<sup>th</sup> February for regulatory stakeholders and specific interest groups.

Further engagement activities are planned, including focussed stakeholder workshops, engagement with youth organisations and potentially schools as well as Members. An online questionnaire is also available.

Further information is available on the recently launched St Cuthbert's website [www.stcuthbertsgv.co.uk](http://www.stcuthbertsgv.co.uk).

## **AFFORDABLE AND SPECIALIST HOUSING**

The “Demonstration Project” scheme at Beverley Rise, Harraby, received full planning permission at January’s Development Control Committee. The scheme will provide 40 new 2 & 3 bedroom affordable rented family houses, while simultaneously providing practical onsite training opportunities for students from Carlisle College.

## **HOMELESS, PREVENTION AND ACCOMMODATION SERVICES**

From 1<sup>st</sup> April 2017 – 31<sup>st</sup> December 2017:

- Made 111 statutory homelessness decisions; and accepted a full homeless duty to 23 households
- Provided housing and homelessness advice to 715 households
- Prevented or relieved 395 households from experiencing homelessness
- Accommodated 136 households in temporary accommodation; 115 households departed, of which 76 were supported to move on positively within an average of 7 weeks
- 31 households were accommodated who were fleeing domestic violence and 24 were supported to move on to safe and secure longer-term accommodation within an average of 7 weeks
- Processed 70 low cost housing applications, of which 30 were approved
- Processed 12 applications to the Carlisle Deposit Guarantee Scheme, of which 10 were approved
- Assisted 4 household with arrears, and 20 households with rent in advance payments
- Achieved benefit gains of £1,096,259.80

The service has recruited, inducted and trained additional staff members to the Homeless Accommodation Service in the run up to reopening the men's scheme at John Street. In addition, the new two year externally funded Prevention and Crisis Support Team members are now in post and working to establish the service locally to assist people at risk of or affected by domestic / sexual abuse or who are vulnerable to all other forms of exploitation.

The service is also making preparations to ensure that we are able to meet the legislative changes required as a result of the Homelessness Reduction Act 2017, due to be enacted

on 3rd April 2018. Awareness sessions were arranged for stakeholders and Members which took place in February.

## **CENTRAL PLAZA**

Following a partial collapse of a chimney on the Central Plaza, Building Control have had no alternative but to partially close off West Walls Road on public safety grounds. Building Control have been working closely with a contractor in order to prepare a viable scheme to remove the danger and re open the road as soon as practicable.

## **CARLISLE BUSINESS INTERACTION CENTRE (BIC)**

There has been interest in the available space within the building following the withdrawal of the University at the end of December. The Regeneration and Strategic Asset Investment Services teams have been working together to secure suitable tenants. Lease agreements for several of the spaces are currently being finalised.

The Regeneration team has submitted an outline business case to the European Regional Development Fund to use the BIC as an incubator 'hub' for businesses in the creative and digital sectors. The project would enable the provision of mix of shared and self-contained workspaces, ICT equipment and bespoke business support.

## **CITY CENTRE PUBLIC REALM**

The installation programme for the 30 fingerpost directional signs and 11 information hubs across the city is now nearing completion and will conclude this month. They have generated a lot of interest and there has been a very positive reaction to them from residents, businesses and visitors in terms of their design and content.

## **HOUSING**

**Empty Properties:** - There are approximately 240 long term empty homes in Carlisle.

The City Council's Empty Homes and Grants Officer is actively identifying and tackling long term empty homes. The post is working with a range of services and agencies, using a mixture of persuasion, advice and enforcement to bring properties back into use. The Empty Homes and Grants Officer is also working closely with the Homelife Home Improvement Agency to assist residents staying safe and warm in their homes.



Report to:

# Council

Agenda  
Item:

11(b)(v)

Meeting Date: 6<sup>th</sup> March 2018

Public/Private\*: Public

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

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## SMARTER SERVICE DELIVERY PROJECT

The Smarter Service project continues to develop and deliver improvements to our key services. The project was nominated for the iNetwork awards on 30/01/2018 in Manchester, and our work created a lot of interest for the use of Salesforce and the development of the Customer Database. We also gained interest for our new waste tracking system called Web Aspx (pronounced web aspects). This system allows our advisors to see any issues (i.e. missed collections) in real time with the ability to know where waste vehicles are at any given point. Advisors can now answer the majority of waste queries quicker without placing calls on hold. We are now working on integration between Salesforce and Web Aspx to further enhance the customer experience as any issues raised from 'the cab' will automatically raise the appropriate action in Salesforce. This will seek to resolve common customer queries before we are contacted.

Our 'My Account' service is rapidly gaining in popularity. There are over 30 services available on My Account of which 28 link directly to the Salesforce system. The website is constantly evolving so we can direct more traffic to self-service. This allows customers to access our services at any time, providing a confirmation we have received a query with a relevant reference number. Queries received over this contact channel do not require data input from officers, freeing up time for customers who need our help the most. To give an idea of growth, we had 18170 users on 21/01/2018 and 18476 users as of 11/02/2018.

## **SUGAR SMART SURVEY AND LAUNCH EVENT**

On 29<sup>th</sup> November 2017 we launched the Sugar Smart Carlisle Survey which aimed to gain a greater understanding of people's awareness around sugar and actions they might like to see taken forward. The Survey ran until Tuesday 9<sup>th</sup> January, was promoted through social media channels and made available in hard copies. Prizes were also donated by partners (such as a fruit and vegetable hamper) to encourage uptake.

There were over 317 responses during the survey period and the survey remains open as we further engage with the public and communities. 76% of the responses would like more information about sugar.

The survey responses will be used to further shape the project moving forward and the individuals who made pledges are being contacted.

Sugar Smart Carlisle Summit was launched at Carlisle College on Friday 19<sup>th</sup> January. Over 80 people joined attended the event which aimed to raise awareness of the impact of added sugars can have on our health and how we as a district can work together to help educate.

Key speakers included the Mayor, National Sugar Smart UK lead, Director of Public Health and local professional practitioners. The local issues were highlighted, including local statistics, pledges and work to date. We also showcased some of the amazing local pledges and action which have been taking place. This included:

- Presentations from local Primary Schools (Belle Vue Primary School, St Bedes School and Newlaithes Infant School), who presented their ideas on how to be more Sugar Smart and gave presentations, produced posters and plays.
- Carlisle College produced and premiered an information film, which interviewed local partners and organisations around the topic. This was picked up nationally. They also produced a number of sugar smart recipes.

At the end of the session a sugar smart lunch was also provided by Carlisle College using the recipes produced by Carlisle College.

Feedback was positive and additionally highlighted the positive learning experience the students and young people had got from being involved.

## **WALKING FOR HEALTH**

### **NEW Walking for Health programme launch (January – July)**

Carlisle Doorstep walks programme continue to grow in numbers and success and receives attendees from across the City and district. Last year's attendance figures for this programme alone highlight that over 188 different people attended the walks, with a total of 1362 (up on last year's figures by 197 attendances). We have also seen an increase in referrals to the programme (examples include: First Step, Physiotherapy services and GP's to name a few). When we consider the entry, and exit programmes (such as the Tuesday Trundles and pilot of the evening and weekend walks) the figures rise to 2090 attendances - a record breaking number of attendances!

The new Wednesday Walking for Health programme runs from January – July 2018 and includes a number of accessible walks. Walks are free to attend and take place at 10.30am and 1pm every other Wednesday at various locations across the district. The location of the walk moves, in order to make it more accessible to different people across the district – taking the guided programme out to communities. We are grateful to the many volunteers who assist in the running of this programme and to the staff who develop and manage the programme behind the scenes.

**National recognition:** The programme has also been recognised and promoted by the national team, who have used several of the case studies shared with referral agencies / partners.

### **TUESDAY TRUNDLES**

The Walking programmes continue to grow in numbers and a new programme of Tuesday walks have been released. This block of walks runs every other Tuesday at 10am from various locations around the Carlisle District between the 9<sup>th</sup> January and the 20<sup>th</sup> March). As these walks are an exit route from the Wednesday Walking for Health programme (due to user feedback and health gains), they are more challenging and therefore vary in distance and difficulty.

This programme is an outcome of the success of the Wednesday Walking programme, the improvement in health and fitness gains and the investment in volunteers. We are extremely grateful to all of our wonderful volunteers who take time to lead walks, assess

routes, develop the programme and attend events. Without them, the scheme would not be the success it is. The most recent programme has been designed and developed by local volunteers.

If anyone would like further information on any of the programmes, or is interested in attending, please contact the Partnership Manager. Information on all programmes is available from: <http://carlislepartnership.carlisle.city/Partnerships/Healthy-City/walking-and-exercise>.

## **DISABLED FACILITY GRANT**

Delivery continues to improve on previous years. Over £880,000 worth of grants have been paid this year providing essential facilities such as low access showers and stairlifts and ensuring vulnerable people are safe and warm in their homes.

## **COMMUNITY SAFETY PARTNERSHIP**

**Multi Agency Hub** - Key agencies met to discuss and review the work of the recently formed multi agency hub. The partners agreed that the hub is ideally located in the Civic Centre and is considered to be an early success and is continually developing. Accommodation was discussed along with training opportunities, communication with internal and external sources and increasing partnership engagement.

The Carlisle and Eden Community Safety Partnership are in the process of preparing their Partnership Plan and setting their objectives for 2018/2019.

The Carlisle and District Federation of Community Organisations has recently secured £9,995 from the National Lottery Awards for All scheme. The funding will be used to re-launch the Federation, help them to develop a marketing and training strategy and increase membership.

Meeting Date: 6<sup>th</sup> March 2018

Public/Private\*: Public

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

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## **OLD FIRE STATION**

Ticket sales across events remain strong with twenty-one events having now sold out since we reopened. Bear and Butterfly was our first children's show held during term-time and proved very popular. The next children's show is scheduled for March has already sold out.

Talks are underway with West Walls Artists to develop a public gallery in the Dormitory Room. The University are also keen to make more artistic links around gallery space and display of work.

A new style 'What's On' flyer has been developed and will be distributed on a monthly basis. We have also created new multi-show posters to help promote the many shows scheduled.

## **CRACKER PACKERS STATUE**

The bronze statue depicts two women workers - one from past times and one from the modern day dressed in their respective factory uniforms - will be unveiled on International Women's Day, Thursday 8 March 2018.

Carlisle City Council successfully applied for Heritage Lottery Funding for a project celebrating the lives of female workers past and present at the McVities Factory,

affectionately known as Cracker Packers. Tullie House is delighted to be their heritage partner on this project and has been working with a group of participants to collect their stories. These will be used to create a touring display celebrating the history of the Cracker Packers and the factory itself, which will be launched at the Old Fire Station. The display will be in our Special Exhibitions Gallery during March and April, and then tour community venues around the city. The project was inspired by the commission and unveiling of the Cracker Packers statue at Paddy's Market, and is also part of a wider celebration of 'Women in Cumbria' taking place during March to celebrate the anniversary of women's suffrage. Other events taking place as part of this programme include a parade through Carlisle City Centre organised by Girl Guiding, with groups carrying textile banners inspired by the collections of museums across Cumbria, including Tullie House. We will also be holding a 'Woman Up' event, a day of talks and discussions exploring what it means to be a woman in Cumbria today.

## **TOURIST INFORMATION CENTRE**

January has seen an increase in visitor numbers, increasing from 3478 visitors in 2017 to 5279 in 2018. The Tourist Information Centre have a 'pop up' stand at Carlisle Train Station to welcome the visitors to the city, especially when there is a steam train arriving.

## **Commemorative Charity Cards**

The Tourist Information Centre is an outlet for the charity cards of Robin Oliver for the 'The Royal British Legion'. The artist aims to raise a minimum of £1,000 on the run up to Armistice Day on 11 November 2018. One of the card designs features one of Robin's poppy paintings, which was made, framed, and taken by him to the Cenotaph in London in 2014, and displayed there.

## **DISCOVER CARLISLE WEBSITE**

The new Discover Carlisle website launched 30 November 2017. The analytics show visitor numbers to the site over the first 3 months;

Number of users = 9,568

Number of pageviews: = 23,657

#### Demographics:

UK: 88.9%	USA: 3.5 %	Australia: 1.35%
Canada: 0.73%	Germany: 0.48%	Netherland: 0.40%
Ireland: 0.38%	Spain: 0.26%	New Zealand: 0.26%

A new Tourism Plan for Carlisle is under development and will be reviewed by the Economic Growth Scrutiny Panel.

### **TULLIE HOUSE MUSEUM & ART GALLERY TRUST – MARCH 2018**

#### **Percy Kelly**

We were delighted to announce the extension of our Percy Kelly: Line of Beauty, A Retrospective exhibition to the 18<sup>th</sup> February. Over 10,000 visitors have seen the exhibition during its run, and feedback has been incredibly positive about the quality of the works and how important it is that the work of this Cumbrian artist is showcased. A sold-out Afternoon of Talks took place in January that explored aspects of Percy Kelly's fascinating life, with weekly gallery tours added during the extension due to popular demand. Inspired by Percy Kelly, we have been working with Prism Arts on a Cumbria Community Foundation funded inter-generational project that saw adults from Prism's stroke survivors group meet and exchange Percy Kelly style illustrated letters with a group of pupils from Distington School on the West Coast. The two groups worked together to create an inspiring drama piece that was performed in the exhibition itself. A selection of the group's letters is currently on display in The Community Gallery.

#### **Young People's Mental Health Project**

In partnership with Cumbria County Council and Promoting Autonomy and Change Therapy Services (PAC), we have been running a six-week pilot project using art and collections as therapy for young people struggling with mental health issues. The group of young people are aged between 14 and 18 and have been referred by CCC; they meet weekly and produce creative responses ranging from fine art to drama, inspired by the TH collections. Feedback so far has been excellent, and evaluation is taking place to document the positive impact the programme is having on participant wellbeing to help secure funding for a wider project.

#### **Secret Garden**

Work has started on Tullie House's Secret Garden, in the grounds of Herbert Atkinson House. We successfully received £20,000 funding from the People's Postcode Lottery (alongside support in kind from Dobbies Garden Centre) to transform the unused garden into a fully accessibly sensory space for participants. The work will be carried out by volunteers from The Conservation Volunteers as well as participants from some of our key community partners including Making Space, Carlisle Key, Unity and Carlisle Young Carers. Long term we will be establishing a Family Garden Club, and exploring ways we can use the garden with other users including adults living with dementia.

### **Chinese Engagement Programme**

This year our February Half Term activities were inspired by all things China, with families creating kites, lanterns and decorations which were used in a parade on the Friday as part of our Chinese New Year festival. Thanks to generous support from Carlisle City Council, the University of Lancaster Confucius Institute and The Lanes, a major outdoor festival in the City Centre was staged. There were art and craft activities including lantern making, calligraphy and woodblock painting, drop in drumming and martial arts workshops, and performances by traditional Chinese acrobats. A parade through the City Centre to Tullie House took place at 3.30pm, followed by an evening of performances at the Museum.

### **Driggsby**

Driggsby the Fin Whale arrived at the Museum in January and over 50 people attended the preview night. Driggsby's installation attracted local media coverage including BBC Radio Cumbria, BBC Look North and The Cumberland News.

### **Media**

An episode of The Antiques Road Trip, aired on BBC 1 in January featured an interview with Tullie Houses' Learning Facilitator David Gopsill. Presenter Anita Manning spoke to David about Border Reivers.

### **Awards**

Trip Advisor has once again provided Tullie House Museum and Art Gallery with a Certificate of Excellence for 2017. This certificate recognises the consistent achievement of high ratings from travellers on the site.

Meeting Date: 6<sup>th</sup> March 2018

Public/Private\*: Public

Title: **Health & Wellbeing Scrutiny Panel Chairman's Report – Councillor Jack Paton**

## **MEETING HELD ON 11<sup>TH</sup> JANUARY 2018**

Firstly I would like to wish everyone a very "Happy New Year".

### Interagency Homelessness Strategy 2015 – 2020

This was a very interesting debate, it was to say the least eye-opening that over 600 households had been in temporary accommodation, they threw lots of figures at us which sounded very impressive but at the end of the day you can only help someone who wants to be helped. Like the old saying – 'you can take a horse to water but you can't force it to drink'.

Night Stop sounds a great idea on paper, but in reality I wonder how many people will take a complete stranger into their home and put them up overnight? Society has changed so much in recent years that not everyone is as trusting.

The Carlisle Deposit Guarantee Scheme I felt was a really positive step forward, where both Landlord and Tenant were protected. This I felt was long overdue in ousting unscrupulous Landlords from preying on those less fortunate. It also protects genuine Landlords from unruly Tenants.

It would be interesting to know what percentage of the public has reported any rough sleepers.

## Flood Update

I was bemused at the heading Final Flood Update Report as we are over a year on and some people are still not home. I find this totally unacceptable that we are talking about Final Reports when there is still so much to be done.

We haven't even sorted the defences yet, all we seem to get is Reports, the money that has been spent on Reports and Seminars is ludicrous, we probably could have built floodgates with the money that has been spent. Maybe if we put more effort into the solution instead of having Reports from overpaid Consultants we might be in a position to tell the population that we think they are safer now.

## Safety Partnership

The Bridgeway is an excellent service that is there for all sexual crimes and the stats we have received are more than encouraging.

## **JOINT SCRUTINY PANEL MEETING HELD ON 29<sup>TH</sup> JANUARY 2018**

I felt it was a great success to have the two Panels meet together which I felt saved a lot of time and money. I am however disappointed that we haven't looked at other venues for the new complex as I feel £19m to spend on a development which is in a flood area might come back to bite us.

Pleased that we will be using local contractors for certain jobs within the complex, also the idea of having the hospital physiotherapy made a lot of sense in a building with the amount of equipment that will be at hand and accessible.

I do still have concerns about the car parking and disabled parking at the Sands. Once the complex is finished the area will be greatly reduced and there will need to be some sort of bus service that will be available to allow patrons to park elsewhere and access the facility. We still do not have a reference on who is doing the development and it would be beneficial to find out who will be completing the project and move forward from there.

It would be helpful in future to have further Joint Panel Meetings during the development of the Sands to ensure clarity throughout the process.

With thanks to Cllr Jessica Riddle for chairing this Joint Meeting.

**Cllr Jack Paton**  
**Chairman**

Meeting Date: 6 March 2018

Public/Private\*: Public

Title: Business and Transformation Scrutiny Chairman's Report – Councillor Jessica Riddle

Meeting Date: 4 January 2018

This first meeting in the New Year was primarily concerned with the Budget reports. Before we tackled these papers however, it was reported that the Task and Finish group that had been working on the Community Asset Transfer policy had been expanded by recruiting a member from both the Economic Growth and Health and Wellbeing Scrutiny panels. This Task and Finish group would be looking at how this draft policy, that has yet to be approved by the executive, would be implemented.

### **Executive response to scrutiny comments on the budget**

The changes put forward by scrutiny had been received by the executive and built into the budget. It would be helpful if in the future a summary of the key changes could be prepared. The Chief Finance Officer agreed to this, although there was still some information that had to be added e.g. Revenue Support Grant.

The implications of the Sands Centre development would be discussed fully at a joint meeting of the Business and Transformation and Health and Wellbeing Scrutiny panels at the end of January.

### **Executive draft budget proposals**

The panel members subjected the officers and portfolio holder to a wide variety of questions ranging from Council Tax increases, Tullie House funding, business rates, to the leisure development.

When the Treasury Management Strategy statement was discussed it was agreed that in order to fully understand this information a training session should be organised.

This was duly done on the 25<sup>th</sup> January 2018 and proved to be very useful when scrutinising the Sands Centre Redevelopment a few days later.

### **Final Flood Update**

Two years after the flood in December 2015, there is still outstanding work to be completed and there are still homes being flooded. The Environment Agency will be asked to provide flood resilience grants to these properties and to tenants in flats with management companies.

Meanwhile, we continue to live with the devastation of the ground floor of the Civic Centre and look forward to its transformation.

The City Council continues to work in partnership with the Environment Agency, County Council and other partners hoping to manage future flood risks.

The Panel looks forward to the 'Lessons Learned' report currently being prepared.

### **Customer Services Update**

Customer Services is the public face of Carlisle City Council and the Support Services manager updated the panel on the work being done in the Smarter Delivery Service that has been shortlisted for an award in the category of Innovative Access for Public Services. I am pleased to report the project came joint second.

Although people are being encouraged to sign up to an electronic account there was still help available to people who do not want to engage with the council electronically and preferred either telephone or face to face contact.

Information was given on the partnerships formed with the Police, D.W.P and the Passport Office.

The customer service staff are to be commended for continuing to provide excellent service while working in difficult circumstances.

**Cllr Jessica Riddle**

**Chair – Business and Transformation Scrutiny Panel**

Meeting Date: 6 March 2018

Public/Private\*: Public

Title: Business and Transformation Scrutiny Chairman's Report – Councillor Jessica Riddle

Meeting Date: 15 February 2018

### **The Overview Report and Work Programme**

It was gratifying to note that many of the actions from previous meetings had been completed. Having this progress table on the work programme ensures resolutions do not slip by unnoticed and unanswered.

The Task and Finish group have met and once the draft policy has been approved a test case could be processed.

The Executive gave very prompt responses to the resolutions raised at the joint meeting on the 29<sup>th</sup> January 2018.

### **Quarter 3 Performance Report**

This is an exception report and the sickness absence was the only target not being met. However, it was explained that this was because of the recent flu epidemic. The next report will demonstrate whether this was a seasonable blip.

The other targets are being met on a regular basis and it was suggested that they might be stretched. However, these are national targets that the Council endeavours to meet and in many cases exceeds.

There were comments made on the 15 day corporate complaints procedure.

The panel was also interested in the city centre redevelopment plans and has requested the report.

### **Revenue Budget Overview Monitoring Report: April - December 2017**

There were questions around the ICT project finances. The use of the term “temporary” for a virement was queried. It appears that this is the accounting term for a non-recurring virement.

There were queries around the revenue contribution to the tennis canopy and the GLL reserve.

These will all be addressed at the next scrutiny panel meeting.

### **Capital Budget Overview and Monitoring Report: April – December 2017**

The Chief Financial Officer submitted this report.

There was a question on the considerable overspend against waste minimisation. Information on this will be circulated.

It was agreed that when Section 106 agreements were made, particularly in regards to cycle paths, that maintenance costs would be part of that agreement.

With regards to the Central Plaza Hotel, the Council has an obligation to keep it safe but has no obligation when it comes to road closures.

## **Part B**

### **Parkhouse Business Park – Update on Progress**

The Strategic Asset Investment Services Manager submitted an update on progress with implementation of the business plan for Kingstown Industrial Estate and Parkhouse Business Park.

This report was received by the panel.

**Cllr Jessica Riddle**

**Chair – Business and Transformation Scrutiny Panel**

Meeting Date: 6 March 2018

Public/Private\*: Public

Title: Joint Meeting of the Business and Transformation and Health and Wellbeing Scrutiny Panels. Scrutiny Chairman's Report – Councillor Jessica Riddle

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This joint meeting was called to consider the Sands Centre Redevelopment.

### **Sands Centre Redevelopment**

It was resolved that I be appointed Chair for this meeting, with Cllr Paton (Chair of Health and Wellbeing) putting forward any recommendations from the Health and Wellbeing scrutiny panel.

It was decided that although there was one issue to be discussed that after each presentation questions could be asked with resolutions made after the concluding report.

Initially confirmation was sought in the ownership of the land on which this development was to take place. This has subsequently been established that Carlisle City Council does indeed own the land.

The first presentation was given by GT3 Architects and was very detailed. This gave rise to many questions around car parking, flooding, archaeological investigations, NHS proposals and on-going scrutiny of the development.

Pick Everads, the employer's agent, presentation was concentrated on the plan of work, procurement and tender processes.

There was much discussion around contractors, local sub-contractors and using the CHEST (Computer System) framework. There were also questions around the increase in costs of the project to £19.4 million, governance and renewable energy systems.

Reassurances about access for existing services during the construction phase were given and concerns were expressed about any slippage in the timetable.

### **Financial Implications**

The Deputy Chief Finance Officer gave an overview of the financial implications of the project.

This gave rise to a variety of questions not just on the financial detail but on future plans for the James Street site.

While there were questions on the funding of the project informed no doubt by the Treasury Management Training just received a few days prior to this meeting, it was agreed that to make a recommendation on the financing options at this early date would be premature.

Grant funding would be applied for when the project had been approved by council.

The Business and Transformation panel recommended to the Executive that:

- A transport strategy and travel plan be prepared.
- Apprentice training be implemented.
- Plans for James Street site be circulated when accessible.
- The panel is given regular updates on the project.

This joint meeting allowed the architects and employers agent to give a single presentation to both scrutiny panels and enable efficient feedback to the Executive

Some members felt that joint panel meetings could be useful in the future.

As Chair of this joint panel meeting it was an interesting experience. The dynamics of a joint panel are quite different from a single panel and, of course, there were twice as many questions and therefore it was a much longer meeting.

The jury is still out as far as I am concerned on joint panel meetings.

**Cllr Jessica Riddle**

**Chair – Business and Transformation Scrutiny Panel**



Meeting Date: 6<sup>th</sup> March 2018

Public/Private\*: Public

Title: **Economic Growth Scrutiny Panel Chairman's Report – Councillor Paul Nedved**

The Panel met on the 18th January to consider a Flood Update Report, the Draft Chatsworth Square and Portland Square Conservation Area Appraisal and Management Plan, the Affordable and Specialist Housing Supplementary Planning Document, the Draft Economic Strategy for Carlisle District Report and finally the Overview Report and Work Programme.

Can I thank the Panel, Officers and Portfolio Holders for the attention and scrutiny given to these complex set of Reports over a period of almost four hours .

### **Final Flood Update Report**

The Deputy Chief Executive has provided update Reports to the Scrutiny Panels since the 2015 floods and was thanked for his informative Reports on flood recovery.

This final update outlined the work associated with recovery and emerging plans for future events. This included asset recovery and details of flood grants and household payments made. The Panel were made aware of a Special Panel Meeting arranged for 8th February to consider the future of flood risk management in Carlisle.

Panel Members raised a series of questions which included the recovery of the Sheepmount, proposals for the Civic Centre, future of the Council Chamber building, information request on work being undertaken by the E.A. and County Council and whether the economic impact and cost of the flood would be addressed.

### **Draft Chatsworth Square and Portland Square Conservation Area Appraisal and Management Plan**

The Panel scrutinised the proposed changes in light of the response to the consultation.

The Plan was welcomed by Members as being comprehensive and informative and examined the character and quality that existed within the Conservation Area, as well as the measures that could be taken to preserve and improve its character which included issues such as public realm, parking and unlisted properties.

Questions were asked on the consultation responses, the open space at Portland Square, inclusion of the area around Trinity School on part of Strand Road and the land at Chatsworth Square.

There were also queries as to how will the Management Plan deal with issues such as private gardens, neglect of trees and Adoption of rear lanes. Following consultation the Panel were informed no significant issues had arisen that would prevent progress towards adoption.

### **Affordable and Specialist Housing Supplementary Planning Document**

This SPD was looked at in depth by the Panel and was the subject of considerable discussion. It had also been examined by the Local Plan Working Group.

The document provided more detailed guidance on Affordable Housing and Housing to Meeting Specific Needs and had been subject to a number of amendments having been out to public consultation.

The Report was outlined by the Housing Development Officer emphasising the key priority to develop Affordable and Social Housing.

Questioning revolved around social housing units, minimum space standards, differences between social and affordable housing, and engagement between Developers and Housing Associations and partnerships between the City Council with providers. This was illustrated by the 'Demonstration Project' for 40 new affordable rented homes at Beverley Rise in partnership with Riverside.

Housing Strategy would also be considered by the Panel in March.

### **Draft Economic Strategy for Carlisle District**

The Panel had been involved in the scrutiny of the emerging five year Strategic Plan for the District throughout 2017 and the Draft Strategy would return to the Panel in June 2018 after the proposed consultation process. The progress made to date was outlined by the Investment and Policy Manager .

A series of comments were made by Panel Members who raised queries as to whether the document seemed to be urban led when Carlisle had a large rural area, clarity on the

branding of the City, issues revolving round an ageing population and the reduction in the economically active workforce.

Retention of young people and need to attract new jobs and encourage them to remain. Improved connectivity by road and rail were deemed to be important.

The Government's Industrial Strategy recently published and the developing Borderlands proposition were providing further national and sub regional direction.

The Panel also queried how the Tourism and Regeneration strategies would evolve .

### **Overview Report and Work Programme**

The newly adopted table setting out progress on resolutions from previous meetings was felt beneficial by Members and was working well.

A number of resolutions had been completed since the publication of the Economic Growth Panel Report.

However the Panel received updates by Officers on progress with the Business Interaction Centre, Retail Occupancy Rates within the City Centre and it was also agreed that training dates for the Development Control Committee be circulated to all Members of the Council.

### **Special Economic Growth Scrutiny Panel**

The Panel met on 8th February to consider Reports and Presentations on Flood Risk Management provided by representatives from the Environment Agency, Cumbria County Council and Carlisle Flood Action Group.

The Agenda concentrated on the following :-

1. Economic Impact of the Winter Floods 2015 to 2016
2. Flood Recovery - Shortlisted Options and Timeline for Implementation
3. Cumbria Strategic Flood Partnership including an Update on Section 19 Reports

I would wish to extend the thanks of the Panel for the substantial and informative contributions from Mr Brown and Mr Lawton from the Environment Agency, Mr Coyle from the County Council and Mr Kelsall and Mr Milne from the Carlisle Flood Action Group. Several Ward Members representing Wards who had been impacted by flooding were also in attendance and contributed to the discussions and the Q&A.

## 1. Economic Impact of Winter Floods 2015/16

Mr Andy Brown provided a detailed Report and Presentation on the estimates of the economic impact in England following Storms Desmond, Eve and Frank had amounted to £1.6 billion and also a Cumbria Impact Assessment gathered from the Cumbria Observatory detailing the scale of the impact in the County (details contained in the Minutes).

Members raised a number of far reaching questions, which included :-

- Whether an evaluation of the Health and Wellbeing of Communities affected by flooding had been undertaken?
- Confidence of businesses and organisations in the future flood resilience of the City?
- Factors used to build the business case for flood defence options?
- Cost of domestic insurance claims and split between building repairs and household contents?
- Who made the final decision on the release of funding and what influences could be made locally on the outcome of the business case?

A request was made by the Panel that a document or advisory note be prepared with partners to support the Development Control Committee with decisions when considering Planning Applications in flood risk areas.

## 2. Flood Recovery - Shortlisted Options and Timeline for Implementation

Mr Iwan Lawton from EA provided a Presentation on the options for Carlisle and lower Eden area. A full detail of the proposals are contained in the Minutes.

The next steps of the project were outlined with the whole scheme to be completed by Summer 2022 working with partners such as the City Council, County Council, Network Rail and United Utilities.

3D modelling was being used to give a clearer understanding of what the scheme could achieve. There would also be work to define the residual flood risk for Carlisle.

Members raised a number of questions on the £25m cost of the scheme and was there any additional funding available for Carlisle?

Could Eden Bridges and Botcherby Bridge resist further flooding, and also a series of queries relating to the River Petteril as to maintenance and riparian works?

### 3. Cumbria Strategic Flood Partnership including an Update on Section 19 Reports

The Panel received Reports from Mr Doug Coyle from the County Council on specific recent flooding events at Oaklands Drive, Carlisle and on the flooding at Rockcliffe (high rain and coastal flooding). He responded with a series of thorough responses to questions from Members.

These reports were not related to Storm Desmond however was felt valuable to understand the response of the Lead Authority (County Council) to these events, feedback from the communities and the consultation process and sign up rate of the Flood Warning Alert System.

A request was made to receive feedback from the Strategic Flood Partnership.

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: 6<sup>th</sup> March 2018  
Portfolio: Finance, Governance & Resources & Culture, Heritage and Leisure  
Key Decision: Yes: Recorded in the Notice Ref:KD  
Within Policy and Budget Framework YES  
Public / Private Public

Title: SANDS CENTRE REDEVELOPMENT  
Report of: The Deputy Chief Executive  
Report Number: CS 16 /18

## **Purpose / Summary:**

This report provides Carlisle City Council with an overview on the proposed development options and approach for the Sands Centre redevelopment (as outlined in the Council's Sports Facilities Strategy).

It includes anticipated capital costs, together with funding options, a developed programme and risk register.

This report also sets out the initial considerations with regards to alternative procurement options for the Principal Contractor.

This report has already been considered by Executive on the 18<sup>th</sup> December 2017 where it was referred to a special joint meeting of the Business and Transformation and Health and Wellbeing Scrutiny Panels.

The joint scrutiny panel considered the report on the 29<sup>th</sup> January 2018 and made a series of recommendations which were addressed by Executive when they reconsidered the report on the 12<sup>th</sup> February 2018. Executive also agreed the recommendations this report makes to full Council.

The minutes of the joint scrutiny panel and of Executive accompany this report to Council.

This report is to be read in conjunction with the following appendices:

- Appendix I – Summary RIBA Stage 2 Report (Concept Design) prepared by GT3 Architects. This report sets out the initial concept design along with a narrative to provide the context of how the proposed design solution was established.
- Appendix II – Programme
- Appendix III – Risk Register
- Appendix IV – Cost Estimate
- Appendix V – Flow diagram of the OJEU Process

### **Recommendations:**

Full Council are asked to:

1. Consider the report and its appendices;
2. Approve the development of the scheme subject to further reports being made to Executive and the Business and Transformation and Health and Wellbeing Scrutiny Panels at the end of the RIBA Stage 4 and ahead of the appointment of a principal contractor.
3. Approve the use of an OJEU compliant framework to tender for a principal contractor, with the selection of the framework itself delegated to the Deputy Chief Executive following consultation with the Portfolio Holder for Finance, Governance and Resources and the Portfolio Holder for Culture, Heritage and Leisure.
4. Approve the re-profiling of the capital budget of £19.467m to reflect the fact that achieving RIBA Stage 4 will require a budgetary amount in 2018/19 and to also more accurately reflect the anticipated expenditure profile of the full project as outlined at paragraph 2.8.10

### **Tracking**

Executive:	<b>12<sup>th</sup> February 2018</b>
Special Joint Scrutiny Panel:	<b>29<sup>th</sup> January 2018</b>
Council:	<b>6<sup>th</sup> March 2018</b>

## **1. BACKGROUND**

- 1.1 The replacement of Carlisle City Council's James Street Pools and the development of the Sands Centre site to improve wet and dry side sporting provision has been a long term aspiration for Carlisle City Council (the Council).
- 1.2 In 2009/10 planning was sought and approved for an estimated £15m redevelopment scheme. The scheme was not progressed as external funding through the North West Regional Development Agency and a capital contribution from the University of Cumbria were withdrawn.
- 1.3 In 2013 the development of the Council's Sports Facilities Strategy confirmed the necessity to replace the James Street Pools as a priority and identified the Sands Centre as the best location for strategic, operational and financial reasons. The strategy also identified a requirement to improve the fitness offering and provide a dedicated sports hall space at the Sands Centre.
- 1.4 The current Medium Term Financial Plan includes a £5m capital allowance in 2018/19 to develop such a scheme. However, this sum pre-dates the approval of the Council's Sports Facilities Strategy and was based on the likely costs of only replacing the pools at that time.
- 1.5 Since December 2015 the Council has had a regular dialogue with Sport England who have expressed their support for this development and have assisted the Council by engaging Abacus Cost Management (Abacus), a framework consultant to Sport England. Abacus have provided support to the Council considering different options across multiple sites.
- 1.6 In February 2017, Abacus with reference to a Business plan prepared by FMG Consulting Ltd produced a highlevel feasibility exercise to consider two main development options. This work was funded by Sport England.

### **Development Option 1 – Swimming Provision Only**

Abacus proposal consisted of:

- 25m x 17m (8 lane) pool with secondary 17m x 8m pool
- Wet side changing
- Associated ancillary accommodation

## **Development Option 2 – Sands Centre Redevelopment – Wet & Dry Side Provision**

Abacus proposal consisted of:

- 25m x 17m (8 lane) pool with secondary 17m x 8m pool
- Wet side changing
- 4 court sports hall, health and fitness provision
- Café
- Ancillary support accommodation
- Total Gross Internal Floor Area (GIFA): 4,620m<sup>2</sup>

**Option 1:** would relocate swimming provision only to the Sands Centre at an estimated cost of £7.4M.

**Option 2:** would deliver the full extent of the Council's Sports Facilities Strategy on the Sands Centre site. Abacus estimated Option 2 at £14.2m (excluding VAT) for a scheme delivering all elements of the Council's Sports Facilities Strategy. Sport England had previously advised that this option provided a greater opportunity of securing their investment as the facility would better meet demand requirements.

1.7 The Abacus report concluded the following:

1.7.1 That Sport England has identified that Carlisle be treated as a special case given the severe flooding and damage incurred in recent years.

1.7.2 A funding bid for Option 1 providing a reduced facility mix is not strategically supported nor would have a significant impact on participation / delivering against local outcomes, would ordinarily not make a strong case in the context of the new strategic fund prospectus and criteria. This would therefore be less of a priority for potential Sport England investment.

1.7.3 Option 2 provides a greater opportunity of securing a Sport England investment with a facility that better meets demand requirements. The Strategic Facilities Fund has a grant range of £500k - £2m. Enhancing the facility mix to best meet the new strategic fund prospectus will improve the opportunity of attaining an investment.

- 1.8 Following extensive review of the Council's Sports Facilities Strategy in conjunction with the notion that Sport England are unlikely to support Option 1; Carlisle City Council's Executive took the decision (8<sup>th</sup> May 2017) to discount Option 1 and to proceed with Option 2 for the progression of an RIBA Stage 2 – Concept Design for the Sands Centre Redevelopment including both the wet and dry provisions.
- 1.9 In March 2017, the Council also commissioned a 5 year Condition Survey of both the building fabric elements and the mechanical & electrical elements at the Sands Centre. This report identified a summary of works totalling £846,306.72 (excluding VAT) required over the next 5 years.
- 1.10 Over the last year, the Council has also been in dialogue with Cumberland NHS Trust regarding potential inclusion of physiotherapy suite provision and potentially other outpatient services. A pilot exercise placing physiotherapy services at the Sands Centre has now begun and all partners are monitoring the new development.

## **2. PROPOSALS**

- 2.1 The Sands Centre is a high profile project, which is generating interest locally and sub-regionally. The facility must achieve the aspirations outlined in the Council's Sports Facilities Strategy from a strategic, operational and financial perspective with the aim to improve the fitness offer to the local and sub-regional community.
- 2.2 In September 2017, the Council appointed a Multi-Disciplinary Design Team (MDDT) and Employer's Agent Team (EA) to progress Option 2 for the redevelopment of the Sands Centre up to and inclusive of RIBA Stage 2 – Concept Design; with the intention of presenting the proposals to Full Council in 2018.
- 2.3 Procurement of Design Team and Employer's Agent**
- 2.3.1 The Council appointed Cameron Consulting to competitively tender and procure the services of a Multi-disciplinary Design Team (MDDT) and Employer's Agent Team (EA) in competition through the Official Journal of the European Union (OJEU) to develop the Option 2 design for the Sands Centre up to RIBA Stage 2 – Concept Design.

2.3.2 The successful Multi-disciplinary Design Team (MDDT) has been appointed by the Council to develop the Option 2 design to RIBA Stage 2 – Concept Design for a fee capped at £47,500.00

2.3.3 The MDDT is led by GT3 Architects and consists of the following consultants:

<b>Multi-disciplinary Design Team (MDDT)</b>	
Architect (Lead Consultant)	GT3 Architects
Principal Designer	CJ Consilium
Civil Engineering	Buro Happold
Structural Engineering	Buro Happold
Mechanical Engineering	Buro Happold
Electrical Engineering	Buro Happold
Flood Risk Consultant	Buro Happold, subject to further appointment and fees
Landscape Architecture	OUBE
Swimming Pool Design	Sheerwater
Acoustic Consultant	Pace Consult

2.3.4 The successful Employer's Agent Team (EA) has been appointed by the Council to monitor the MDDT design development process for Option 2, but also prepare an updated cost estimate, programme and a risk register to accompany the RIBA Stage 2 – Concept Design for a fee capped at £7,500.00.

2.3.5 The EA is Pick Everard who will undertake the following roles:

<b>Employer's Agent Team</b>	
Employer's Agent	Pick Everard
Cost Consultant	Pick Everard
H&S Advisor	Pick Everard
Clerk of Works	Pick Everard

## **2.4 RIBA Stage 2 – Concept Design (Option 2) on the Sands Centre**

2.4.1 With reference to the proposals set out by Abacus for Option 2, a RIBA Stage 2 – Concept Design has been prepared by the MDDT that is included in Appendix I – Stage II Report.

2.4.2 The concept design includes the following proposed Leisure Centre and ancillary accommodation facilities mix:

- Main Pool Hall (25m x 17m, 8 lane) & Learner Pool with a moveable floor (20m x 8m) with Pool Store, Timing Room and a Spectator Seating Gallery
- 4 Court Sports Hall with a Spectator Gallery
- 120 station Fitness Suite with an office
- Two Dance Studios
- Spinning Studio
- Wet and Dry Change facilities
- Changing Places Facility
- First Aid
- General Meeting Room / Office (10 persons)
- Reception Desk with offices
- Vending facilities
- Staff facilities (including Kitchen & Social)

2.4.3 The final leisure centre accommodation and facilities mix is yet to be fixed, but it is proposed through consultation with the Council's operator, Greenwich Leisure Limited that the existing Events Centre will be retained and upgraded. This is because the existing 7-court dual use hall at the Sands Centre is primarily programmed for entertainment events and is often unavailable for regular week-to-week sports use.

2.4.4 The concept design includes the following retained Events Centre with upgraded ancillary accommodation facilities mix:

- Retained Events Hall with ancillary accommodation
- Ground floor Bar/Servery
- First floor Bar/Servery
- Beer Cellar
- Café seating and social areas at Ground Floor using the proposed Street
- Café seating and social areas at First Floor using the proposed Street

2.4.5 The concept design also includes provisional space identified for the NHS Physiotherapy Suite. However, the Council will need the Cumbria Partnership NHS Foundation Trust to decide whether it is going to proceed and commit the required funding and resources, aligned to the Full Council's decision on 6<sup>th</sup> March 2018 for the Sands Centre Redevelopment:

- The concept design 265m<sup>2</sup> Physiotherapy Suite

2.4.6 The full area Schedule of Accommodation is contained within Appendix I – Stage II Report.

## **2.5 Cost Estimate**

2.5.1 With reference to the cost estimate prepared by Abacus for Option 2 at £14.2m (excluding VAT) in February 2017, Pick Everard have re-appraised the costs associated with the proposed concept design for the Sands Centre to deliver all elements of the Council's Sports Facilities Strategy as outlined above. Please refer to Appendix IV – Cost Estimate.

2.5.2 The Cost Estimate prepared by Pick Everard for the current RIBA Stage 2 – Concept Design is now estimated at £19,466,765 (excluding VAT).

2.5.3 The capital cost increase in the identified Cost Estimate is primarily as a result of the following:

- Increase from Option 2 Wet and Dry Side Provision from 4,984m<sup>2</sup> to 5900 m<sup>2</sup>. This is mainly due to provision of the Street (750m<sup>2</sup>) and the NHS Provision (265m<sup>2</sup>);
- Consequential Improvements as the basis for determining the 10% spend on the existing building to comply with Building Regulations due to the proposed connection of the new leisure centre to the retained events centre via the Street;
- Increase in size of the learner pool from 17m x 8m to 20m x 8m to increase the programme of activities available in the pool;
- Inclusion of retractable seating to the Retained Events Centre;
- External Works cost now includes minimum allowance for car parking and landscaping based on GT3 Option 1 "Do Minimum" scheme;
- Allowance for incoming stats connections/ diversions.

## **2.6 Programme**

2.6.1 Pick Everard have developed a RIBA Stage 2 Programme based on progressing to the RIBA Stage 3 – Developed Design following the decision of the Full Council on 6th March 2018. The full Pick Everard programme is contained in Appendix II – Programme.

2.6.2 A summary of the programme contained in Appendix II is as follows:

<b>Pick Everard – RIBA Stage 2 Programme (Dated: 27 November 2017)</b>				
<b>Activity</b>	<b>Activity Description</b>	<b>Duration</b>	<b>Start</b>	<b>Finish</b>
33	RIBA Stage 0-2 -Scheme Design & Approvals	21.2 wks.	20/09/17	06/03/18
41	Special Joint Scrutiny Panel	1 day	29/01/18	29/01/18
43	Full Council Meeting	1 day	06/03/18	06/03/18
44	Approvals to Stage 2 Design & Cost Plan	1 day	06/03/18	06/03/18
45	RIBA Stage 3 (1st Stage Tender for Preferred Contractor)	20.4 wks.	07/03/18	26/07/18
62	RIBA Stage 3 (Developed Design, (inc. Planning Application)	20.2	07/03/18	25/07/18
75	RIBA Stage 4 (Technical Design)	27 wks.	27/07/18	21/02/19
81	Tender Submitted by Preferred Contractor	0 wks.	13/12/18	13/12/18
82	Tender Evaluation and preparation of Gateway 4 Report	4 wks.	14/12/18	31/01/19
84	Approval to Proceed to Stage 5 & Contract Award	1 wk.	01/02/19	07/02/19
87	RIBA Stage 5 (Construction)	70 wks.	08/02/19	02/07/20
91	Practical Completion & Handover	1 day	02/07/20	02/07/20
94	RIBA Stage 6 (Handover & Close Out)	4 wks.	02/07/20	30/07/20
96	Operator Fit Out and Familiarisation Period	4 wks.	03/07/20	30/07/20
97	Stage 7 (Occupation & In use)	52 wks.	03/07/20	01/07/21
98	Defects Period	52 wks.	03/07/20	01/07/21

2.6.3 Subject to the decision of the Full Council on 6th March 2018, Pick Everard will continue to develop and monitor compliance with the programme.

## **2.7 Risk Register**

2.7.1 The full project risk register is located in Appendix III – Risk Register and highlights the main project risks considered by the Project Team.

2.7.2 The highest risks to the project established at RIBA Stage 2 – Concept Design are as follows:

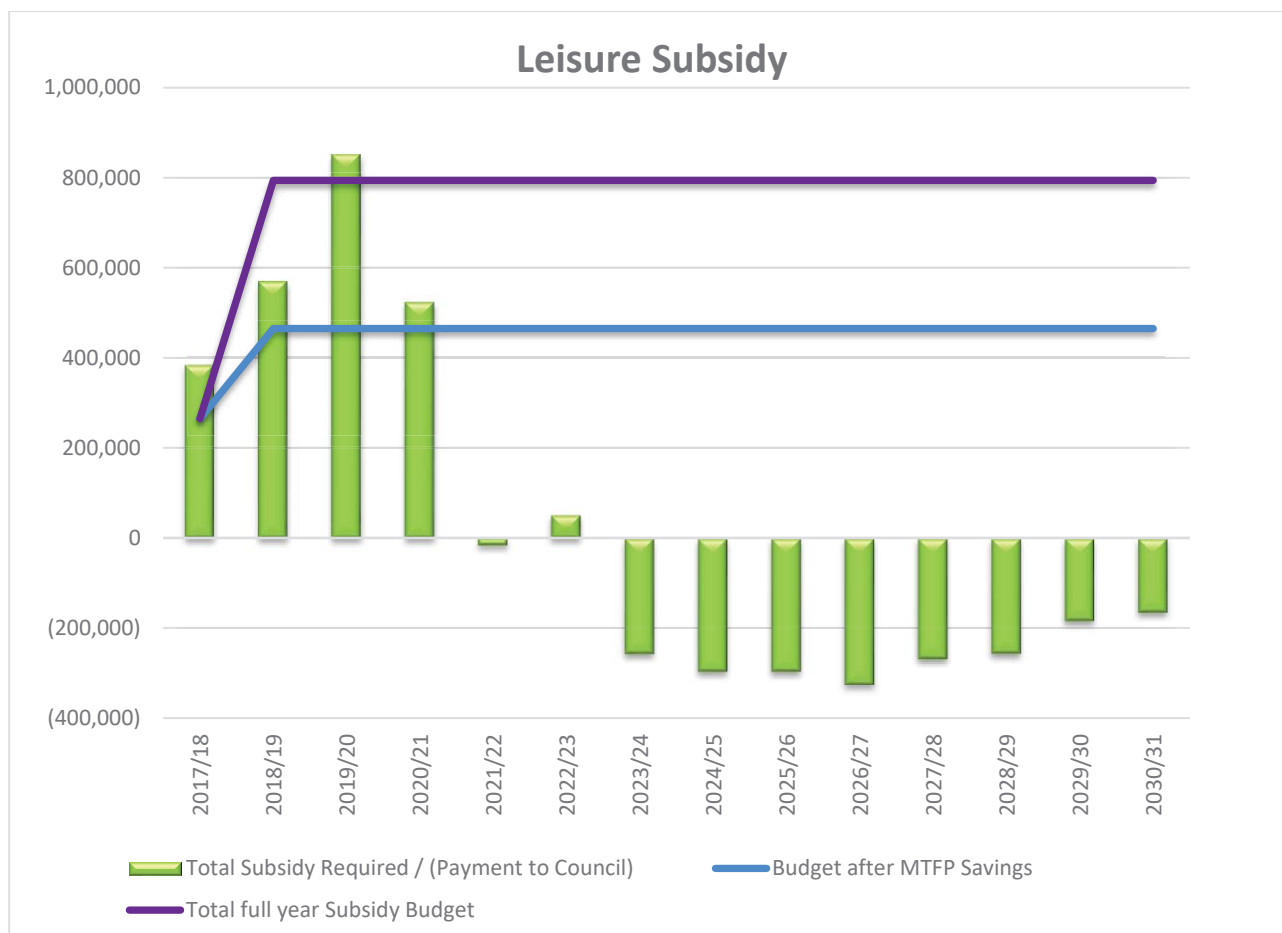
Activity ID	Risk Description	Risk Rating	Mitigation Action / Comment
Cost: C2	Consequential Improvements (Part L of the Building Regulations)	25	Consult with Building Control
Flood Zone: FZ1	Construction of new extension on Flood Zone Level 3	25	<p>Consult with the Environment Agency at the earliest opportunity.</p> <p>Ensure that the flood risk specialist undertakes an assessment of the flood risk designation with consideration to existing / potential Environment Agency improvement / flood defence works.</p> <p>Design and incorporate flood risk prevention measures into the new extension.</p>
Programme: P1	Programme slippage	23	<p>At the commencement of a project, it is critical to establish an outline programme that is realistic and achievable but challenging.</p> <p>Pick Everard to track and monitor progress against the programme.</p>
Cost: C1	Project not affordable	23	Establish if initial budget is correct. Develop robust cost control aligned to design development and Gateway approval process.
Design: D9	The current parking operates on a pay and display basis. This leaves 48 dedicated leisure spaces outside of this. The extension will potentially impact on these parking numbers	23	As part of the traffic management study, an appraisal should be made on the income from the parking and impact of the new building on existing spaces.

			Consider a barrier control system and the car parking charge strategy for events / leisure centre customers.
Utilities: U1	Extensive utility services encountered below the new extension	23	Undertake slot trenches to verify the position of underground services and undertake thorough site investigation works.

- 2.7.3 Subject to the decision of the Full Council on 6th March 2018, a Project Team Risk Workshop will be undertaken with key stakeholders prior to the commencement of RIBA Stage 3 – Developed Design when the current risks will be critically evaluated with action owners agreed to manage, mitigate, and/or reduce or manage accepted risks.

## 2.8 Funding

- 2.8.1 The Medium Term Financial Plan has recognised for many years that there could be a requirement to fund significant capital expenditure (£5m) on new leisure facilities and that any development would be potentially being funded (via borrowing) through savings in the operator contract. The budget reports considered by Executive in November and elsewhere in this agenda have recognised that the scheme may increase in value to the figures presented in the Abacus study at £14.2million.
- 2.8.2 The MTFP also includes for further savings to be made from the current subsidy budget for the Leisure Contract of £329,000. This saving is to be achieved from 1 April 2018. The current overall subsidy payable to the leisure operator is £794,100 (inclusive of Classical Series funding).
- 2.8.3 Therefore, a budget of £465,100 is available to fund any subsidy for the new leisure contract (starting December 2017) and any borrowing costs. The new Leisure contract will eventually save the Council over £1million per year against the original subsidy budget



- 2.8.4 A significant capital scheme of this nature would normally be funded from capital receipts (sale of other assets), revenue reserves, third party funding or borrowing (either external or by using the council's own cash balances). The current capital strategy fully commits all current available capital receipts to fund the current capital programme, therefore, unless further asset sales can be generated, capital receipts are not an option.
- 2.8.5 A further refresh of the Asset Disposal Programme may be an option to be considered to identify whether there are any further potential low yielding assets that could be disposed of to generate capital receipts to fund this scheme. Any disposals would likely take time to be brought to market so there may still be a requirement to borrow in the short-term pending any final sales.
- 2.8.6 Revenue contributions may also be possible but will not be able to fully fund or even significantly fund a scheme of this value and may lead to added pressures on the revenue budget.
- 2.8.7 Sport England have ring-fenced funding within their Strategic Facilities Fund for Carlisle (following Storm Desmond). The Council's informal and 'without

prejudice' conversations with their team suggest they would be expecting and receptive to a bid of up to £2m from the Council based on an 'Option 2' scheme.

2.8.8 The Council could also look at the earmarked reserves it holds and utilise some of these for this scheme. There is a specific reserve allocated for Leisure (GLL Reserve) that was established for funding costs with the end of the current leisure contract that is not likely to be required and which could be made available for providing funding the capital scheme.

2.8.9 Taking these options for funding into account the scheme is likely to require borrowing of potentially **£17.467million** unless alternative sources of funding e.g. capital receipts or use of reserves are identified.

	<b>£000</b>
Potential Capital Cost	19,467
Potential Sport England Funding	2,000
Earmarked Reserves	tbc
Potential Balance to be funded	<b>17,467</b>

It should be noted that for the purposes of this report, the figures include the provision of the NHS suite at £625,000. If the decision is made that the NHS proceed with the occupation it will be the intention to fully recover this cost from the NHS either through a capital contribution, annual rental to the Council or combination of both. This would therefore improve the financial position of the Council highlighted later in this report.

It should also be noted that as well as the cost of the capital investment, there will be a requirement to provide for temporary accommodation for GLL to continue to operate from and for final fixtures and fitting to be provided once the development is complete. These together are anticipated to cost in the region of **£655,000**.

#### 2.8.10 Budget Profiling

The Council has made budgetary provision in its capital programme of £19.467million in 2019/20. However, to progress any approved scheme, it will be necessary to re-profile this amount across 2018/19 to 2021/22 capital programmes (i.e. the anticipated project timeframe). The proposed re-profiling

based on current timescales and anticipated key project milestones are as follows:

	£
2017/18	55,000
2018/19	1,714,085*
2019/20	15,394,827
2020/21	2,293,852
2021/22	9,000
<b>Total</b>	<b>19,466,765</b>

\*The amount included in 2018/19 assumes that the project will progress beyond RIBA stage 4. However, the Council will have the opportunity at this stage to determine whether to proceed with the project following detailed tender submissions and costings for the final project. Therefore, £990,920 of the amount included above for 2018/19 will get the Council to this position, with the remainder only being incurred if the project proceeds to RIBA Stage 5 and beyond (i.e. Full construction phase).

#### 2.8.11 Balance Sheet Analysis

The Council's balance sheet as at 31 March 2017 included total long-term assets (excluding treasury management investments) of approximately £158million. Alongside this the current long-term debt liability on the balance sheet is £15million (stock issue). This represents 9.4% of the asset base.

Any expenditure on assets would generally add value to the asset base and whilst the debt liability may also increase if external borrowing was undertaken, the Council would still be in a healthy position with regard debt to asset ratio.

## 2.9 Options for Borrowing

2.9.1 Under the provisions outlined in the Prudential Code, the Council can borrow for capital purposes so long as any borrowing is affordable, prudent and sustainable in the revenue budget. The current Treasury Management Strategy Statement (TMSS) includes an allowance for borrowing to be £37.5million as the Authorised Limit for external debt and £32.5million as the Operational Boundary. These two limits can be amended by the Council and included in any revisions to the TMSS.

### 2.9.2 External Borrowing

Any external borrowing the Council undertakes would most likely be sourced from the Public Works Loan Board (PWLB). There are two different types of loan available to local authorities, interest only (maturity) and principal and interest, which can be either Equal Instalments of Principal (EIP) or Annuity.

#### **Maturity**

A maturity loan is an interest only loan with the principal amount borrowed not repayable until the end of the loan term. The amount of interest paid each year remains static until the end of the agreement. Cash to repay the loan at the end of the term is raised through the Minimum Revenue Provision. These loans carry a higher overall cost as the debt balance does not decrease until the debt is paid off.

#### **Equal Instalments of Principal (EIP)**

An EIP loan makes both principal and interest payments, however, the amount borrowed is divided by the term to give the amount of principal repaid each year, which then does not vary. Interest is then calculated on the decreasing outstanding balance of the loan, so reduces each year. EIP loans therefore get cheaper each year the loan is held.

#### **Annuity**

An Annuity loan is like a mortgage, with both principal and interest payments being made each year, however, in earlier years the interest makes up more of the repayment, with more principal being repaid in later years. Loan repayments are set at the outset of the loan and do not vary throughout the term.

2.9.3 As an EIP loan therefore repays principal each period and the interest is calculated on the outstanding loan balance, they therefore have a lower average repayment profile.

2.9.4 The key advantages of borrowing from the PWLB are:

- Relative cost (interest and fees) compared to other sources of external borrowing
- Ability to fix the rate of interest over the period of the loan and to borrow over a range of maturity periods between 1 and 50 years using a number of different repayment methods
- Flexibility to draw down funds at short notice

- 2.9.5 The examples below show the overall cost of a **£17.467million** loan repaid over **25 years** at **3.25%** for each loan type.

	<b>Maturity</b>	<b>EIP</b>
	<b>£000</b>	<b>£000</b>
Loan Amount	17,467	17,467
Interest	14,192	7,380
<b>Total</b>	<b>31,659</b>	<b>24,847</b>

#### 2.9.6 Internal Borrowing

As well as borrowing externally from the PWLB, the Council may be able to make use of its internal resources and cash balances. This is known as internal borrowing. This utilises cash and investment balances to meet expenditure. This option would allow the Council to minimise borrowing costs and reduce overall treasury risk by reducing the level of its external investment balances. The cost of internal borrowing would be measured by the loss of investment income returns. With investment returns averaging less than 0.50% currently, this would be the cheapest form of borrowing for the scheme. Any cash balances used in this way would be repaid through Minimum Revenue Provision over time.

#### 2.9.7 Minimum Revenue Provision

Any significant capital scheme will affect the Council's Capital Financing Requirement (CFR). The current projections for the CFR based on this scheme costing £19.467million are as follows:

	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Opening CFR at 1 April	15,706	13,424	30,582	29,843	30,037
Movement in CFR in year	(2,282)	17,158	(739)	194	(231)
<b>Closing CFR at 31 March</b>	<b>13,424</b>	<b>30,582</b>	<b>29,843</b>	<b>30,037</b>	<b>29,806</b>

The CFR reflects the Council's 'Underlying Need to Borrow' and as this scheme gives rise to a borrowing requirement, the CFR will increase accordingly. The CFR can be reduced by setting aside resources to repay debt, through capital receipts, revenue contributions or grants and also by charging Minimum Revenue Provision (MRP). MRP is the minimum amount that must be set aside from the General Fund to meet the capital costs of expenditure funded by borrowing or credit arrangements. – that is capital expenditure not financed from grants, revenue contributions or capital receipts.

The type of borrowing undertaken does not affect the requirement to make an MRP charge. The Council's current MRP policy is to charge 3% on a straight-line basis on the annual increase in the CFR. Using this method would effectively provide for debt repayment over 33.33 years.

It should be noted however, that actual principal repayments will be determined by the terms of any actual loans taken out. These actual principal repayments do not affect the revenue budget as they are cash transactions and would reduce the amount of cash balances held. MRP charges to the revenue account provide a cash resource to effectively repay principal. There could therefore be a difference in the amount of principal repaid each year from cash balances and the amount of MRP charged. This would occur where any loans were taken out for a period less than 33.33 years. These loans may be repaid and cleared as a liability on the balance sheet before the debt charged to the General Fund has reduced the CFR.

Borrowing terms for external debt will need to consider the length of the Leisure provider contract. This contract is for a maximum of 15 years, when at such time it will be required to be re-tendered. Although any re-tender exercise would aim to achieve the same financial benefits to the Council, there may be a risk that any new contract offers a worse position, i.e. lower concession payments to the Council or requirement for a subsidy to the operator). This could then lead to budgetary pressures should any outstanding debt still require to be serviced beyond the timeframe of the current contract.

- 2.9.8 Minimum Revenue Provision is not chargeable until the asset becomes operational. Debt payments would still be made to the PWLB when they are due from the date the loan is taken out, however, they may not fall as a charge on the General Fund (or Council Tax) until the asset is operational.
- 2.9.9 The term of any loan taken out would also need careful consideration as a longer-term loan would be cheaper annually, however would cost more overall. As previously highlighted, consideration needs to be given to the length of the contract with the leisure operator and the contractual arrangements for concession payments and subsidies. It will also be necessary to consider the likely lifecycle of the renewed asset as it will have a life more than the contract term, potentially 40-year life. The Council would not want to be in a position where it has debt to service beyond the life of the current contract without having some certainty that the savings being accrued from the current contract would continue into any future agreement.

#### 2.9.10 External Borrowing examples

The table below shows the example annual payments (Principal and Interest) for borrowing **£17.467million** on an EIP loan over 25 years (on assumption that borrowing would be recognised from 2020/21) would be as below. ***The examples of borrowing costs given below are for example only and it should be noted that borrowing this level of funding externally would represent the most expensive option for this scheme and this could be mitigated through identifying other funding opportunities such as capital receipts, use of reserves or internal borrowing.***

	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Principal	699	699	699	699	699	699	699	699	699	699
Interest	568	545	522	500	477	454	431	409	386	363
<b>Total</b>	<b>1,267</b>	<b>1,244</b>	<b>1,221</b>	<b>1,199</b>	<b>1,176</b>	<b>1,153</b>	<b>1,130</b>	<b>1,108</b>	<b>1,085</b>	<b>1,062</b>
MRP (3%)	524	524	524	524	524	524	524	524	524	524
<b>Total Charge to General Fund (Interest + MRP)</b>	<b>1,092</b>	<b>1,069</b>	<b>1,046</b>	<b>1,024</b>	<b>1,001</b>	<b>978</b>	<b>955</b>	<b>933</b>	<b>910</b>	<b>887</b>

If the MRP policy was changed to match asset life then the overall cost to the General Fund would reduce, conversely, if any loan term was limited to the term of the leisure contract, the borrowing costs would increase. The table below indicates the potential differences in borrowing costs for a 15-year, 25-year and 40-year loan term:

	15 Year	25 Year	40 Year
	£000	£000	£000
Equal Instalment of Principal	1,164	699	437
1st year interest payment	568	568	568
<b>Total Debt Repayment</b>	<b>1,732</b>	<b>1,267</b>	<b>1,005</b>
MRP @ 3%	524	524	524
Difference in MRP and Principal Repayment	640	175	(87)

The table shows that in order to ensure principal is fully repaid and that the CFR brought back down to current levels (assuming no further un-resourced capital expenditure), the 3% MRP charge would need to be topped up with a voluntary MRP charge when borrowing of 15 or 25 years.

Therefore, in order to make the scheme affordable to the revenue budget, MRP at either 3% or charged over the asset life should be considered. This does not stop actual debt repayment occurring within a quicker timescale.

2.9.11 The available budget from the New Leisure Contract subsidy would be as follows:

	17/18 £000	18/19 £000	19/20 £000	20/21 £000	21/22 £000	22/23 £000	23/24 £000	24/25 £000	25/26 £000	26/27 £000	27/28 £000	28/29 £000	29/30 £000
		<b>build period</b>											
Total Subsidy	384	571	850	525	(16)	52	(257)	(296)	(296)	(325)	(268)	(256)	(184)
Budget after Savings	265	465	465	465	465	465	465	465	465	465	465	465	465
Pressure / Saving	119	106	385	60	(481)	(413)	(722)	(761)	(761)	(790)	(733)	(721)	(649)
Borrowing Cost to General Fund with MRP @ 3%	0	0	0	1,092	1,069	1,046	1,024	1,001	978	955	933	910	887
<b>Overall Pressure / Saving</b>	<b>119</b>	<b>106</b>	<b>385</b>	<b>1,152</b>	<b>588</b>	<b>633</b>	<b>302</b>	<b>240</b>	<b>217</b>	<b>165</b>	<b>200</b>	<b>189</b>	<b>238</b>

By the end of the 15-year Leisure contract the overall pressure on the revenue account will be £4.8million; however if the annual savings accruing from the contract of £702,000 continue into a new contract beyond the 15 years of the current one, then savings accruing equalise against the debt costs in year 19 that year and if the contract was to continue accruing savings the same level of savings (£702,000) beyond this contract period, then over an assumed 25-year borrowing period the overall pressure reduces to £4.7million. This does not however, take into account the voluntary MRP that would require to be charged in order to fully provide for the debt repayment of the debt term.

This overall pressure on the revenue account could be eliminated by reducing the use of external borrowing by £4.8million. The funding difference could then be bridged through either generating capital receipts from asset sales, or utilising internal cash balances though internal borrowing, where the loss of investment interest could be a more cost effective option (as outlined at 2.9.6) whilst investment returns remain lower than borrowing rates.

## 2.10 Retention of Existing Facilities

2.10.1 If the Council were to decide to do nothing and not develop the Sands as outlined in this report, there would continue to be a subsidy payable to the leisure contractors (the tenders were priced based on a new facility being provided). There would also be consequential costs that would have to be met

from borrowing to undertake capital works to bring the existing pools site at James Street up to standard and also take into account the maintenance required at the Sands Centre. These capital works are estimated to be £4.25million. The table below outlines the impact this would have on the budgetary position.

	17/18 £000	18/19 £000	19/20 £000	20/21 £000	21/22 £000	22/23 £000	23/24 £000	24/25 £000	25/26 £000	26/27 £000	27/28 £000	28/29 £000	29/30 £000
Total Subsidy	384	571	571	571	571	571	571	571	571	571	571	571	571
Budget after Savings	265	465	465	465	465	465	465	465	465	465	465	465	465
Pressure / Saving	119	106	106	106	106	106	106	106	106	106	106	106	106
Borrowing Cost to General Fund	0	0	225	221	217	213	209	206	202	198	194	190	186
Overall Pressure / Saving	119	106	331	327	323	319	315	312	308	304	300	296	292

By the end of the proposed 15-year Leisure contract the overall pressure on the revenue account will be £4.1million; then over an assumed 25-year borrowing period the overall pressure increases to £7.2million.

A comparison of the overall pressures of the Sands Development Scheme and the Retention of Existing Facilities Option is shown below and shows that the cost of undertaking the scheme over the life of the leisure contract would be £600,000 greater than the refurbishment approach:

	Overall Pressure / Savings	
	Sands Development £000	Retention of Existing Facilities £000
2018/19	106	106
2019/20	385	331
2020/21	1,152	327
2021/22	588	323
2022/23	633	319
2023/24	302	315
2024/25	240	312
2025/26	217	308
2026/27	165	304
2027/28	200	300
2028/29	189	296
2029/30	239	292
2030/31	235	288
2031/32	140	284
<b>Sub Total (End of Leisure Contract)</b>	<b>4,791</b>	<b>4,105</b>
2032/33	117	280
2033/34	94	276
2034/35	72	273
2035/36	49	269
2036/37	26	265
2037/38	4	261
2038/39	(19)	257
2039/40	(42)	253
2040/41	(64)	249
2041/42	(87)	245
2042/43	(110)	241
2043/44	(133)	237
<b>Total</b>	<b>4,698</b>	<b>7,211</b>

## 2.11 Summary of Financing Option

2.11.1 Given the current estimates of costs and the revised contract sums, there could be an additional significant pressure on the revenue budget required to fully finance the scheme through external borrowing at the current estimated costs. Any borrowing for the development will have to be balanced against its affordability in the revenue budget. As has been previously highlighted, the Council is able to borrow so long as it has the revenue budget to fund the borrowing costs.

- 2.11.2 All borrowing would be undertaken in accordance with the Council's Treasury Management Strategy with the timing and amount of funds borrowed being made only after having regard to:
- The Council's overall liquidity requirements
  - The management of treasury risks and minimisation of borrowing costs, and
  - The requirements of the Code of Practice on Treasury Management and the Prudential Code of Capital Finance in Local Authorities
- 2.11.2 The Council would have to determine whether the scheme offered value for money with the additional borrowing costs outweighing the subsidy savings being generated from the new contract.
- 2.11.3 Any external borrowing undertaken would not likely be taken as a single tranche up-front. To maintain flexibility and manage risks, it would be likely that borrowing would be spread over different terms and repayment types. However, it is also likely that any external borrowing undertaken will be for a term in excess of the new leisure provider contract in totality, so the Council would again need to have confidence that when the current contract ends, subsidy levels would be maintained or reduced from those now being paid.
- 2.11.4 The proposed capital costs for the redevelopment do not include provision for the remediation/demolition of the James Street Pools site and should any capital works be required to this site this would be an additional cost to the Council. The redevelopment of this site is the subject of a further study designed to establish the viability of this site for future alternative uses.
- 2.11.5 The Council is liaising closely with its treasury management advisors, Link Asset Services, to examine the options around borrowing to try and minimise borrowing costs as much as possible. These options will include:
- Identifying potential options to generate capital receipts from asset sales to reduce any borrowing requirement
  - Use of internal borrowing where possible.
  - Term of borrowings;
  - Phasing and profiling of any external borrowing (i.e. not taking full borrowing requirement of £17.467million in one tranche)
  - Type of loans to take e.g. Interest only, EIP etc
  - Best time to borrow to minimise interest costs.
  - Review MRP policy to match the asset life

## **2.12 Procurement Options for the Preferred Bidder (Principal Contractor)**

2.12.1 As part of their appointment, Pick Everard are undertaking a review of the Principal Contractor procurement process proposed by Cameron Consulting. The current proposal is to undertake a tender process through the Official Journal of the European Union (OJEU). Cameron Consulting have proposed a two-stage tender process utilising the JCT 2016 Design & Build Contract.

### **2.12.2 Official Journal of the European Union (OJEU) Procurement**

The European public contracts directive (2014/24/EU) applies to public authorities including, amongst others, government departments, local authorities and NHS Authorities and Trusts.

The European Union Procurement Directives establish public procurement rules throughout the European Union and apply to any public purchases above the defined thresholds. The current Works Contracts threshold is set at £4,104,394. The purpose of the directives is to open up public procurement within the European Union and to ensure the free movement of supplies, services and works. The directives are enacted in the UK by The Public Contracts Regulations.

Public projects must comply with the regulations if the value of contracts is above specified thresholds. Aggregation rules apply to projects tendered in parts to prevent clients from avoiding the requirements of the regulations by simply dividing projects up into contracts that are below the threshold.

The regulations set out rules requiring that such contracts must be advertised (contract notices published) in the OJEU. This is of particular importance because, unless OJEU rules are considered in the very early stages of a project, the time taken to advertise contracts can cause significant delays (at least up to 52 days). A process map detailing the process is located in Appendix V – OJEU Process.

Pick Everard have raised concern with regard to the protracted process and associated timeframe associated with OJEU and the implication that this has on programme.

This is of importance when considered in conjunction with the terms of Schedule 3 of the Preferred Bidders Operator Contract. It would be beneficial for all parties for Practical Completion of the Sands Centre to be brought forward as far as reasonably practicable.

Furthermore, procurement of a Principal Contractor through OJEU also creates the potential for legal challenge if a disgruntled Reserve Preferred Bidder believes that there may have been some kind of inconsistency with the award decision who can then raise a legal challenge within 6 weeks of notification of the Council's award decision.

Furthermore, there is a risk that the Principal Contractor Market will discount the project on the basis of being procured through OJEU as most of the leading contractors have successfully integrated themselves onto OJEU compliant frameworks that limit tendering costs based on a more regular flow of opportunities.

Early comments from Pick Everard have suggested a number of other options are available to the Council that would reduce the above risks and challenges. Pick Everard will produce a Procurement Strategy ahead of the Special Joint Scrutiny Panel on 29.01.18.

However, as a pre-cursor, the potential options open to the Council are to utilise a number of OJEU compliant national construction frameworks.

#### 2.12.3 Framework Options

Early comments by Pick Everard have advised the Council that the North West Construction Hub and the Scape National Construction Framework are open and available for the Council to utilise.

#### 2.12.4 North West Construction Hub

The North West Construction Hub (NWCH) was established in 2009 in response to Central Government's drive to improve efficiencies within the public sector.

It is led by a Board comprising of representatives from public sector organisations across the North West. The legal entity behind NWCH is Manchester City Council.

The NWCH Frameworks are designed to be successful by endeavouring to replace the lowest price tendering with long-term relationships between clients, professionals and contractors, formed around shared objectives and common values.

Collaborative working is designed to be at the heart of the framework with a result of less waste, less duplication, local engagement and greater efficiency & with the goal of generating better value for money.

The initial cost estimate for the Sands Centre would sit the project under the NWCH's 'High Value' Framework (£9m+). The constructor partners listed below have been approved by the NWCH to handle projects valued at £9m+ or more.

- BAM Construct UK
- Galliford Try PLC
- Kier Group\*
- Laing O'Rourke
- Morgan Sindall
- Wates Construction

*\*The NWCH is split in to two lots; Lot 1: Construction and Lot 2: Design and Build (D&B), Kier are not on the D&B lot but the other Contractors are on both Lots.*

The NWCH is a restricted, OJEU compliant framework, which will drive a mini competitive tender, however, this route will still incur a structured procurement period but the process and timeframes are governed by the Council and Project Team, thus this is considerably less than a full OJEU process.

#### 2.12.5 Scape National Construction Framework

The Scape National Construction framework has been designed to offer unrivalled capacity, capability and certainty to any public body across the United Kingdom.

Five distinct frameworks have been developed to ensure that any type of project or programme can be delivered efficiently and with social value embedded.

Regardless of project scale, scope, complexity or location, Scape state that the single source delivery partners have demonstrated competitively through an

OJEU tender process that they can provide the optimum mix of local knowledge and technical expertise to deliver superior outcomes for the public sector.

For many projects, including the Sands Centre, a choice of Principal Contractor is available. Scape endeavours to ensure that 85% of contract spend is placed directly with the local supply chain. The Council have an opportunity to nominate any preferred local suppliers and can expect three quotes across all works packages as standard.

Each project is subject to a rigorous performance management regime, which requires the highest standards of customer satisfaction, local labour and local spend. Projects also operate with strict minimum standards of fair payment, waste diversion, community engagement, training and apprenticeships.

The value of this project places it within two of the framework boundaries, Major Works England and Northern Ireland and Major Works UK giving the Council the opportunity to utilise either of the two Scape frameworks.

- 2.12.6 Major Works – UK: The Major Works UK framework is designed to deliver construction projects between £10m and £50m.

Led by Wates Construction, one of the largest privately-owned construction, development and property services companies in the UK, this framework has been designed to deliver construction projects across the entirety of the United Kingdom, supported by an extensive local supply chain.

Scape state that “In addition to producing visually impressive, efficient to run and highly functional buildings, this framework has been configured to deliver significant levels of local economic engagement, ongoing apprenticeship schemes and extensive community initiatives”.

- 2.12.7 Major Works England and Northern Ireland: The Major Works England and Northern Ireland framework is designed to deliver construction projects between £2m and £20m.

This framework is led by Willmott Dixon, one of the UK’s largest privately-owned contracting, residential development and property support companies, supported by an extensive local supply chain.

2.12.8 One of the key benefits of the Scape Framework is the OJEU compliant competitive tender process has already been completed and thus there is no further tender period. Whilst there is a period for the Contractor to review the design and provide a construction cost, the Contractor can be rapidly engaged and working with the Client to develop the design.

2.12.9 **Procurement Report for the Preferred Bidder (Principal Contractor)**

Pick Everard will provide a critical evaluation of the procurement options available to the Council for the effective and efficient appointment of a Principal Contractor. The report will analyse the tender, procurement and form of contract proposed to understand and recommend what the most appropriate solution for the Council.

### **3. CONSULTATION**

3.1 Formal consultation will be required for any scheme as part of the planning application process as highlighted in the Master Programme.

3.2 In addition the design team will conduct informal but detailed consultation with key internal and external stakeholders during RIBA stages 3 Developed Design.

3.2.1 GT3 Architects have already undertaken some initial consultation with both the Aquatics club and Sport England with specific regard to the wet side provision which has resulted in the decision to retain 250 seat spectator seating.

3.2.2 Consultation with the Operator, Greenwich Leisure Limited has resulted in an increase in size of the learner pool from 17m x 8m to 20m x 8m to improve the programme of activities within the learner pool.

### **4. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

4.1 The redevelopment of the Sands Centre complex would deliver the key aspirations of Carlisle City Council's Sports Facilities Strategy, deliver the reductions in leisure contract subsidy enshrined in the new Leisure Contract, and replace / renovate existing facilities as, or more efficiently than fulfilling the anticipated repair liabilities at the Pools and Sands Centre sites.

4.2 The approval of the scheme up to the end of RIBA Stage 4 will allow for detailed designs to be developed and a tendered price to be offered by a contractor. At the end of RIBA Stage 4 a gateway report confirming the final design and tendered price offer from the proposed contractor would be submitted to Executive (and the

Business and Transformation and Health and Wellbeing Scrutiny Panels). This gateway report would seek approval from Executive to commit to a final scheme and enter into a contract for the construction phase.

## **5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

- 5.1 This project makes a significant contribution to the priority to *“further develop sports, arts and cultural facilities to support the health and wellbeing of our residents”*.

**Contact Officer: Darren Crossley**

**Ext: 7004**

**Appendices  
attached to report:**

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

- None

### **CORPORATE IMPLICATIONS/RISKS:**

**Chief Executive’s – None**

**Deputy Chief Executive – None**

**Economic Development – None**

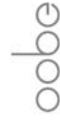
**Governance** – In determining how to proceed in this matter the Council must be cognisant of its fiduciary duty to ratepayers. It deciding to spend money it must take into account the interests of the council taxpayers who have contributed to the Council’s income and balance those interests against those who benefit from the expenditure. The Council must take into account all considerations which are relevant and disregard those which are irrelevant. The process to be followed, should the scheme be progressed, is clearly set out in the Report and it is imperative that the appropriate procurement route is followed and all contracts properly documented as necessary.

**Resources** – Contained within the body of this report.

# The Sands Leisure Centre

## Stage 2 Report

03/11/17 - First Issue



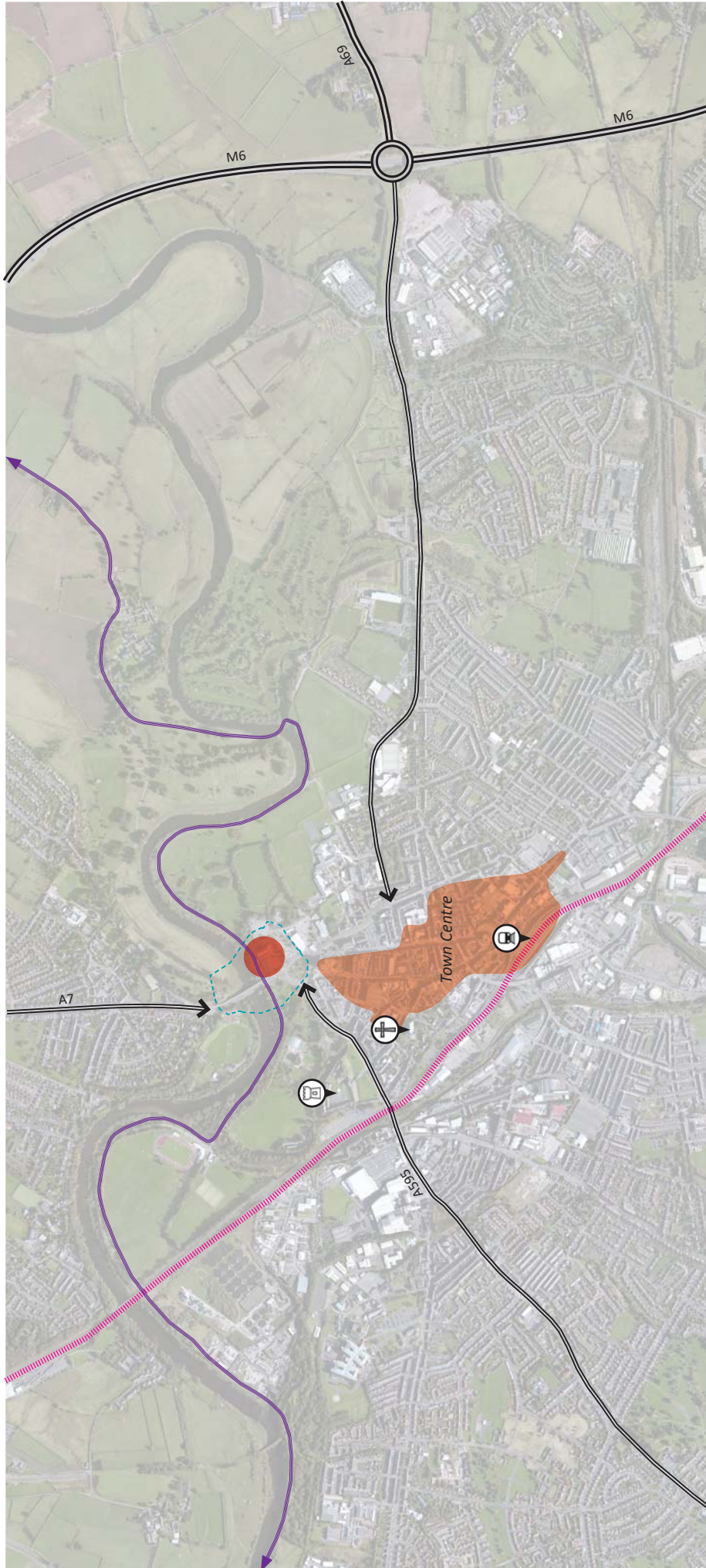
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Issued by: PMR  
Project Number: 17024

# 1 / Site Analysis

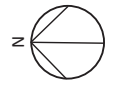
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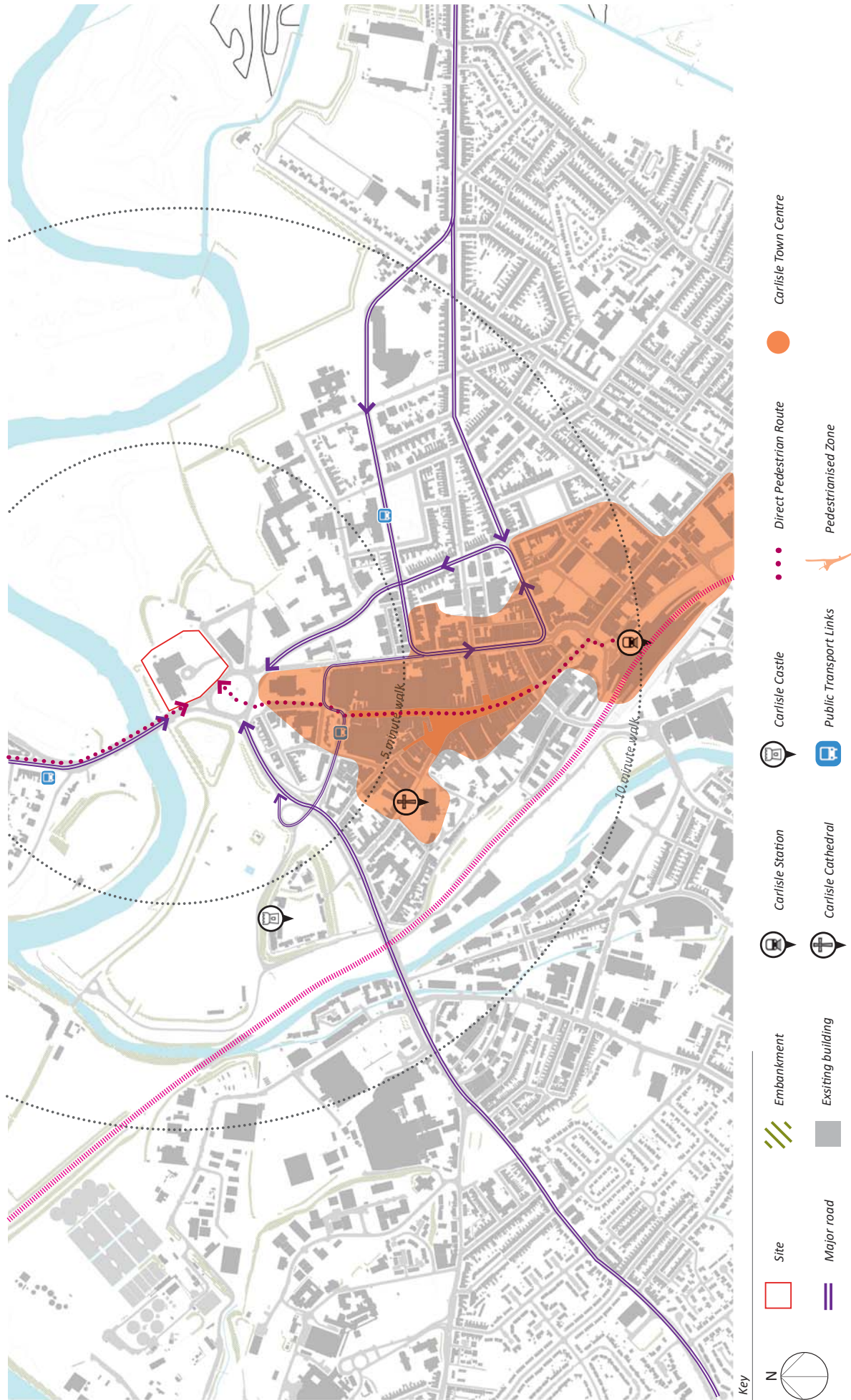
# Site Analysis

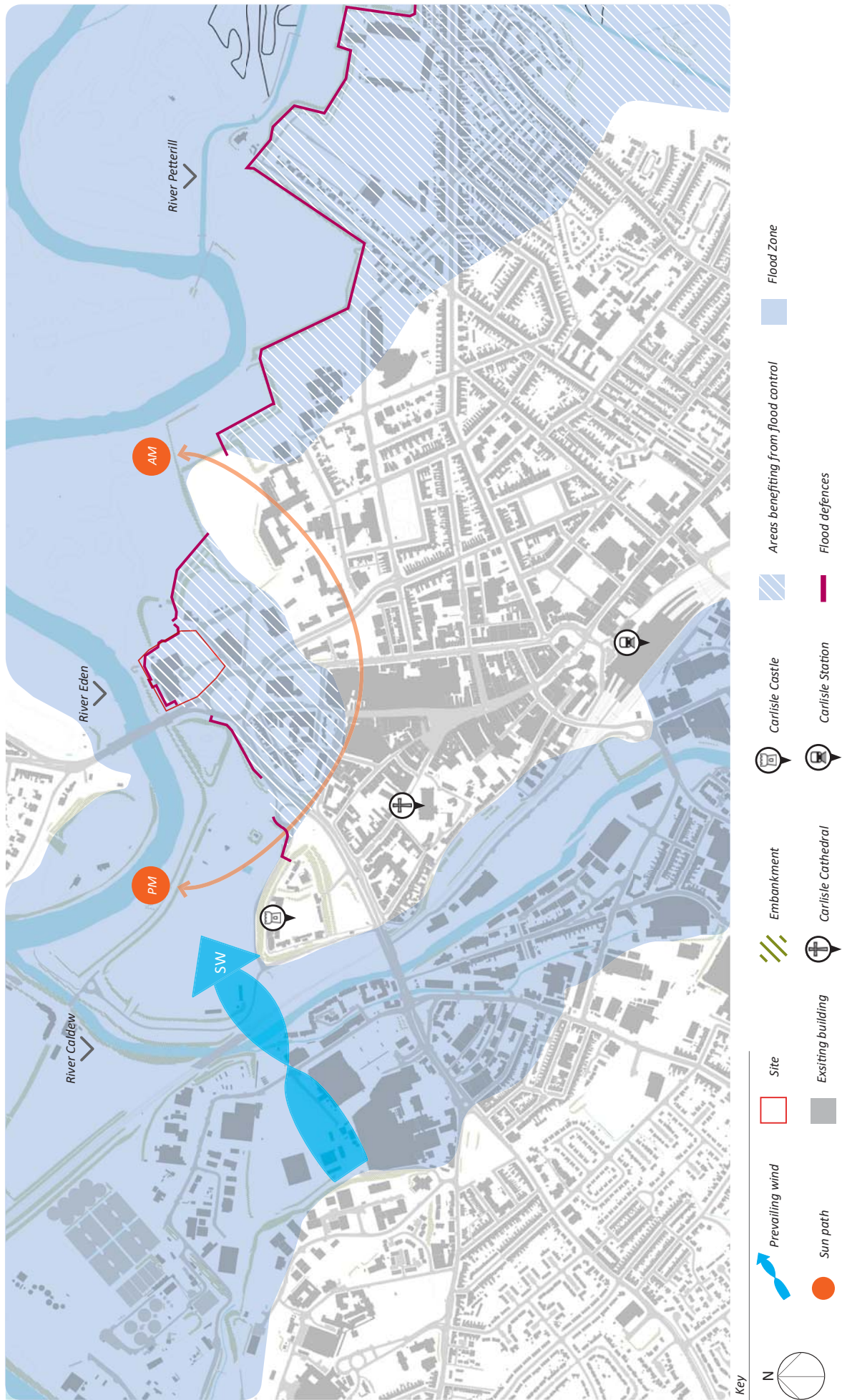
## Location



Key

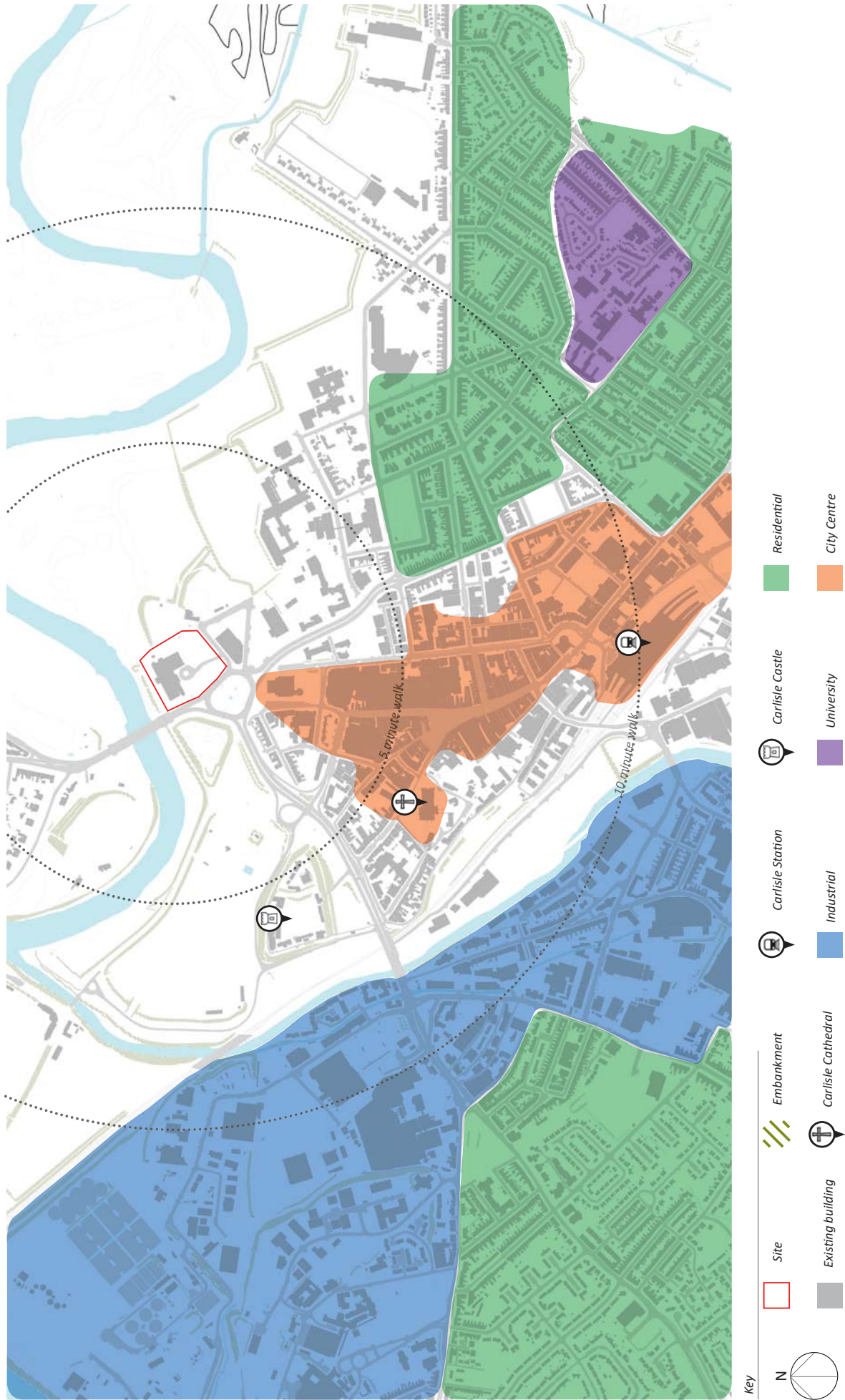


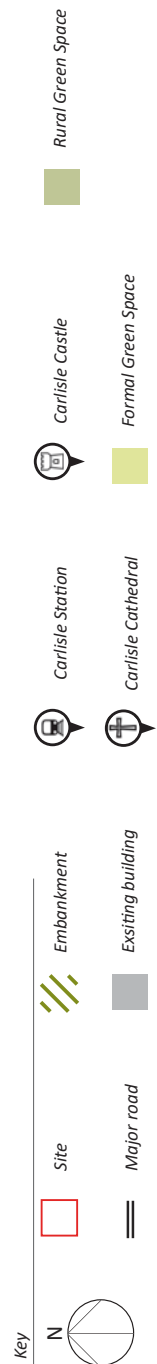




# Site Analysis

## Area Character





## Site Photos

### *Existing Sands Leisure Centre*



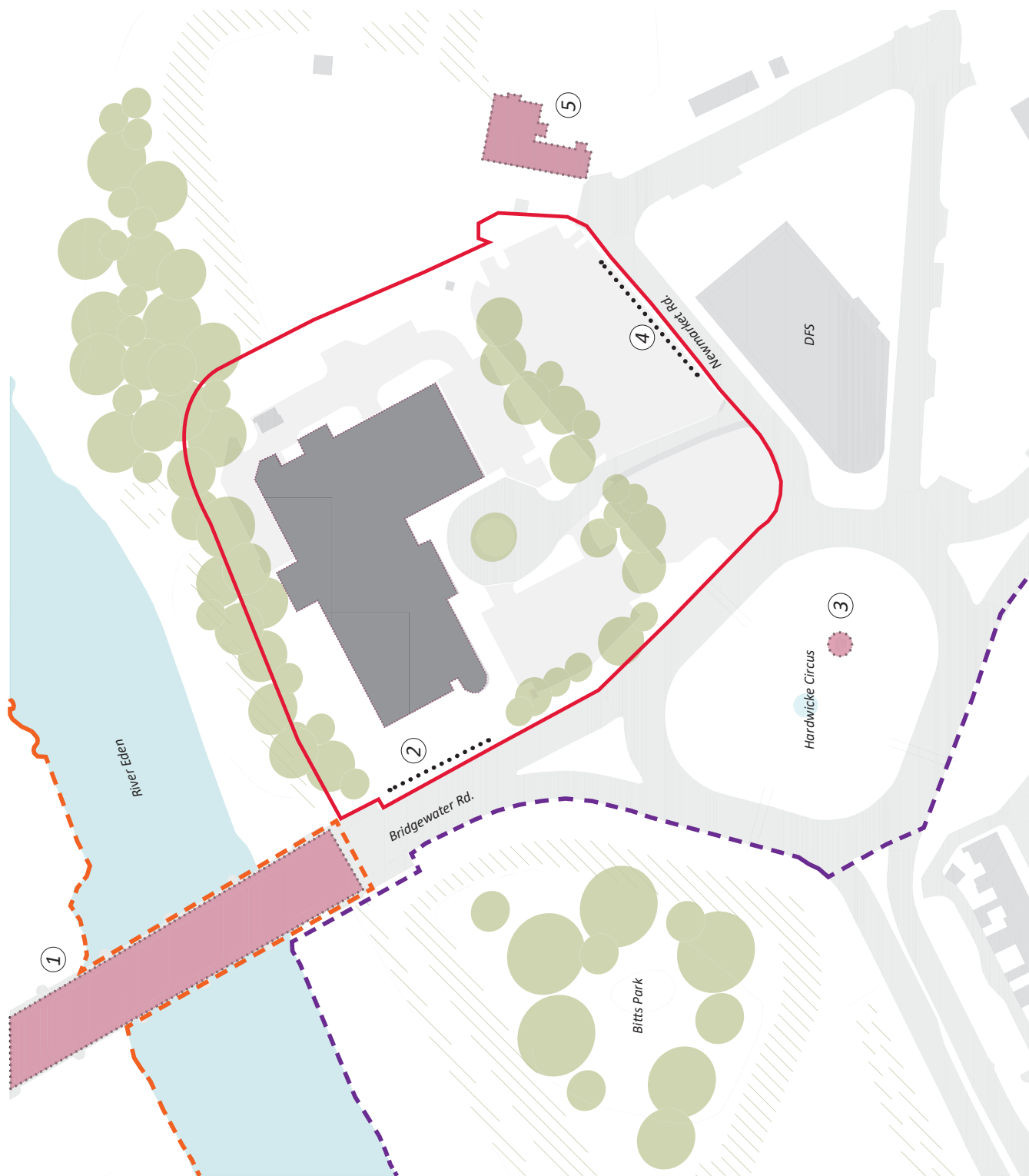
# Site Analysis









## Conservation & Listed Structures

The existing leisure centre site sits adjacent to two conservation areas: The Stanwix conservation Area to the North, including the Eden bridge structure, and the City Centre Conservation Area to the West. However the site itself is not within a conservation area.

Located in the immediate surrounding site are various listed structures. The diagram opposite marks their location and classification.

- ① *Eden Bridge - Grade I*
- ② *Walls, Railings and Piers to the west of the Sands Centre - Grade II*
- ③ *Creighton Memorial - Grade II*
- ④ *Walls, Railings and Piers to the south of the Sands Centre - Grade II*
- ⑤ *The Turf Inn - Grade II*

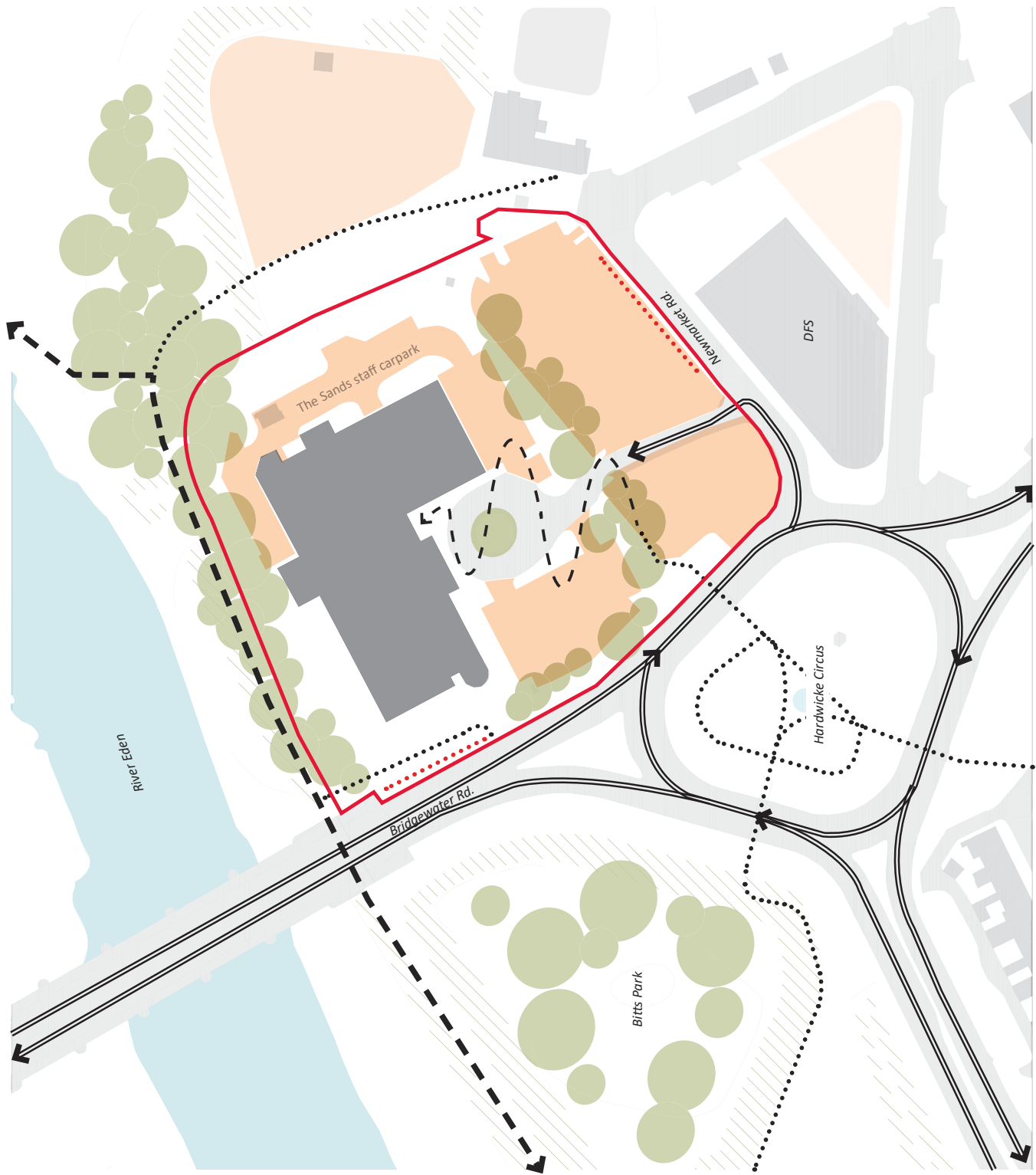


Key				
	Leisure Centre		River Eden	
	Site Boundary		Embankment	
	Trees		City Centre Conservation Area	
	Heritage Asset		Stanwix Conservation Area	

\*Site Boundary taken from 2010 planning application. TBC.

# Site Analysis

## Zoning + Routes



Key

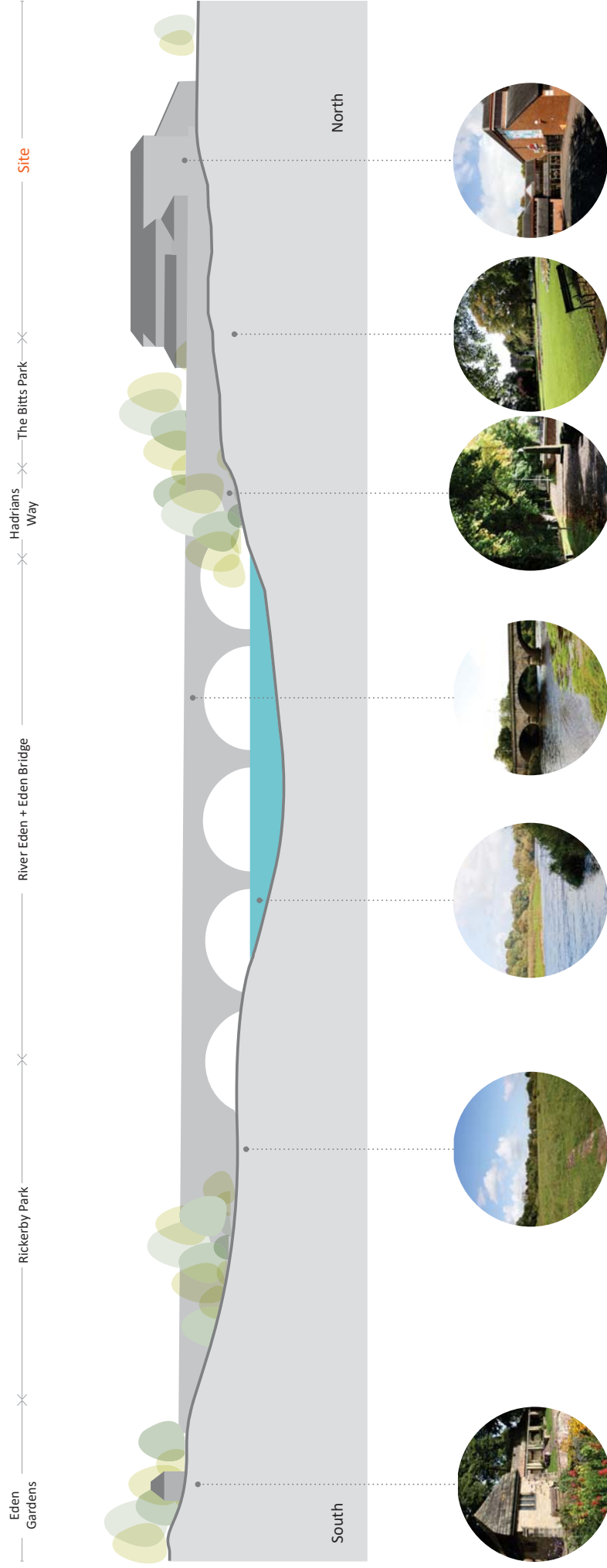
- Leisure Centre
- Site Boundary
- Trees
- River Eden
- Heritage Asset
- Embankment
- Hadrian Way Footpath
- Pedestrian Access
- Primary Vehicular Route

- The Sands Carpark: General Spaces 261  
Disabled Spaces 13
- Swifts Bank Carpark: General Spaces 188  
Motorcycle Spaces 1
- DFS Carpark: General Spaces 55  
Disabled Spaces 9

\*Site Boundary taken from 2010 planning application. TBC.

# Site Section

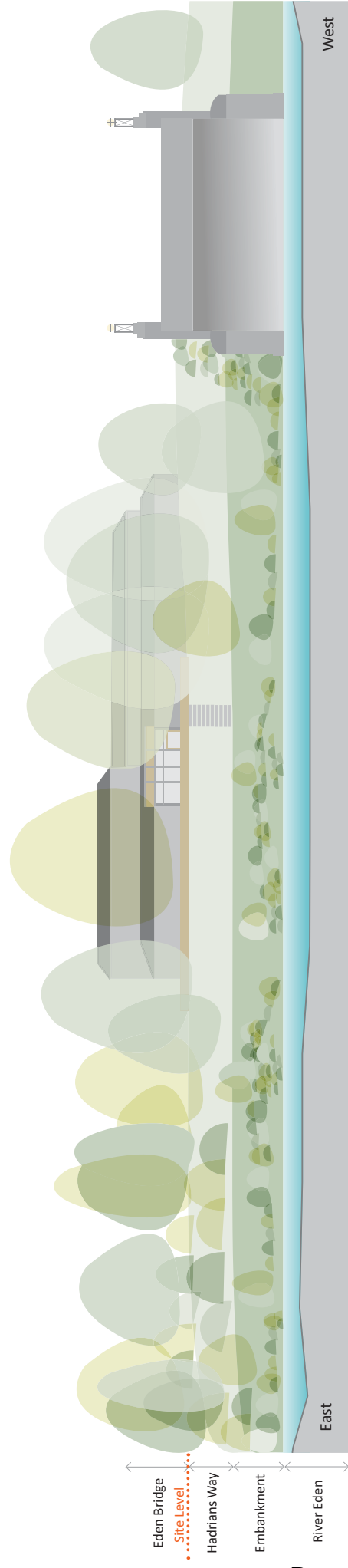
## Existing Site Section



\*Site Section for illustrative purposes only, a detailed topographical survey required for an accurate site levels

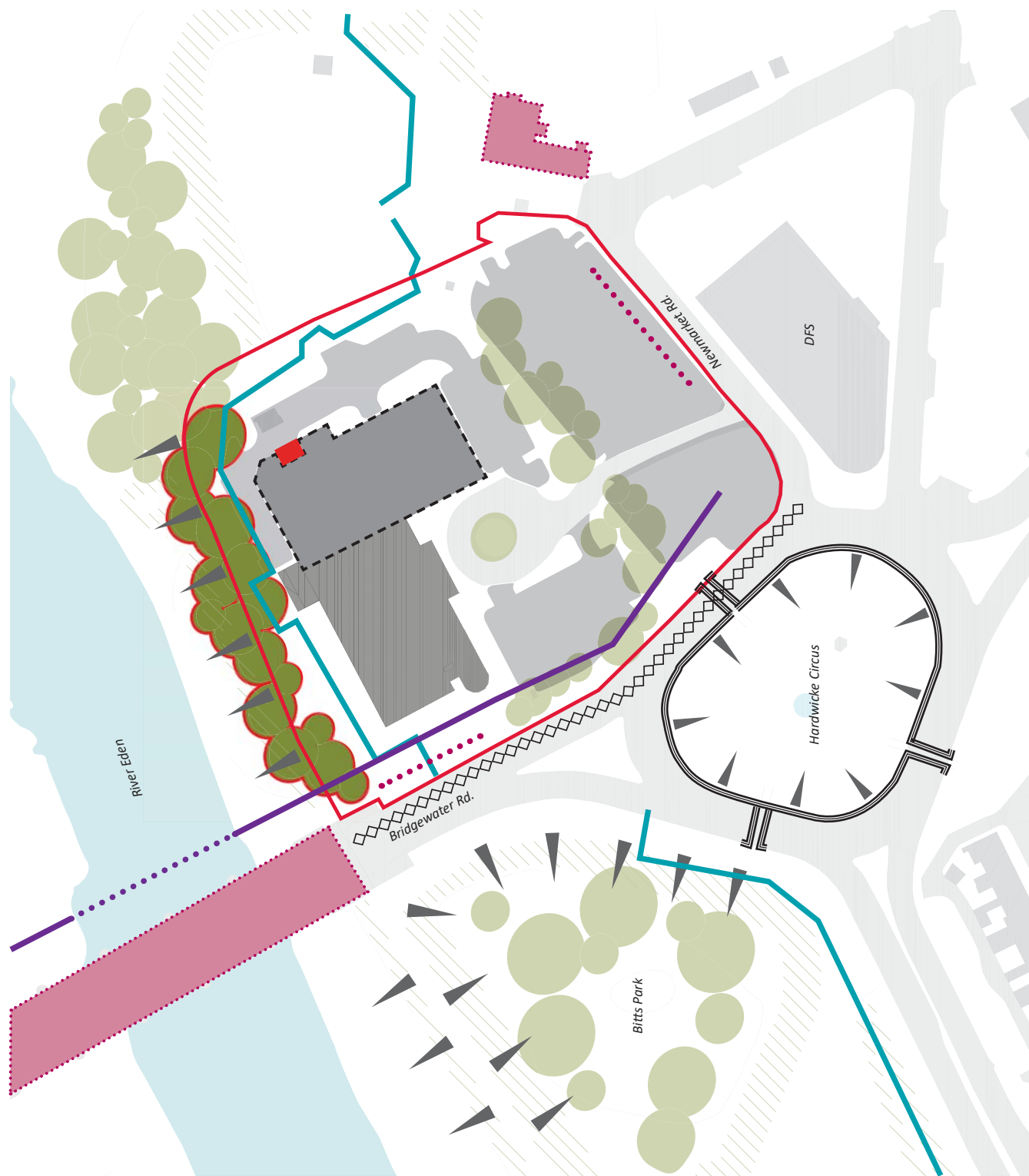
# Site Section

## Existing Site Section



\*Site Section for illustrative purposes only, a detailed topographical survey required for an accurate site levels

# Site Analysis Constraints



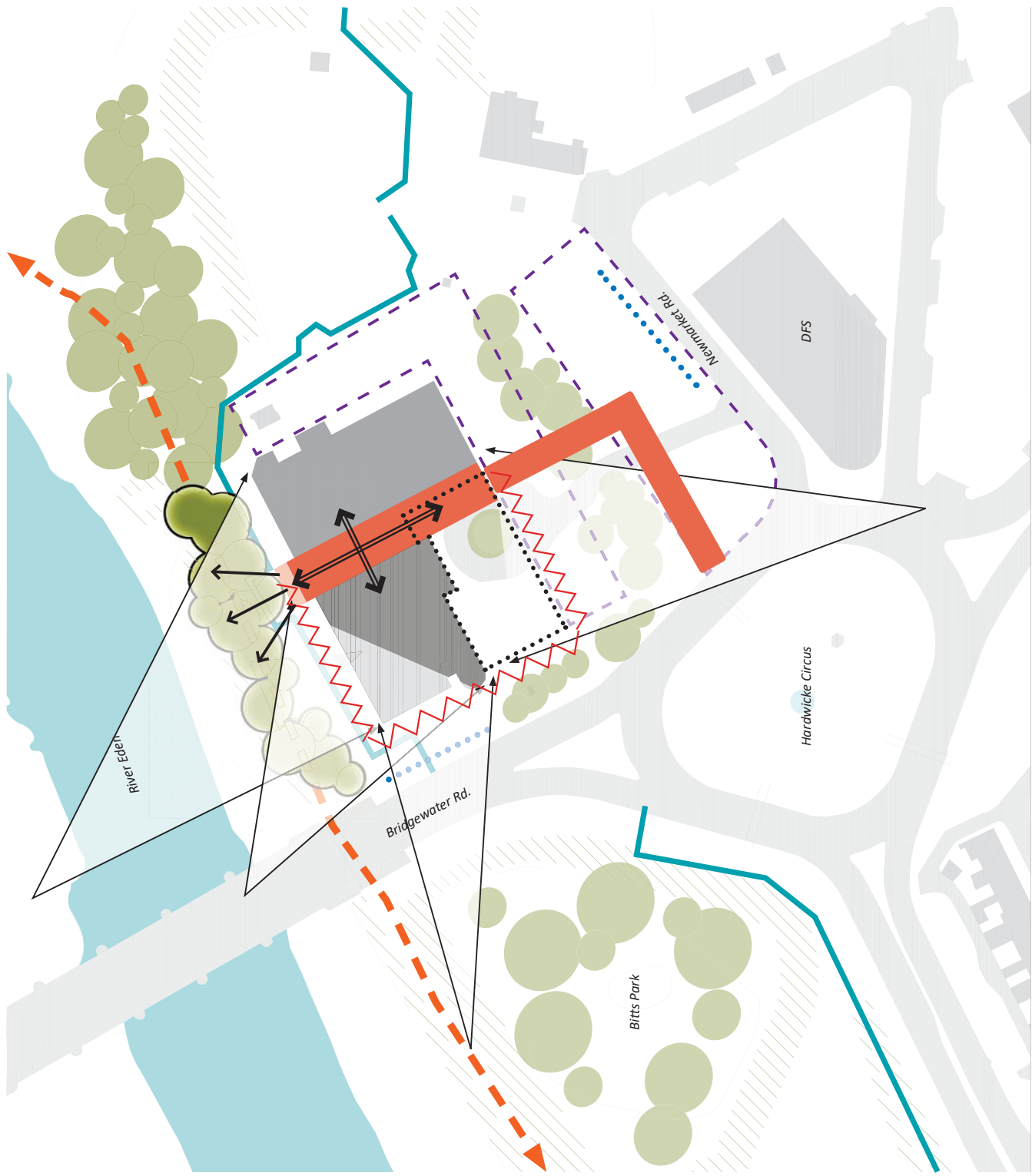
Leisure Centre	River Eden
Site Boundary	Embankment
Trees	Existing Water Mains
Existing Concert Hall	Listed Structure
Flood Defence Wall	Pollution and noise source
Existing Substation	Current Carpark
Slope Direction	

\*Site Boundary taken from 2010 planning application. TBC.

# Site Analysis

## Opportunities

Existing trees along Hadrian was path to the north of the site provide a natural veil to the site when viewing from Rickerby Park



Key	
	Leisure Centre
	River Eden
	Connecting "Street"
	Trees
	Active Elevation
	Key Views
	Flood Defences
	Hadrian's Way Footpath
	Embankment
	Potential Landscaping opportunities
	Development Area
	Enhanced building connections
	L01 Views

# Local Colour Palette

## Urban Landmarks



# Local Colour Palette

## Rural Landmarks



## 2 / History

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## Conservation & Heritage

### Site History

The adjacent maps track the site uses from the year 1870 through to the current day.

1870 – The site forms part of the Cattle Fairground/Auction Mart. As a key location directly south of the Eden bridge the site offered a site of easy access from both rural and city zones. The Turf Hotel can be seen to the East.

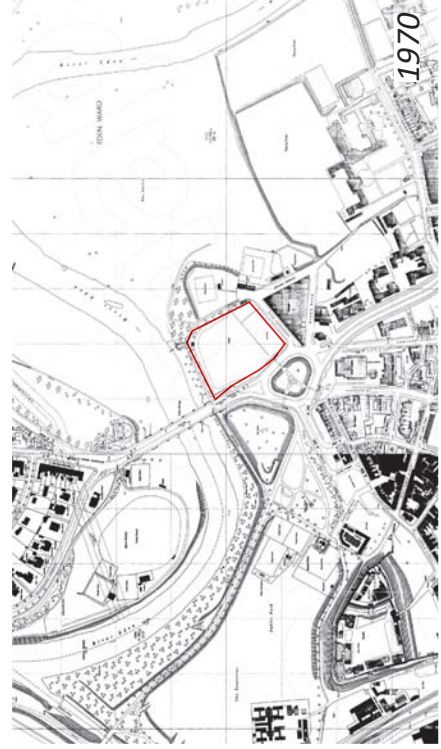
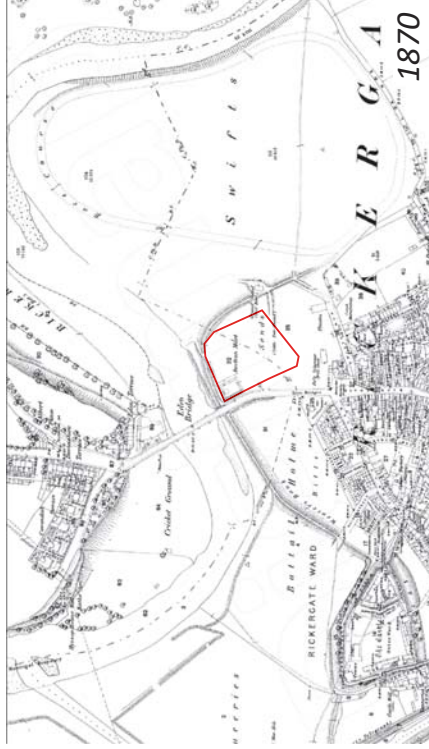
1900 – Retained as a Cattle Market the adjacent and bounding roads have been formalised with the site taking the shape it currently occupies.

1920 – Formalised parking for carts has been added to the south of the site

1940 – Largely unchanged since 1920

1970 – Site largely unchanged since 1920, additional outdoor sporting facilities of tennis courts and bowling green added to the East. Hardwick Circus has been formalised into a sunken garden with underpass connections.

Current – Existing Leisure centre built in 1985, site boundary largely retained since 1900.



## 3 / Brief

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# Sands Area Breakdown

## Proposed GT3 Scheme - Graphic Brief

SPORT ZONE	Notes	Area	Notes	Area
Pool Area	<div>  <p>25m x 8 lane MAIN POOL (COMMUNITY STANDARD?) 20 x 8m LEARNER POOL</p> <p>670 m<sup>2</sup> 320m<sup>2</sup> 990 m<sup>2</sup></p> </div>		<div>  <p>120 station gym @ 4.5m<sup>2</sup> per station Inc. Strength and conditioning zone</p> <p>540 m<sup>2</sup></p> </div>	
	<div>  <p>Store @ 10% of water area Timing Room</p> <p>60 m<sup>2</sup> 10 m<sup>2</sup></p> </div>		<div>  <p>2 X 125m<sup>2</sup> Studios 1 x 80m<sup>2</sup> Spinning Studio/ Flexi-space Flexible space with Sliding Folding Partition between</p> <p>330 m<sup>2</sup></p> </div>	
Spectator Gallery	<div>  <p>250 spectator seats. Sports England Guidance for 25m x 8 lane pool. (Could review requirement to reduce seat numbers to 200min as pool is community not competition) GLL PREFER TO RETAIN 200</p> <p>170 m<sup>2</sup></p> </div>		<div>  <p>Store</p> <p>30 m<sup>2</sup></p> </div>	
4 Court Sports Hall	<div>  <p>Sports England 4 court sports hall</p> <p>Badminton 4 x courts Community/Club Basketball 1 x Court Community/Club 5-a-side 1 x Court All levels Netball 1 x Court Community Volleyball 1 x Court Community/Club Boccia 4 x Court All levels Trampolining (harness points required) Gymnastics (harness points required) Optional Sports – Futsal/Handball/Korfball</p> <p>690 m<sup>2</sup></p> </div>		<div>  <p>SUB-TOTAL</p> <p>2950m<sup>2</sup></p> </div>	
	<div>  <p>Store @ 12.5% of hall area</p> <p>90 m<sup>2</sup></p> </div>			
	<div>  <p>Spectator Area</p> <p>40 m<sup>2</sup></p> </div>			

# Sands Area Breakdown

## *Proposed GT3 Scheme - Graphic Brief*

SPORT SUPPORT ZONE		Notes		Area	
Wet Change Area		Dry Change Area		Notes	
<div></div>	58 PERSON @ 5m² INC. 6 FAMILY CHANGE CUBICLES  (Based on Sport England Steady State conditions calculation)	<div></div>	SPORTS HALL CHANGE (REQ. 32 PERSON) (As per Sport England Guidance)	2 x Dry Change inc. WC + Showers @2m² per person (Sport England requires 1.6m², not inc. WCs)	65 m²
	Arrangement of changing to assist change over of school groups.  Accessible change facilities as per Sport England Guidance	<div></div>	FITNESS CHANGE - 120 person occupancy (Allow for ~35% as per Sport England Guidance)	78 positions @ 1.6m² per position inc. 12 shower positions (1 per 6)	125 m²
	2 X ACC CHANGE	430m²	STUDIO CHANGE 2 x 25 person studios = 50 (Allow for ~35% as per Sport England Guidance)	33 positions @ 1.6m² per position inc. 6 shower positions (1 per 6)	55 m²
	2 X ACC WC  CHANGING PLACES  2 X 20 PERSON GROUP CHANGES (Check Requirement - GLL to remove)		PUBLIC WC (@1000 persons w. interval) Max capacity 1400?  Current WC numbers: Area 120m² Female - 14 WC, 14 WHB Male - 14 Ur, 6 WC, 10 WHB  WC Provision to be reviewed , GLL- Current Female under capacity/Male works.	2 x AWC 2 x Baby Change 3 x Male WC + 11 urinals 6 x Male WHB 26 x Female WC 14 x WHB  BS6465 TABLE 7 50/50	180 m²
First Aid		<div></div>			10 m²
SUB-TOTAL					865 m²

# Sands Area Breakdown

## Proposed GT3 Scheme - Graphic Brief

Notes	Area	Notes	Area
<b>GENERAL SUPPORT ZONE</b>			
Office		Cafe/ Street Zone/ Event Hospitality	
GENERAL OFFICE (10 persons @ 6m <sup>2</sup> ) 2 x Managers 1 x Admin 5 x Arts/Ents 2 x Tech	60 m <sup>2</sup>		
STAFF FACILITIES - Inc. Social and Kitchen, dedicated Staff WC	30 m <sup>2</sup>	L00 Inc. 200m <sup>2</sup> cafe space	500 m <sup>2</sup>
FITNESS OFFICE INC. Consultation room	25 m <sup>2</sup>		
RECEPTION OFFICE	25 m <sup>2</sup>	L01	250 m <sup>2</sup>
RECEPTION DESK	20 m <sup>2</sup>		
Bar/Service			
		SUB-TOTAL	1325 m <sup>2</sup>
L00 - 4/5 SERVING POINTS - TO INCLUDE GRAB & GO COFFEE ZONE FOR SWIM PARENTS OVERLOOKING POOL	60 m <sup>2</sup>		
L01 - 4/5 SERVING POINTS	60 m <sup>2</sup>		
BEER CELLAR	30 m <sup>2</sup>		
NHS Suite			
Area based on existing	265 m <sup>2</sup>		

SPORTS SUBTOTAL	2950m <sup>2</sup>
SPORTS SUPPORT SUBTOTAL	865m <sup>2</sup>
GENERAL SUPPORT SUBTOTAL	1325m <sup>2</sup>
TOTAL SUM	5130m <sup>2</sup>
CIRCULATION @7.5%	385m <sup>2</sup>
*PLANT @7.5%	385m <sup>2</sup>
INT WALLS @5%	255m <sup>2</sup>
	6165m <sup>2</sup>
*ADDITIONAL	
ROOFTOP PLANT @4.0%	200m <sup>2</sup>
ABACUS FIGURE AT TENDER	4984m <sup>2</sup>

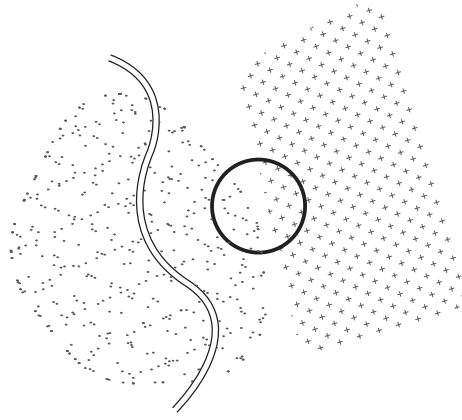
## 4 / Concept Design

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# Key Themes

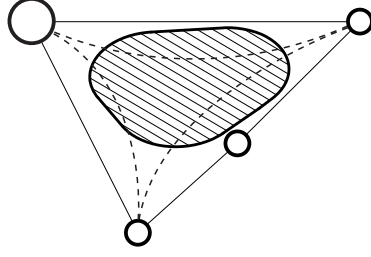
## Parti Diagrams

It is important that there is a bridge between the overarching vision for a project and the more detailed design concept. This is achieved through the development of a series of key themes which characterise the vision and capture the essence of the project. The themes (which are not necessarily physical or spatial in nature) are general principles that will guide and inform the development of the design as it progresses through the conceptual and technical stages of the project.



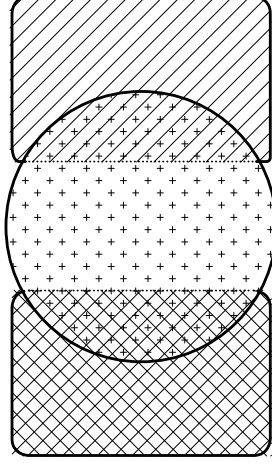
### 1) Where the City Meets the Country

- A development that mediates between the urban and the rural
- A development that physically connects to the river and its embankment
- A place that brings together people for a variety of purposes



### 2) A Culture/Leisure Landmark

- Working with the fabric of the City
- A gateway into and out of the City
- A new cultural & leisure landmark to complement the existing features

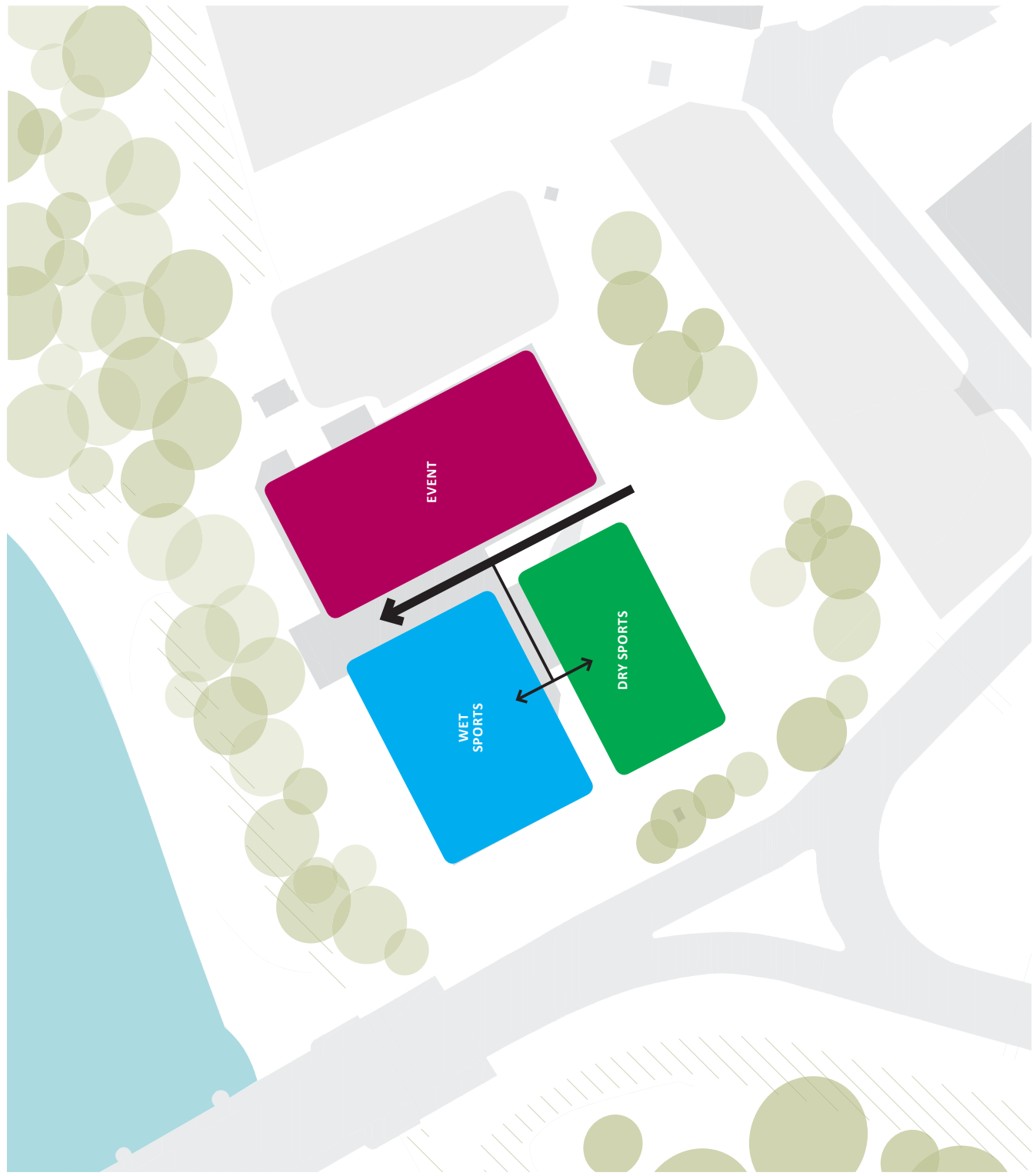


### 3) Where Sport Meets the Arts

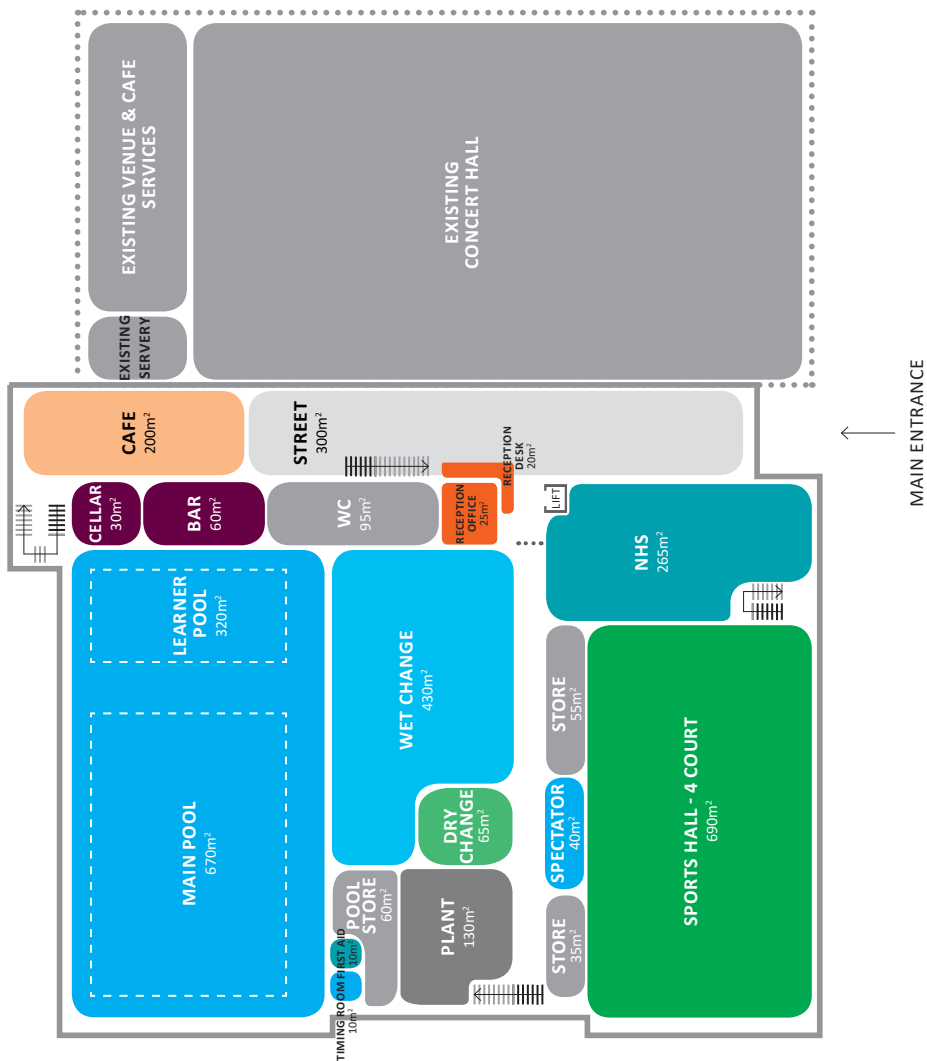
- An innovative combination of uses and activities
- A series of flexible, shared spaces to meet a wide variety of needs
- A unique development with a unique character

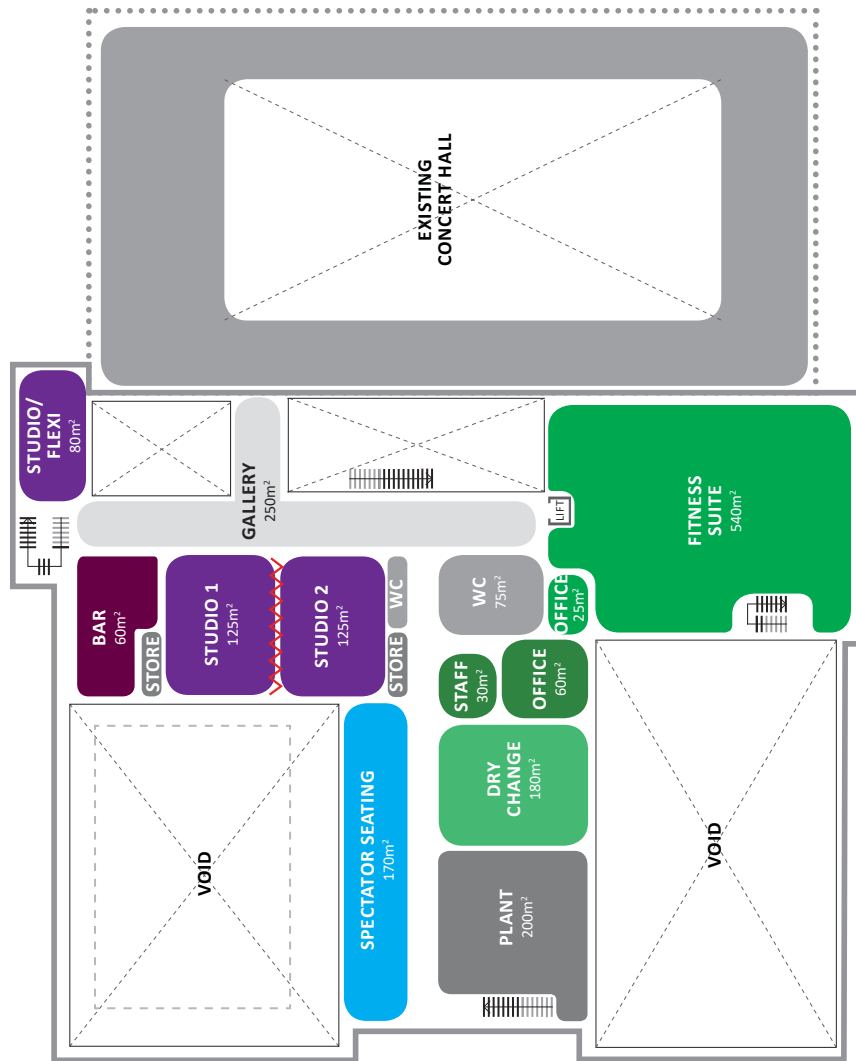


Key



Key

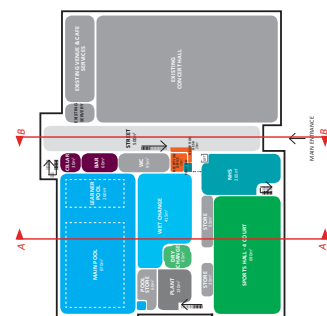
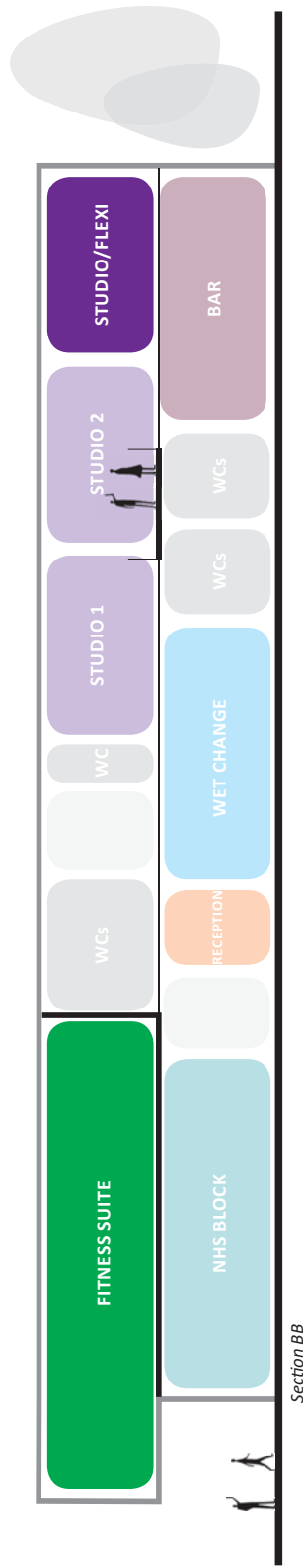
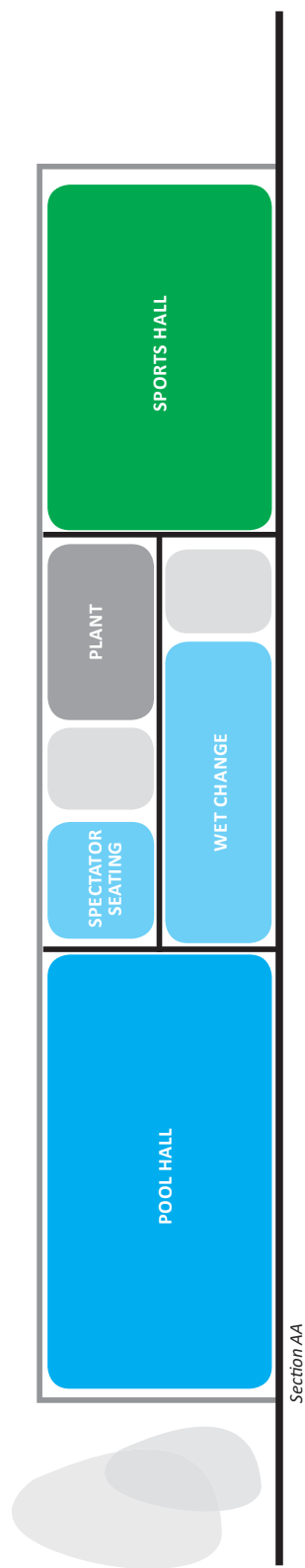




Key

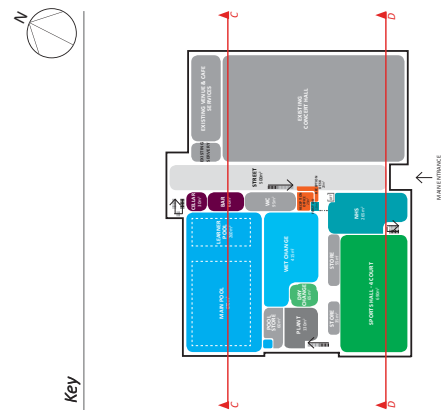
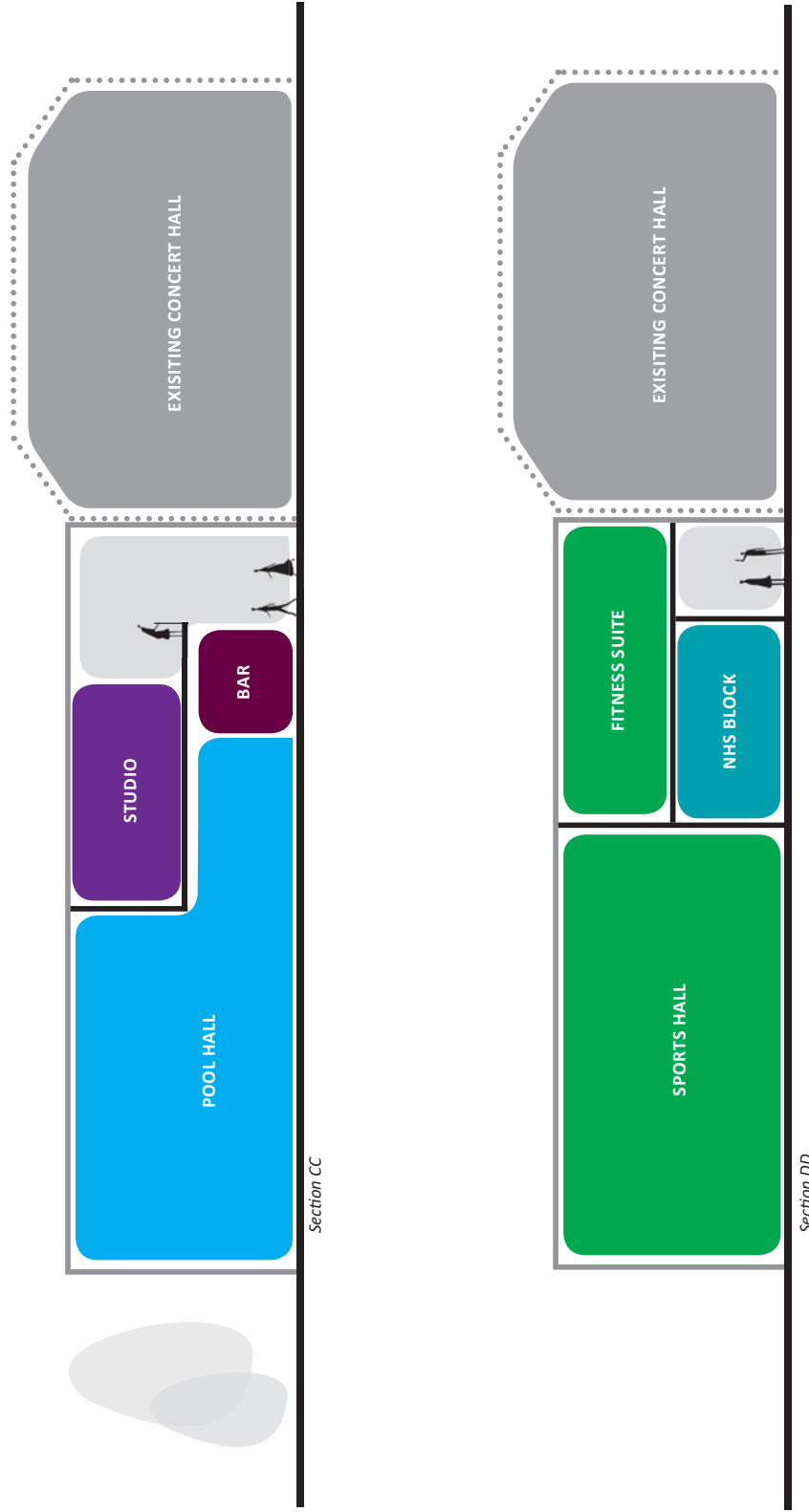
## Concept Design

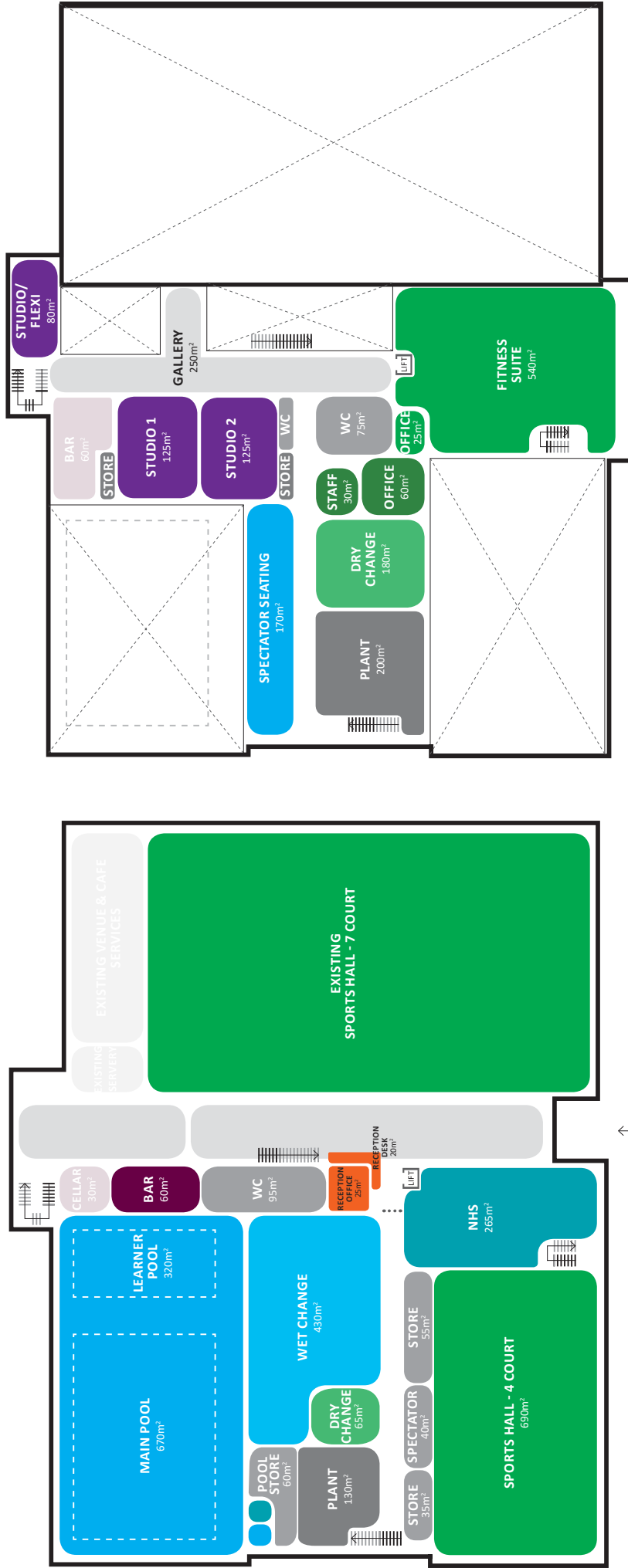
### Sections $AA + BB$

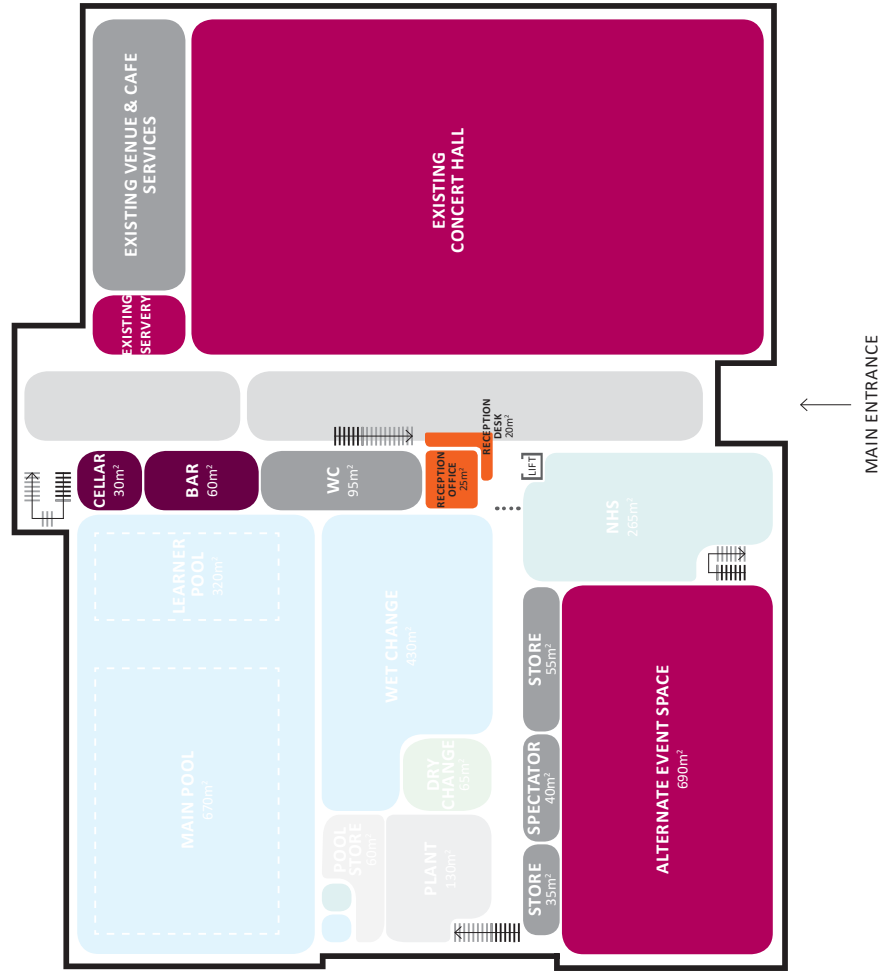
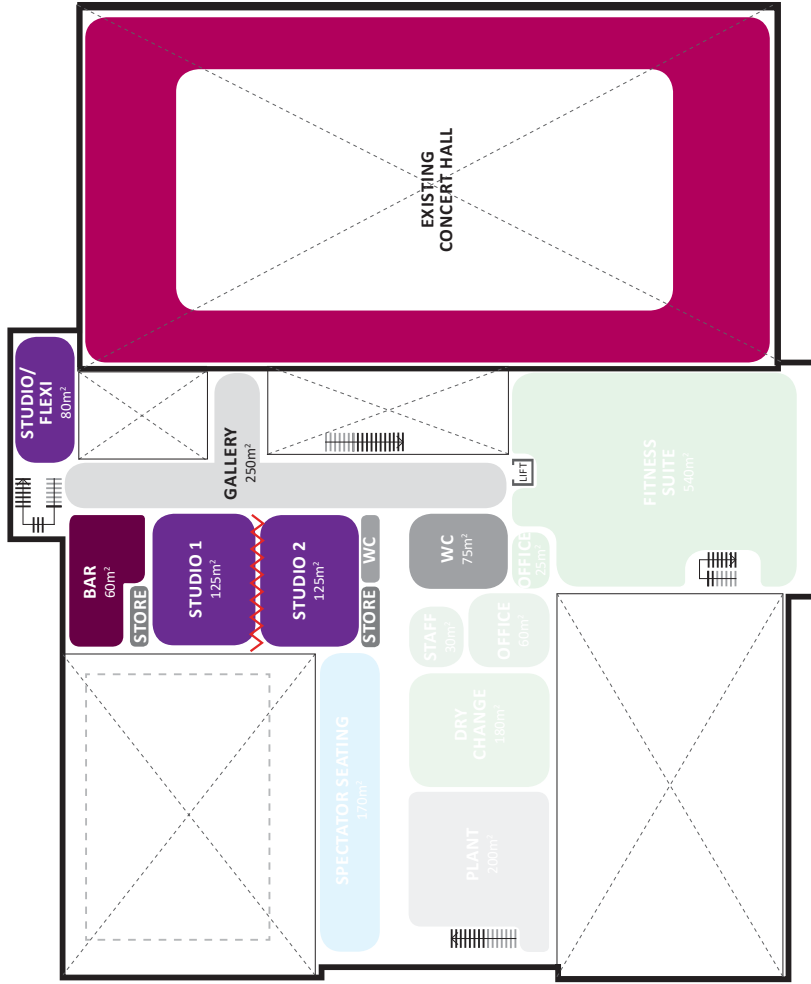


# Concept Design

## Sections $CC + DD$







# Concept Design

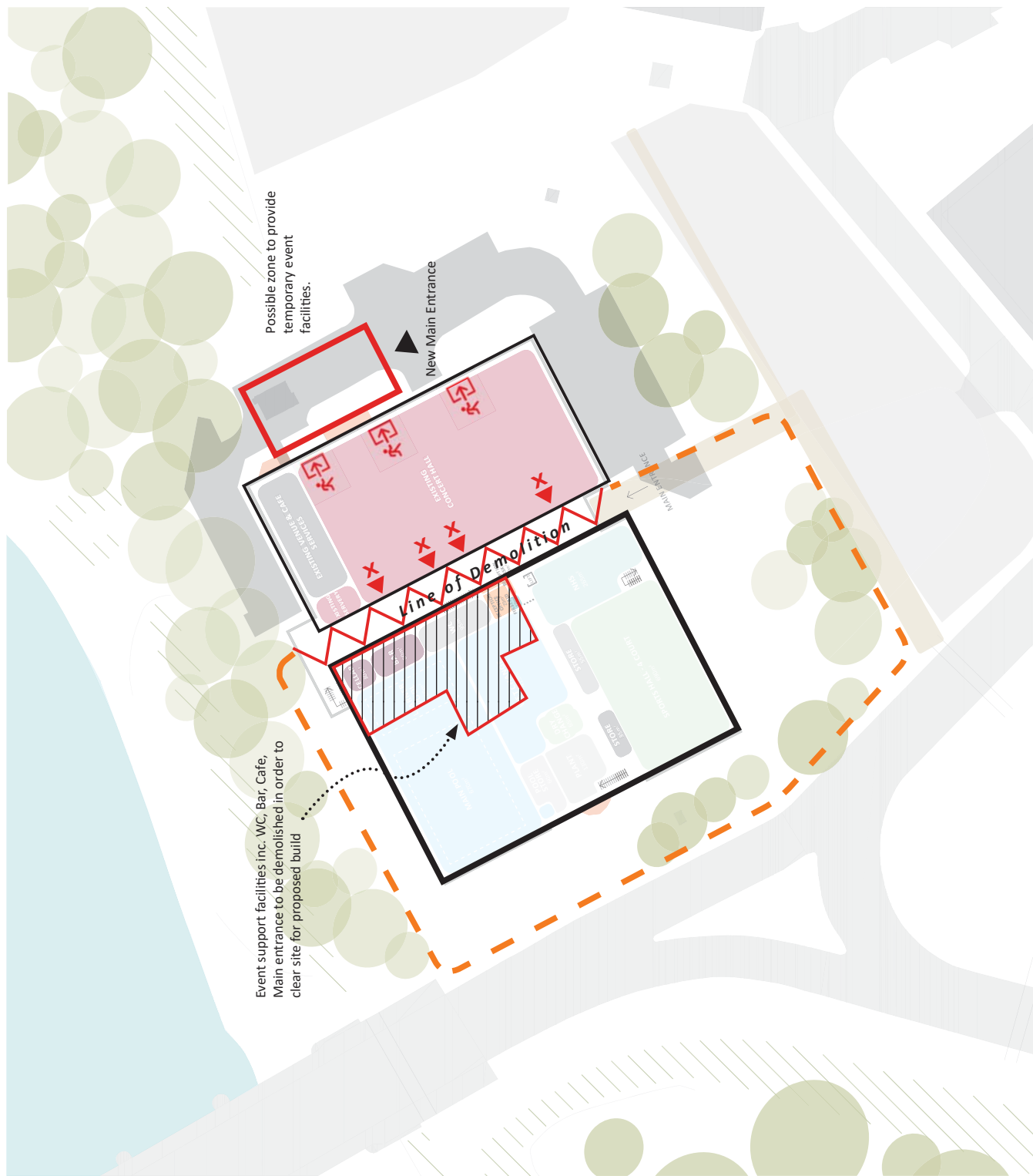
## Event Overlay Strategy during Construction

It is the intention of the Client and Operator to maintain the Event Hall element of the scheme in a 'Business as usual' manner.

In order for this to occur there are a number of key considerations that would require review. Some of these considerations are highlighted on the adjacent diagram, including:

- Fire Escape
- Temporary facilities
- Temporary Entrance
- Site Compound lines and Safety

\*Please note this diagram does not propose solutions but looks to highlight the potential issues to resolve.



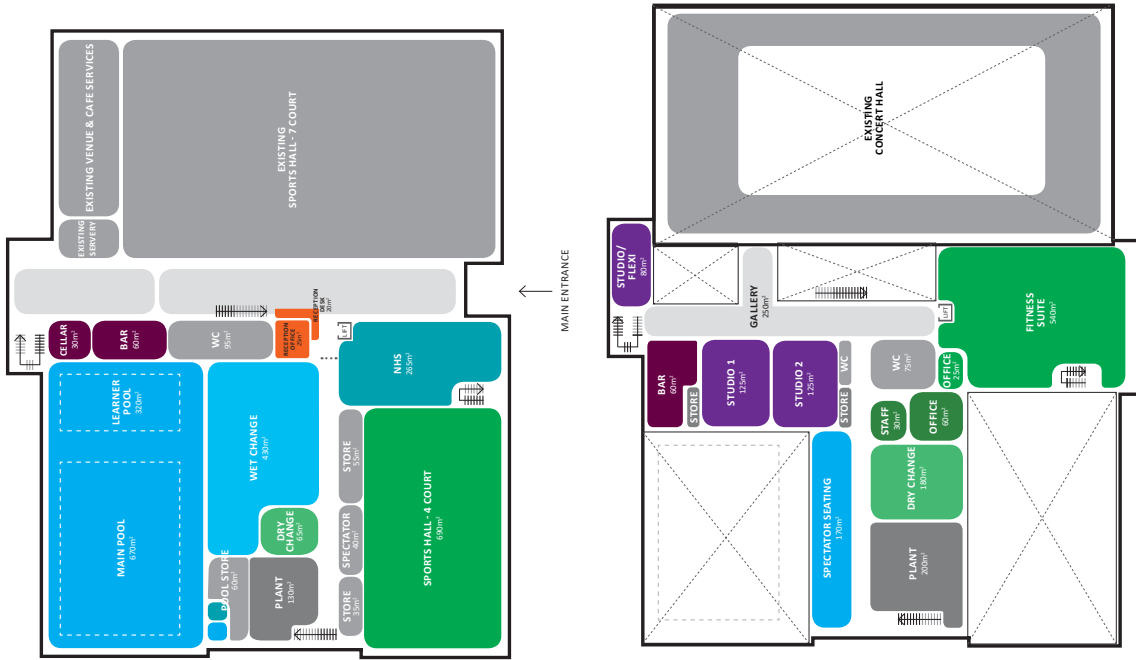
Key

 Retained routes into and out of event hall

Site Compound

No emergency exit in this direction

Sands Area Breakdown  
Proposed GT3 Scheme



Existing Ground Floor Area

2163m<sup>2</sup>

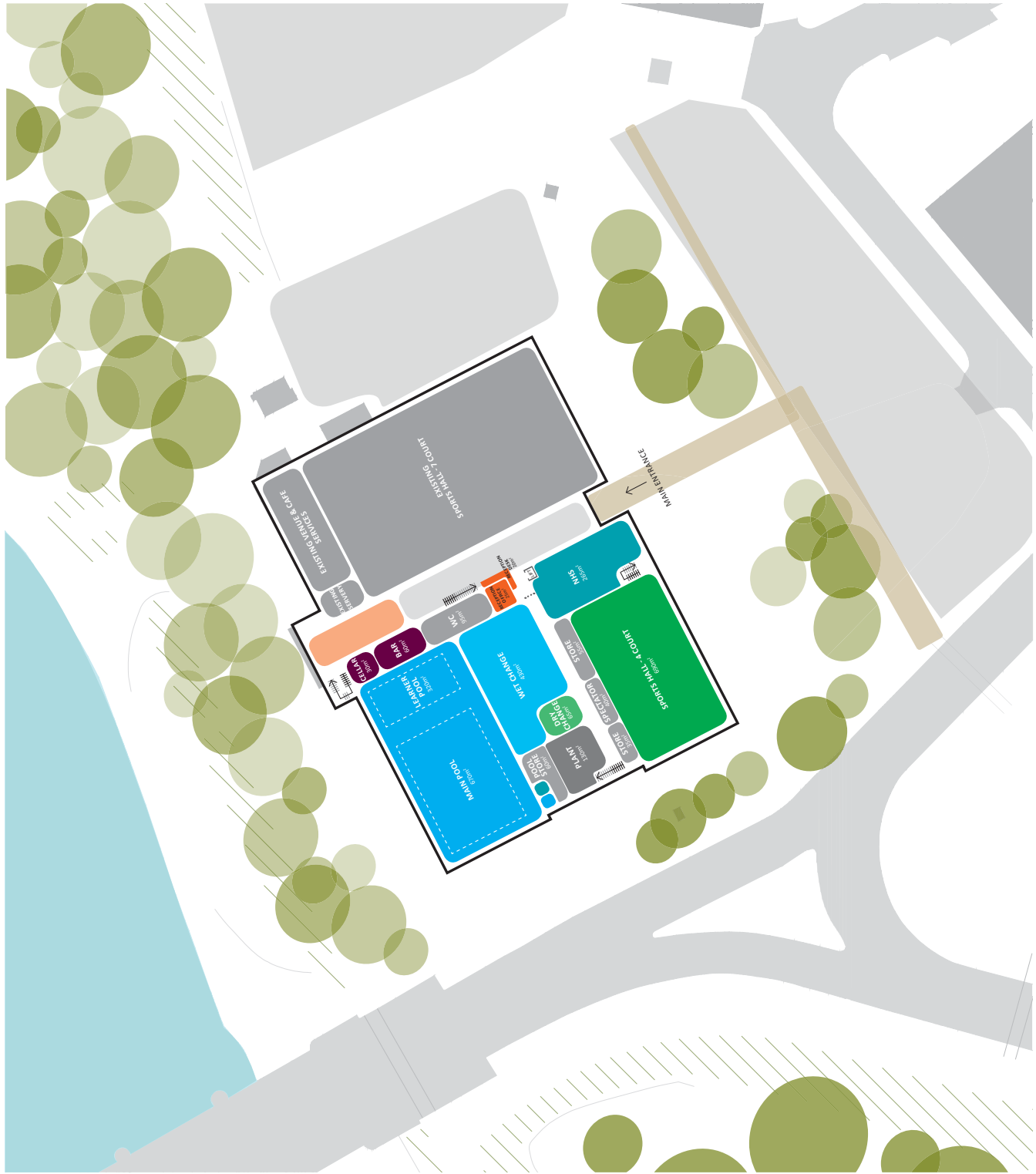
Existing First Floor Area

815m<sup>2</sup>

Total Existing Gross Floor Area

2978m<sup>2</sup>

GT3 Proposed Area Schedule		
Zone	Area (m <sup>2</sup> )	Notes
<b>Sport Zones</b>		
Main Pool Hall	990	25m x 8 lane & 20m x 8m learner pools
Pool Store	60	10% of Water Area
Timing Room	10	GLL request_31-10-2017
Spectator Gallery	170	250 seats per Sport England Guidance
4 Court Sports Hall	690	Sport England Guidance
Hall Store	90	12.5% of Hall Area
Spectator Gallery	40	GLL request_31-10-2017
Fitness Gym	540	100 stations @5m <sup>2</sup> per station
Studio 1	125	Flexible space/25 person @5m <sup>2</sup> per person
Studio 2	125	25 person @5m <sup>2</sup> per person
Studio 3 (spinning)	80	30 spin bikes GLL request_31-10-2017
Studio Stores	30	3 x 10m <sup>2</sup>
Sub-total	2950	
<b>Sport Support Zones</b>		
Wet change	430	Inc. Change, Acc. Change, Group Change, Wet WC
Sports Hall Change	65	32 positions Inc. WC.Sh.Change
Fitness Change	125	78 position Inc Sh & Change
Studio Change	55	33 position Inc Sh & Change
Public WC	180	Based on 1000 person w/interval (BS6465 table 7)
First Aid	10	
Sub-total	865	
<b>General Support Zones</b>		
General Office	60	10 persons @ 5m <sup>2</sup> per person
Staff Facilities	30	Inc. Kitchen & Social
Fitness Office	25	
Reception Office	25	
Reception Desk	20	3-4 positions
L00 Bar/Servery	60	4-5 serving positions
L01 Bar/Servery	60	4-5 serving positions
Beer Cellar	30	
L00 Street	500	Inc. Café seating, Social areas
L01 Street	250	Inc. Café seating, Social areas
NHS Suite	265	Area to match existing
Sub-total	1325	
Total Net Sum	5140	
Circulation @7.5%	385	
Plant @7.5%	385	
Internal Walls @5%	255	
Total Gross Sum	6165	
Rooftop Plant @4.0%	200	



Key

# Concept Design

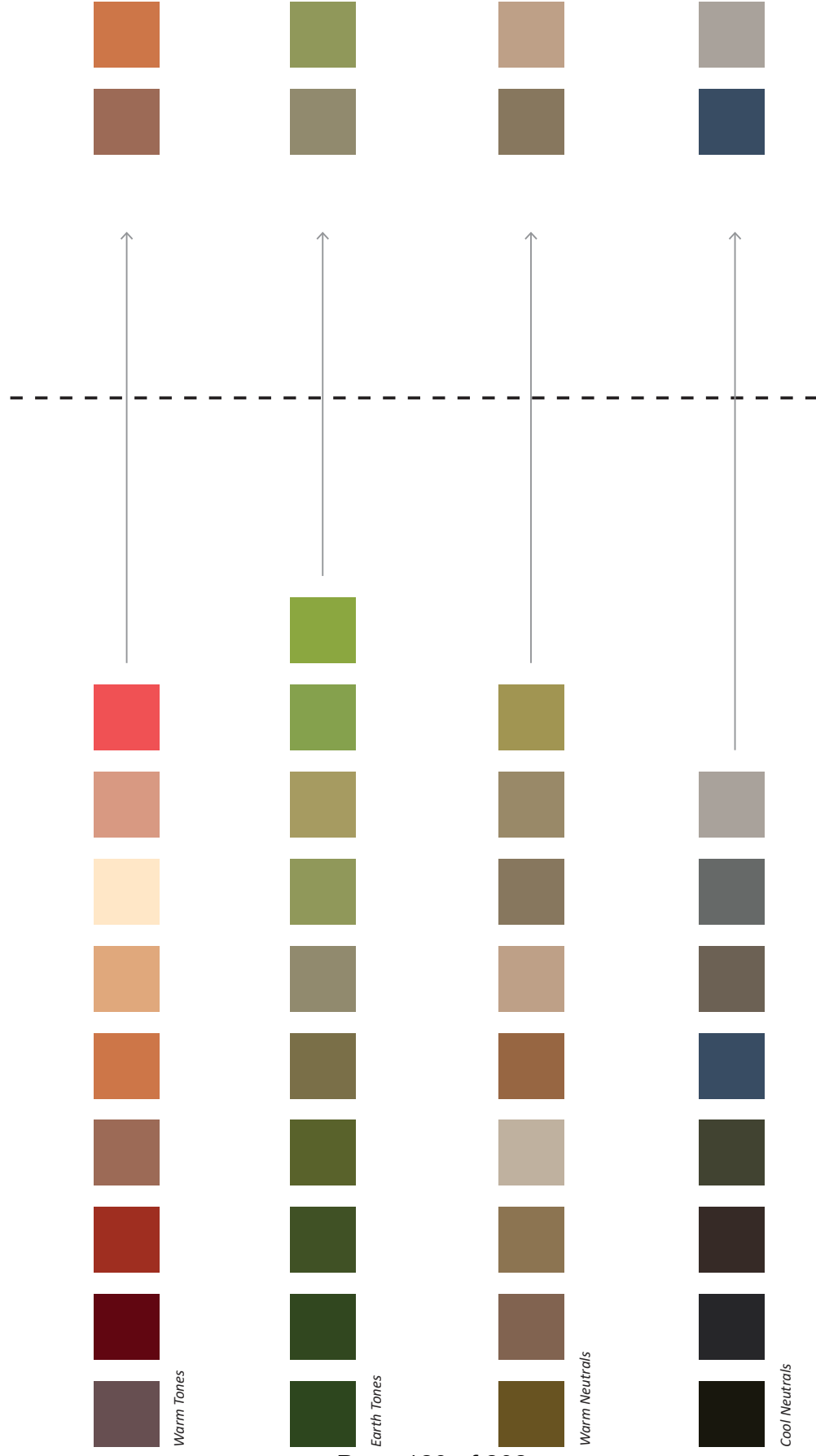
## *L01 Plan in Context*



**Key**

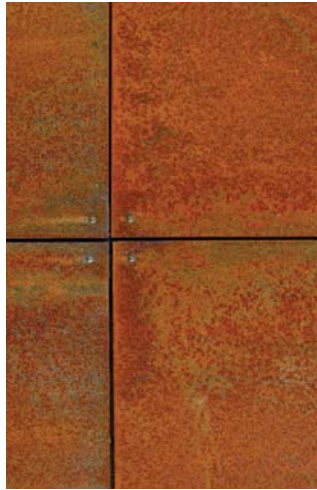
## 5 / Material Strategy

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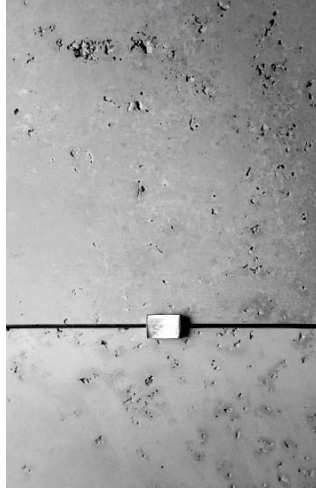
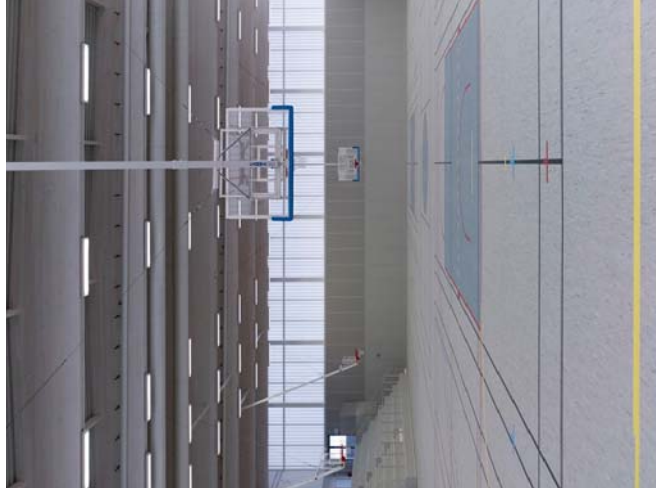
# Colour & Material Strategy

## Material Strategy



# Colour & Material Strategy

## Material Strategy



**Carlisle City Council  
Sands Leisure Centre - 27 November 2017**



ID	Task Name	Duration	Start	Finish	Predecessors	2017					2018	
						Jan	Feb	Mar	Apr	May	Jun	Jul
1	<b>Development of Procurement Strategy (EA/ MDDT)</b>	1.4 wks	Wed 31/05/17	Fri 09/06/17								
5	<b>Pre-Tender Planning (EA/ MDDT)</b>	2.8 wks	Mon 12/06/17	Thu 29/06/17								
12	<b>Tender Stage (EA &amp; MDDT)</b>	7.6 wks	Wed 28/06/17	Fri 18/08/17								
22	<b>Contract Award (EA &amp; MDDT)</b>	4.8 wks	Mon 21/08/17	Fri 22/09/17								
28	<b>Mobilisation (EA &amp; MDDT)</b>	2.4 wks	Mon 04/09/17	Wed 20/09/17								
33	<b>RIBA Stage 0-2 -Scheme Design &amp; Approvals</b>	21.2 wks	Wed 20/09/17	Tue 06/03/18								
34	Prepare Scheme Design to RIBA Stage 2	6.6 wks	Wed 20/09/17	Fri 03/11/17	32							
35	Officer Review of Outline Design	2.2 wks	Mon 23/10/17	Mon 06/11/17								
36	Presentation of Initial Concept to CCC	0 wks	Tue 31/10/17	Tue 31/10/17								
37	Informal Briefing with Portfolio Holder	0 wks	Mon 06/11/17	Mon 06/11/17	36							
38	Submission of updated & revised Executive Report	0 wks	Thu 30/11/17	Thu 30/11/17								
39	Executive Members Briefing	0 wks	Tue 05/12/17	Tue 05/12/17	38							
40	Executive Members Meeting	0 wks	Mon 18/12/17	Mon 18/12/17	39							
41	Special Joint Scrutiny Panel	0 wks	Mon 29/01/18	Mon 29/01/18	40							
42	Scrutiny responses to be considered by Executive	0 wks	Mon 12/02/18	Mon 12/02/18	41							
43	Full Council decision on Stage 2 Design & Cost Plan	0 wks	Tue 06/03/18	Tue 06/03/18	42							
44	Approval of Stage 2 Design & Cost Plan	0 wks	Tue 06/03/18	Tue 06/03/18	43							
45	<b>RIBA Stage 3 ( 1st Stage Tender for Preferred Contractor)</b>	20.4 wks	Wed 07/03/18	Thu 26/07/18								
46	Prepare OJEU Notice & PQQ (Electronic PIN, Restricted)	2 wks	Wed 07/03/18	Tue 20/03/18	44FS+1 day							
47	Issue OJEU Notice & PQQ (Electronic PIN, Restricted)	0 wks	Tue 20/03/18	Tue 20/03/18	46							
48	OJEU Expression of Interest & PQQ Period	6 wks	Wed 21/03/18	Tue 01/05/18	47							
49	PQQ Evaluation	2 wks	Wed 02/05/18	Tue 15/05/18	48							
50	Prepare 1st Stage Tender Documents & Award Criteria	2 wks	Wed 21/03/18	Tue 03/04/18	47							
51	Council Approval of Tender Documents	5 days	Wed 04/04/18	Tue 10/04/18	50							
52	Shortlist Tenderers (Min 5)	3 days	Wed 16/05/18	Fri 18/05/18	49							

Client: Carlisle City Council  
Project: Sands Leisure Centre  
Date Issued: 27/11/17

Task  
Split  
Milestone

Summary  
Project Summary  
External Tasks

External Milestone  
Inactive Task  
Inactive Milestone

Inactive Summary  
Manual Task  
Duration only

Manual Summary Rollup  
Manual Summary  
Start only

Finish-only  
Critical  
Critical Split

Progress  
Deadline

File Path:

**Carlisle City Council  
Sands Leisure Centre - 27 November 2017**



ID	Task Name	Duration	Start	Finish	Predecessors	2022											
						1st Quarter			2nd Quarter			3rd Quarter			4th Quarter		
53	Council Approval of Shortlist of Tenderers	0 wks	Fri 18/05/18	Fri 18/05/18	52												
54	Issue 1st Stage Tender Documents	4.4 wks	Mon 21/05/18	Tue 19/06/18	52												
55	Tender Evaluation	2 wks	Wed 20/06/18	Tue 03/07/18	54												
56	1st Stage Tender Interview	5 days	Wed 04/07/18	Tue 10/07/18	55												
57	Council Approval to Notify Preferred Contractor	2 days	Wed 11/07/18	Thu 12/07/18	56												
58	Notify Contactors	0 wks	Thu 12/07/18	Thu 12/07/18	57												
59	Contract Standstill (OJEU)	10 days	Fri 13/07/18	Thu 26/07/18	58												
60	Appointment of Preferred Contractor for RIBA Stage 4	0 wks	Thu 26/07/18	Thu 26/07/18	59												
61	Submit OJEU Award Notice	48 days	Fri 27/07/18	Tue 02/10/18	59												
62	<b>RIBA Stage 3 ( Developed Design)</b>	<b>20.2 wks</b>	<b>Wed 07/03/18</b>	<b>Wed 25/07/18</b>													
63	Update to RIBA Stage 2 Design and Report	4 wks	Wed 07/03/18	Tue 03/04/18	44FS+1 day												
64	Procurement of Key Surveys	1 wk	Wed 07/03/18	Tue 13/03/18	44FS+1												
65	Undertake key Surveys	6 wks	Wed 14/03/18	Tue 24/04/18	64												
66	Prepare Scheme Design to RIBA Stage 3	12 wks	Wed 04/04/18	Tue 26/06/18	63												
67	Early Engagement of Government Soft Landings Champion	0 wks	Wed 04/04/18	Wed 04/04/18	66SS												
68	Prepare and submit Gateway 3 Report	2 wks	Wed 27/06/18	Tue 10/07/18	66												
69	Officer review of Gateway 3 Report	1 wk	Wed 11/07/18	Tue 17/07/18	68												
70	Presentation to Joint Management Team	0 wks	Tue 17/07/18	Tue 17/07/18	69												
71	Papers for Executive Members Meeting	1 wk	Wed 18/07/18	Tue 24/07/18	69												
72	Executive Members Meeting	0 wks	Tue 24/07/18	Tue 24/07/18	71												
73	Approvals of Developed Design & Cost Plan	1 day	Wed 25/07/18	Wed 25/07/18	72												
74	Gateway 3 Approval to Proceed to Stage 4	0 wks	Wed 25/07/18	Wed 25/07/18	73												
75	<b>RIBA Stage 4 (Technical Design)</b>	<b>27 wks</b>	<b>Fri 27/07/18</b>	<b>Thu 21/02/19</b>													
76	Develop Detailed Technical Design and Specifications	14 wks	Fri 27/07/18	Thu 01/11/18	74,60												
77	Council Sign Off of Detailed Design and Specifications	2 wks	Fri 02/11/18	Thu 15/11/18	76												

Client: Carlisle City Council  
Project: Sands Leisure Centre  
Date Issued: 27/11/17

Task  
Split  
Milestone

Summary  
Project Summary  
External Tasks

External Milestone  
Inactive Task  
Inactive Milestone

Inactive Summary  
Manual Task  
Duration only

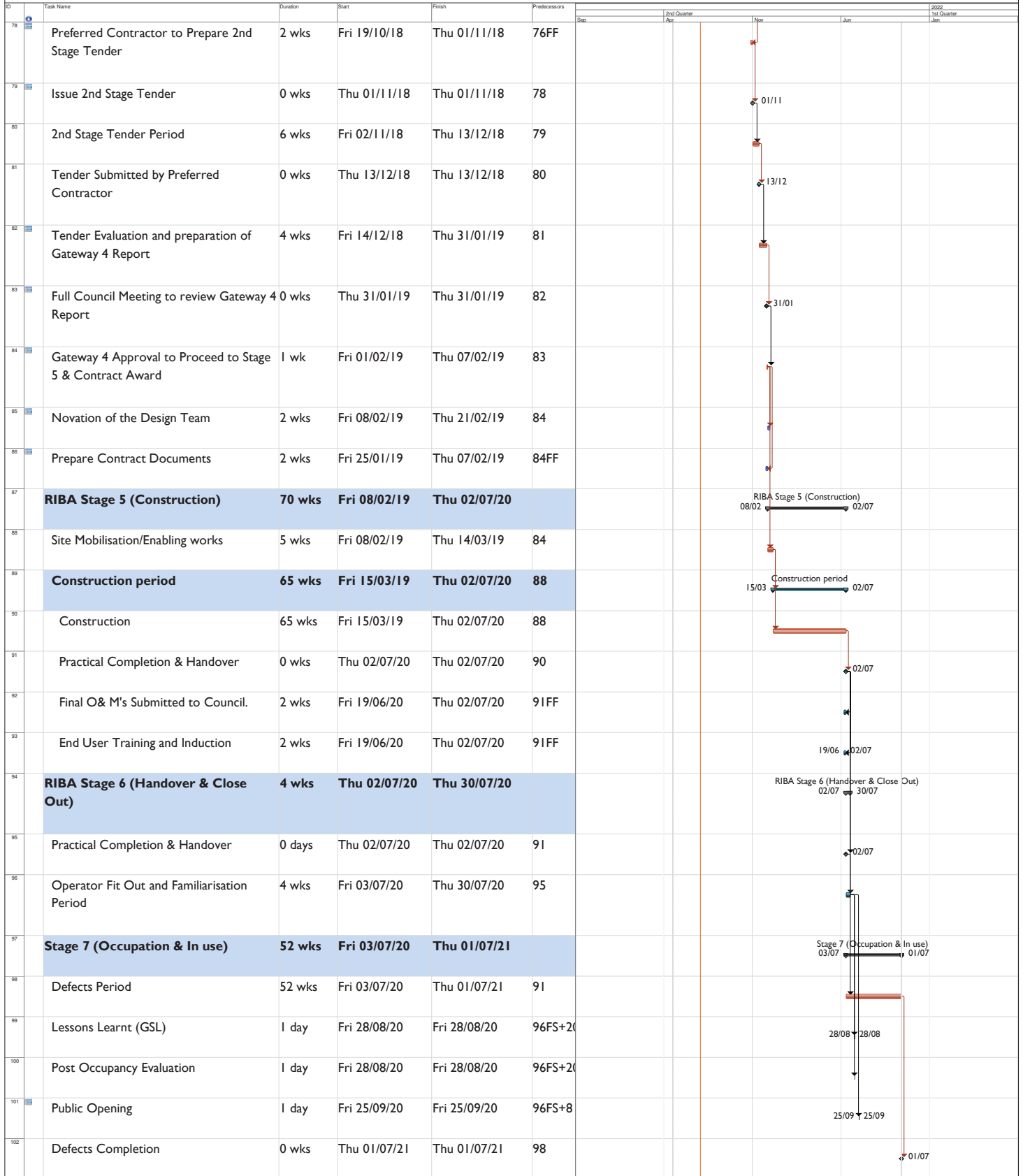
Manual Summary Rollup  
Manual Summary  
Start-only

Finish-only  
Critical  
Critical Split

Progress  
Deadline

File Path:

**Carlisle City Council  
Sands Leisure Centre - 27 November 2017**



Client: Carlisle City Council  
Project: Sands Leisure Centre  
Date Issued: 27/11/17

Task  
Split  
Milestone

Summary  
Project Summary  
External Tasks

External Milestone  
Inactive Task  
Inactive Milestone

Inactive Summary  
Manual Task  
Duration only

Manual Summary Rollup  
Manual Summary  
Start only

Finish-only  
Critical  
Critical Split

Progress  
Deadline

File Path:

Pick Everard Confidential

# Risks and Opportunities Register


Project:		Sands Leisure Centre Redevelopment, Carlisle		Likelihood/ Impact Scoring		Status Notification		Strategic Notation						
Date of review:	21-Feb-18			1 or 2	L	CO	Closed Out	The risk rating is calculated by 2 x likelihood + 3 x impact	AC	Accept & Control				
Version:	4			3	M	L	Live		R	Reduce (Mitigate)				
				4 or 5	H					T	Transfer			
				Risk Register Parameters						A	Avoid			
				L = 00 - 07						Closed	Risk addressed and closed			
				M = 08 - 17						Updated	Updated / new risk			
				H = 18 - 25										
Activity ID	Risk Description			Consequence of Risk		Likelihood	Impact	Risk Rating	Owner of Risk	Current Action Owner	Status	Strategic Notation	Mitigation Action / Comment	
Programme														
P1		Programme slippage		Damage to Council / Principal Contractor reputation	4	5	23	Joint	CCC	CCC	L	AC	At the commencement of a project, it is critical to establish an outline programme that is realistic and achievable but challenging. Pick Everard to track and monitor progress against this programme.	
P2		Completion up to RIBA Stage 2 by 03.11.17		Reduced period could create future project and operation challenges through the leisure centre's life cycle	3	4	18	CCC	MDDT	MDDT	L	R	Clarification 1.49 and the programme included in the bid documentation identifies completion of RIBA Stage 2 by 03.11.17. RIBA Stage 2 is a critical design stage and will determine the future success of the project, its operation and maintenance of the leisure centre through its lifecycle.	
P3		Extended RIBA Stage 3 period to facilitate appointment of the Preferred Contractor through a two-stage procurement route		Prolongation of RIBA Stage 3 to facilitate two-stage tender process through OJEU to enable appointment of the Preferred Contractor prior to the commencement of RIBA Stage 4.	3	4	18	CCC	MDDT	MDDT	L	R	Earlier commencement OJEU procurement of Principal Contractor after completion of RIBA Stage 2	
P4		Utility companies will not commit to a programme until a formal order is placed after contract award		Delay to project due to utility service companies	3	4	18	CCC	MDDT	MDDT	L	AC	Utility services companies will not commit to any programme for service diversions / new utility services until formal orders are placed after contract award	
Cost														
C1		Project not affordable		The design exceeds budget requirements, leading to abortive design work, programme delay and or cancellation of the project.	4	5	23	CCC	PE	PE	L	AC	Establish if initial budget is correct. Develop robust cost control aligned to design development and Gateway approval process	
C2		Consequential Improvements (Part L of the Building Regulations)		Project not affordable due to Building Regulations compliance	5	5	25	CCC	CCC	CCC	L	AC	Establish if Building Control are able to negotiate and or recent Part L compliance works have already been undertaken that can be taken into account. Disconnect new build and provide canopy cover to dual use reception with arts and events space.	
C3		Utility companies will not commit to programme until formal order placed		Project not affordable	4	4	20	CCC	MDDT	MDDT	L	AC	Establish appropriate budget for utility services. Challenge will be that Utility services companies will not confirm their costs or programme until formal orders are placed.	
C4		Sport England funding		Sport England funding is not forthcoming after initial consultation leads to incorporation of additional features to meet their guidance / standards	3	4	18	CCC	MDDT	MDDT	L	R	Council to provide regular updates on funding streams and regular meetings with Sport England as a key stakeholder	
C5		Project Inflation		Construction inflation due to increased activity in the construction sector, market conditions, lack of skilled labour, material shortages or cost change, currency pressures, Brexit, etc.	3	3	15	CCC	PE	PE	L	R	Allow appropriate inflation in the cost plan.	

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Risks and Opportunities Register

Project:		Sands Leisure Centre Redevelopment, Carlisle			Likelihood/ Impact Scoring			Status Notification			Strategic Notation		
Date of review:		21-Feb-18			1 or 2 3 4 or 5			CO L			The risk rating is calculated by 2 x likelihood + 3 x impact		
Version:		4			L M H			Closed Out Live					
Risk owner:					Risk Register Parameters			AC R T A					
CCC		Carlisle City Council			L = 00 - 07			Accept & Control					
PC		Principal Contractor			M = 08 - 17			Reduce (Mitigate)					
PE		Pick Everard - Employer's Agent Team			H = 18 - 25			Transfer					
MDDT		Multi-disciplinary Design Team						Avoid					
Joint		Joint (Carlisle City Council / Principal Contractor)						Closed Updated					
								Risk addressed and closed					
								Updated / new risk					
Activity ID	Risk Description			Consequence of Risk		Likelihood	Impact	Risk Rating	Owner of Risk	Current Action Owner	Status	Strategic Notation	Mitigation Action / Comment
C6	Phasing of the construction works to ensure that the retained events centre is operational.			Loss of income and /or membership through the closure of the existing centre whilst the new work is carried out. Phasing the works will add additional cost to the overall budget.		3	4	18	CCC	MDDT	L	R	Develop phasing plan that segregates continued operation of the events centre during the construction period.
C7	Late decision on whether to pursue LZCT funding in December 17 or not.			LZCT funding requires additional projects to fulfil the £835K LZCT funding requirement in order to attract £500k funding.		4	3	17	CCC	CCC	L	R	Early decision to pursue funding stream or not with additional projects identified.
Quality													
P1	Desired quality for the Sands Leisure Centre not achieved			Damage to Council reputation		3	4	18	CCC	PE	L	R	Determine Critical Success Factors. Implement Design Life Strategy to ensure that the design meets required Council aspirations and is affordable
Procurement route													
P1	Two stage procurement route identified for Preferred Contractor through OJEU			Prolonged RIBA Stage 3 period		3	4	18	CCC	PE	L	AC	Consultant team must be experienced in two-stage tender process and associated risks to avoid legal challenge
P2	Two stage procurement route via OJEU to identify Preferred Contractor			Attracting quality Principal Contractors to tender through OJEU who have leisure centre and swimming pool experience		3	4	18	CCC	PE	L	AC	Consultant team must be experienced in two-stage tender process and associated risks to avoid legal challenge
Legals													
LE1	Establish title for site (ownership of site)			Delays to planning, agreeing easements, concluding restrictive covenants and utility service connections					CCC	CCC	L	AC	29.01.18: Following the Scrutiny Panel, the Council has back checked and verified that it owns the Sands Centre land and that the Title is registered accordingly with the Land Registry.
LE2	Establish any existing restrictive covenants / easements that effect the site			Delay in executing building contract		3	4	18	CCC	CCC	L	R	It is fundamental to establish any restrictive covenants or easements that will effect the development
LE3	Unable to agree contractual terms			Delay in executing building contract		2	4	16	Joint	Joint	L	R	Ensure collaborative environment pre-contract based on realistic programme to achieve budget cost that is tracked and approved at each Gateway during the design development process supported by a comprehensive set of Employer's Requirements
LE4	Phased S278, Stopping Up Orders, Way Leave Agreements and Temporary Road Closures			Delay to project if not agreed and in place ahead of the construction phase		3	4	18	PC	MDDT	L	T	Ensure all matters are being regularly monitored at meetings, with defined action owners
Planning													
P1	Unable to obtain planning consent			Abortive cost and Council reputational damage		1	5	17	CCC	MDDT	L	AC	Establish early meeting and maintain consultation with the planning department as a key stakeholder
P2	Pre-commencement planning conditions not discharged			Delay to start on site		2	4	16	Joint	PC	L	AC	Establish ongoing dialogue with the planning department, develop and monitor

Risks and Opportunities Register

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Version:	4			3	M	L	Live						
				4 or 5	H								
Risk owner:				Risk Register Parameters		The risk rating is calculated by 2 x likelihood + 3 x impact							
CCC	Carlisle City Council			L = 00 - 07									
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MDDT	Multi-disciplinary Design Team												
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Activity ID	Risk Description			Consequence of Risk		Likelihood	Impact	Risk Rating	Owner of Risk	Current Action Owner	Status	Strategic Notation	Mitigation Action / Comment
P3	Planning conditions not discharged prior to Practical Completion			Unable to accept Practical Completion		1	5	17	PC	MDDT	L	T	Establish a planning conditions tracker and prepare an evidence file to record planning condition discharge. Ownership to sit with Principal Contractor with exception of conditions for which the Council are responsible, such as the Travel Plan.
Design													
D1	Design / Scope Creep			Additional cost to the Council / project not affordable		1	4	14	Joint	Joint	L	AC	Ensure that a clear and concise brief is established. Reference the design against the Brief and Critical Success Factors during Gateway reporting. Ensure that cost plan tracks the design development process in increasing detail and approval is obtained at each Gateway.
D2	Extension and car park remodelling creates clashes with existing statutory services			Additional expenditure incurred diverting / lowering existing services.		4	4	20	Joint	MDDT	L	T	Obtain utility service maps, undertake slot trenches and required site investigations works during the design development process . Try to keep service diversions to a minimum. Seek revised utility service quotations
D3	Ensure adoption of correct pool tank solution for the project			Quality standard not acceptable or chosen solution inappropriate due to site constraints that leads to increased cost and programme slippage		4	4	20	MDDT	MDDT	L	T	Ensure experienced design team appointed with leisure centre and swimming pool experience
D4	Design control and circulation around the centre			Careful consideration needs to be given to the control and crowd flow circulation around the Sands centre, particularly if the events centre and leisure centre are in full use at the same time.		3	3	15	MDDT	MDDT	L	R	GT3 have a operational flow model programme which can be used to understand the crowd movement, congestion points and control point locations.
D5	Fixtures and Fittings list produced late by Operator			Fixtures and Fittings can often form 10% of the overall budget. Late Fixtures and Fittings list produced by Operator which leads to impact on both cost and design (including programme)		3	3	15	CCC	CCC	L	R	Early engagement with Operator to establish FF+E schedule requirements.
D6	Pre-Construction design			Insufficient time in the pre-construction programme to adequately develop the design leading to delays in the commencement and completion dates		3	3	15	MDDT	MDDT	L	R	The pre-construction process should include the early involvement of specialist design trades (e.g. MEP, pool plant, roofing) to allow early involvement in the design process and avoid the need to re-design works.
D7	Orientation layout and design			The orientation and layout of the design results in operational issues , such as glare on the pool, solar gain to studios and gym, wind tunnel at entrance, etc. The above are common issues in many modern-day leisure centres and severely impact on the following: • Operation of the building. • Retention of members is a problem • Glare on the water surface creates a health and safety problem;		3	4	18	MDDT	MDDT	L	R	It is important that the design and positioning of key spaces internally are well considered. GT3 have worked with all major sport operators and understand what they need and where the key risks are to the functionality of the building. If these issues above are not resolved, considerable expense in retrofitting will be the most likely outcome.

# Risks and Opportunities Register

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Date of review:		1 or 2	L	Closed Out	CO	L	Live	AC	Accept & Control	
Version:		3	M					R	Reduce (Mitigate)	
		4 or 5	H					T	Transfer	
								A	Avoid	
								Closed	Risk addressed and closed	
								Updated	Updated / new risk	
Risk owner:		Risk Register Parameters			The risk rating is calculated by 2 x likelihood + 3 x impact					
CCC	Carlisle City Council									
PC	Principal Contractor	L = 00 - 07								
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Activity ID	Risk Description	Consequence of Risk	Likelihood	Impact	Risk Rating	Owner of Risk	Current Action Owner	Status	Strategic Notation	Mitigation Action / Comment
D8	Existing basement area	The existing basement areas to the leisure centre have previously suffered from damp issues and the cost of repair and maintenance to these spaces could be excessive given the flood risk issues	3	4	18	CCC	MDDT	L	R	A building survey should be carried out during RIBA Stage 2 to fully understand the situation and mitigation requirements and therefore any cost impact
D9	The current parking operates on a pay and display basis. This leaves 48 dedicated leisure spaces outside of this. The extension will potentially impact on these parking numbers	The local and regional community do not make full use of the existing Sands Centre due to frustrations with car parking.	4	5	23	CCC	CCC	L	R	As part of the traffic management study, an appraisal should be made on the income from the parking and impact of the new building on existing spaces. Consider a barrier control system and the car parking charge strategy for events / leisure centre customers.
D10	The risks around the pool construction include designing around high water tables, tolerance along the width and length to ASA guidance, tolerance around moving floors (if the pool is out of line, the moving floor will stick), and construction method of the tank. Most centres overrun on programme due to complications with the pool tank (weather, casting methods and their accuracy, tiling to the tank and problems with the integration of the moving floor.	The design fails to achieve the Council's aspirations, leading to reputational damage and does not deliver the required level business for the Operator.	2	4	16	CCC	MDDT	L	R	Appointment of experience Design Team. Early discussion using the GT3 pool construction comparison document and lessons learnt from other projects to determine the best construction method for the pool tank.
Design Development										
DD1	Design does not achieve Council's brief or aspirations	Damage to Council / Principal Contractor reputation	3	3	15	Joint	MDDT	L	A	Ensure that the cost plan and design development process is progressed in tandem with increasing detail and approval is obtained at each Gateway.
DD2	Stakeholder consultation	Stakeholders are not fully consulted prior to submission of the planning application which will lead to negative press and late design changes after the application has been submitted. Furthermore, this leads to the local community feeling that the stakeholders were not consulted.	3	3	15	CCC	MDDT	L	A	Early stakeholder engagement plan to be drafted to ensure that all key stakeholders are consulted, highlighting the agenda, what the required outcomes are and that these relate back to the BREEAM credit requirements for consultation.
DD3	Conflict to achieve Stakeholder requirements	Conflict of requirements between numerous stakeholders leading to delay in design freeze and additional costs	3	3	15	CCC	MDDT	L	A	Early Stakeholder engagement using Operator experience to prioritise and balance wish list of requirements.
DD4	Late stakeholder engagement	Late changes from the stakeholders leads to abortive design, cost and programme issues.	3	4	18	CCC	MDDT	L	A	It is crucial that early engagement with operators, planners, building control, legal team, key client project stakeholders and the sports clubs happens. The implications of getting the wrong brief or not consulting correctly, will be late changes to the design which impacts the entire team.

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Risks and Opportunities Register

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Version:	4	3	M	L	Live		R			
Risk owner:		Risk Register Parameters					T			
CCC	Carlisle City Council	L = 00 - 07					A			
PC	Principal Contractor	M = 08 - 17					Closed			
PE	Pick Everard - Employer's Agent Team	H = 18 - 25					Updated / new risk			
MDDT	Multi-disciplinary Design Team									
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Activity ID	Risk Description	Consequence of Risk	Likelihood	Impact	Risk Rating	Owner of Risk	Current Action Owner	Status	Strategic Notation	Mitigation Action / Comment
DD5	Change control	Changes in the scope of the project have cost, programme and quality impacts	3	3	15	CCC	PE	L	R	Introduce a robust change control process to ensure that changes are identified, assessed and recorded.
Environmental Including Legislation										
L1	Noise and dust control	Negative Press and Media relating to the project due to objections from the construction activities that impact on the local neighbourhood such as dust, noise, etc.	2	3	13	PC	PC	L	R	A detailed Construction Method Statement will need to be provided that identifies measures to control dust and noise.
L2	Ecology	Impact on existing ecology in surrounding banks to the river (such as impact through light spillage fro new centre and change in air quality)	2	2	10	MDDT	MDDT	L	R	Commission ecology report immediately after Full Council decision in January 18. Liaise with British Waterways as soon as possible.
BREEAM										
L1	BREEAM is not currently part of the Brief, but the LZCT (Low Zero Carbon Technologies) Funding requires BREEAM Very Good as a minimum, preferably Excellent. BREEAM Excellent can add up to 10% to the construction cost.	Failure to achieve required BREEAM rating to attract LZCT funding	2	4	16	CCC	MDDT	L	AC	Appointment of consultant to drive BREEAM assessment and collate evidence for targeted credits. This will be a condition for the Principal Contractor to achieve for Practical Completion if required
Health & Safety/ Access & Strategy										
H&S1	Failure to comply with the CDM Regulations 2015	Non-compliance and fines. Damage to Council / Principal Contractor reputation	1	5	17	Joint	Joint	L	AC	Appoint CDM Adviser to ensure Council informed of their duties under CDM Regulations 2015. Agree who will act as Principal Designer. Monitor and evidence the Council, designers ensuring compliance by Principal Designer and Principal Contractor
H&S2	Segregation of potential large number of customers and staff using the retained events centre if construction works are phased.	High number of people and traffic movements in close proximity of construction activities being on the edge of the pay and display car park and events space.	4	3	17	CCC	MDDT	L	AC	Robust traffic management plan and H&S plan required ensuring minimum impact as part of the planning application

# Risks and Opportunities Register

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Activity ID	Risk Description	Consequence of Risk	Likelihood	Impact	Risk Rating	Owner of Risk	Current Action Owner	Status	Strategic Notation	Mitigation Action / Comment
Flood Zone										
	Construction of new extension on Flood Zone Level 3	The site has previously flooded and consequently there is a flood risk to the new extension with potential for additional costs to comply with Environment Agency (EA) requirements. Options could include: 1) Acceptance that the new extension / retained events centre and site could flood again and include for flood resilient materials in the design; 2) Include for raising key areas of the new extension such as the pool hall and pool tanks, filtration plant room, incoming services, boilers, plant, etc.; and 3) Improvements to existing flood defence measures such as the disabled ramp and or local defence barriers installed to external doors. Detailed consultation has not yet been held with the EA who could ask that further parts of the new extension are also raised to a flood event level, whilst Buro Happold initially believe this is unlikely because of creating further problems downstream.	5	5	25	CCC	MDDT	L	T	Consult with the Environment Agency at the earliest opportunity. Ensure that flood risk specialist undertakes an assessment of the flood risk designation with consideration to existing / potential Environment Agency improvement / flood defence works. Design and incorporate flood risk prevention measures into the new extension.
Location										
L1	Disruption to existing events centre	Damage to Council / Principal Contractor reputation.	3	3	15	PC	PC	L	AC	Council to consider in their Comms Plan. Contractor to implement work in controlled phases, communicate and update the centre. Segregate works and control noise, dust and deliveries. Ensure emergency contact details for Principal Contractor are distributed.
L2	Disruption to existing car park / insufficient car park space	Insufficient car park space that negatively impacts on the new leisure centre	4	4	20	PC	PC	L	AC	Ensure sufficient car parking to meet planning requirements given existing designation for leisure centre.
Construction										
C1	Hazards in construction	Accident on site or to member of the public	1	2	8	PC	PC	L	AC	Principal Contractor Safety Officer to visit site for high risk elements and submits reports. Safety report attached to monthly Contractors progress report.
C2	Car parking numbers will be affected during the construction phase	Not able to create required alternative car parking to offset the lost car parking	2	4	16	CCC	CCC	L	AC	Establish off site parking for contractor but enable deliveries.
C3	Post contract design changes to be minimised during the construction phase	Additional cost / delays to project.	2	3	13	CCC	CCC	L	AC	Ensure comprehensive Employer's Requirements in place and that a clear change control procedure is in place to manage the impact.

# Risks and Opportunities Register

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Activity ID		Risk Description			Consequence of Risk			Likelihood			Impact			Risk Rating			Owner of Risk			Current Action Owner			Status			Strategic Notation			Mitigation Action / Comment		
Site Investigation & Remedial Works																															
S1		Extensive utility services encountered below the new extension			All incoming services come across Eden Bridge next to the site. The services then come through the car park where the proposed footprint is extended. The extent and location of the services and the cost associated with diverting them may impact the layout and footprint of the new extension. Programme delay and significant additional cost for service diversions / new utility costs			4			4			20			CCC			MDDT			L			T			Early CCTV surveys of the below ground services and incoming feeds will be crucial to mitigate this risk. This needs to be undertaken at the earliest opportunity following the Full Council's decision whether to proceed with the project or not.		
S2		Unknown below ground structures			Programme delay and significant additional cost			2			4			16			CCC			MDDT			L			T			Site Investigation Report commissioned by Chorley Council. EWC has reviewed and accepted the investigation findings. Wright Construction has also undertaken further site investigation works the findings from which will be included in their Stage 4 submission and Contractors Proposals.		
S3		Existing site conditions result in more onerous design			Programme delay and significant additional cost			2			5			19			CCC			MDDT			L			T			Undertake early searchers and try to obtain historic information that could inform the stage 2 design, programme and cost on the site conditions.		
																													Undertake site investigation works at the earliest opportunity to inform the detailed design.		
Utilities																															
U1		Extensive utility services encountered below the new extension			Additional diversions required. Programme delay and significant additional cost			4			5			23			PC			PC			L			T			Undertake slot trenches to verify the position of underground services and undertake thorough site investigation works		
U2		Accuracy of utility drawings & information			Additional diversions required. Programme delay and significant additional cost			3			3			15			PC			PC			L			T			Undertake slot trenches to verify the position of underground services and verify through site investigation works		
Third Party Agreements																															
TP1		Breach of third party agreements			Agreements not forthcoming			3			3			15			CCC			CCC			L			AC			Ensure that Third party agreements back to back with Employer's requirements		
TP2		Construction works negatively impact on existing events facility			Customers put off using arts and events centre. Project negatively impacts on the existing Sands Centre			4			4			20			PC			Joint			L			AC			Ensure stakeholder engagement with Arts Council and consider events programme. Build requirements / programme into Employer's Requirements		
Through Life																															
TL1		The impact of Brexit negotiations on the general economy will affect income / success of The Sands Leisure Centre			Loss of Council income to offset expenditure			3			3			15			CCC			CCC			CO			AC			Ensure sports and leisure specialist on business case to define Outline Brief		

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# Sands Leisure Centre Option 2

## RIBA Stage 2 Summary of Anticipated Costs

### 1.0 Anticipated Costs

- 1.1 Pick Everard has provided an indicative headline construction cost for Option 2, as set out below. This has been provided using the design brief produced by GT3 Architects and other information produced by the professional design team. Reference to Sport England design guidance and cost data plus our own internal benchmark information provided by the design team consultants and principal check quantities has informed the anticipated costs.

### 2.0 Option 2 Cost Summary

Accommodation		
2.1	<b>Ref Internal Floor Areas</b>	<b>GIFA/m2</b>
	a) Sands Centre Proposed Area	5900
	b) NHS Physiotherapy Unit Facility	265
	<b>Total GIFA/m2</b>	<b>6165</b>
Anticipated Cost		
2.2	<b>Ref Facility</b>	<b>£</b>
	1 25m x 17m 8 lane pool, 20 x 8m learner pool and sports hall, health and fitness and ancillary accommodation	12,476,294
	2 NHS Physiotherapy Unit Facility	625,000
	3 Additional allowance for Consequential improvements to existing Sands Centre to meet with current Building Regulations	1,310,129
	4 Refurbishment of existing Sands Centre	290,000
	5 Retractable seating to Retained Events Centre	360,000
	6 Demolition and temporary works to existing Sands Centre	210,000
	7 External works to site to include car parking and landscaping	250,000
	8 Incoming stats connections/diversions	350,000
	9 Flood resilience measures to facility (included in new build)	50,000
	10 Additional allowance for highways costs	none included
	11 Additional allowance for groundworks abnormals	500,000
	12 Allowance for attenuation/headwall	80,000
	13 Allowance for tree protection/replacement	20,000
	<b>Sub total</b>	<b>16,521,423</b>
	14 Professional Fees	1,293,200
	15 Contingency @10%	1,652,142
	<b>Anticipated Total High Level Budget Costs</b> (excluding VAT)	<b>19,466,765</b>

### 3.0 Base Notes, Assumptions and Exclusions

#### 3.1 Items of Note

- 3.1.1 All figures have been rounded to avoid the impression of a greater level of accuracy than is realistically possible at this stage.
- 3.1.2 Base date for calculation of cost is 3Q2017.
- 3.1.3 An allowance for 'Moveable' floors to the learner pool is now included within the anticipated costs (previously excluded from the Abacus Summary report dated February 2017)
- 3.1.4 NHS Physiotherapy Suite anticipated cost is based upon an estimated space requirement of 265m<sup>2</sup>. This has informed the figures, but the exact requirement for this facility is still to be confirmed by the NHS.
- 3.1.5 Additional allowance for Consequential Improvements to the existing Sands Centre is required to meet with current Building Regulations. For compliance purposes Carlisle City Council will need to budget up to 10% ( maximum) of the cost of the new building works (considered an extension), at this stage. This would include the replacement of such items as boiler plant etc.; which is understood to be in need of replacement. This is a significant sum and further investigation is required to prove these allowances or de-risk as required.
- 3.1.6 Refurbishment of the existing Sands Centre is based on the estimated works required to be carried out that do not fall, by definition, into the Consequential Improvements cost as defined by the Building Regulations (e.g. redecoration). Such items have been identified within the report prepared by White Young Green, dated March 2017, for Carlisle City Council.
- 3.1.7 Demolition and temporary works to the existing facility includes an allowance for phasing and logistics associated with maintaining operation of the existing facility.
- 3.1.8 External works to site to include car parking and landscaping based on a 'GT3 Option I Do Minimum' scheme.
- 3.1.9 Allowances for Incoming stats connections/diversions has been re-assessed and is based upon the current information produced by the MDDT team.
- 3.1.10 £360,000 (item 5) added at request of Carlisle City Council from GLL figures for retractable seating to the Retained Events Centre.

#### 3.2 Assumptions

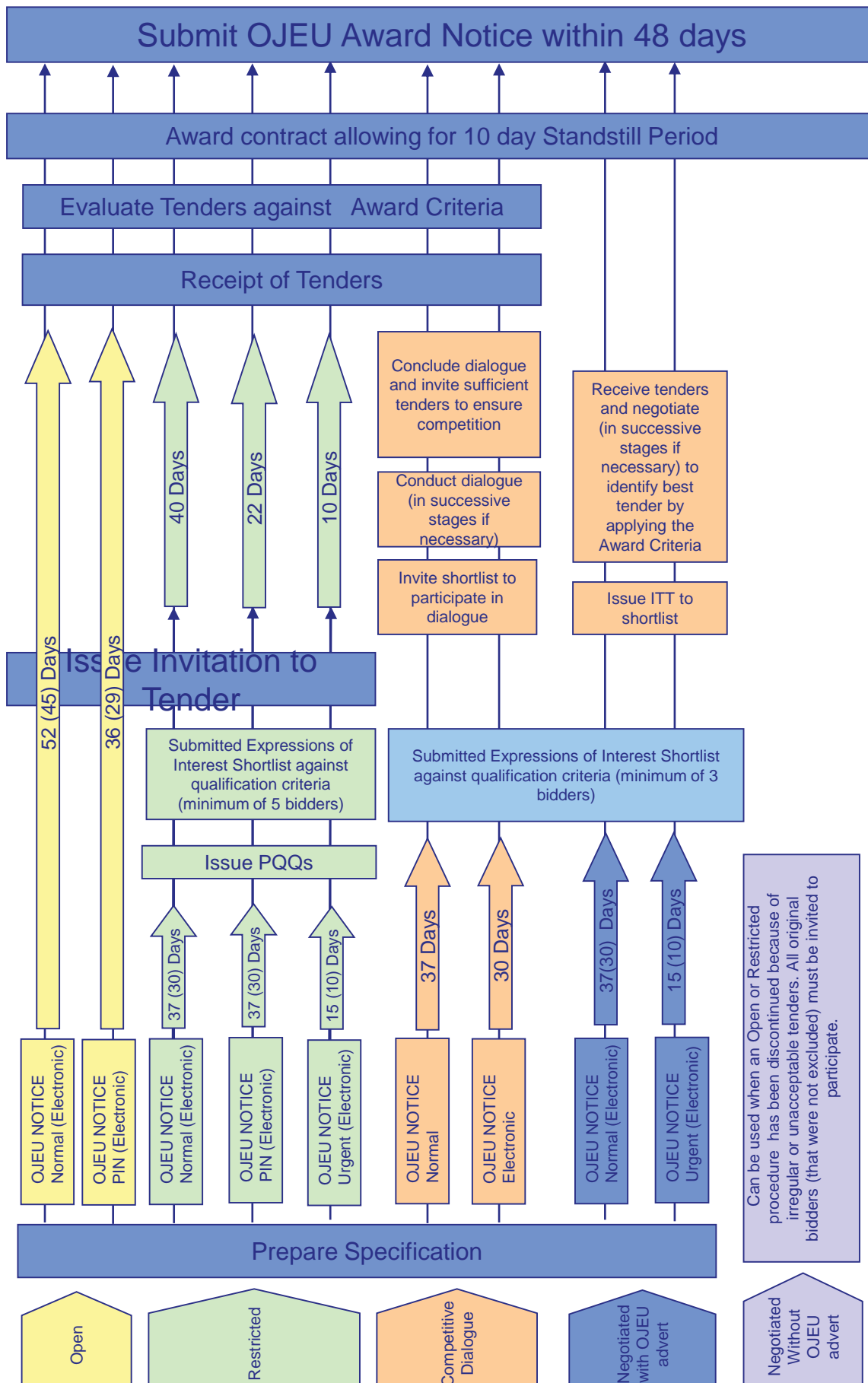
- 3.2.1 Pick Everard have costed a number of site specific or abnormal items using the information provided by the MDDT team. This has informed the figures including allowances for groundwork abnormals. This is a significant sum and further investigation is required to prove these allowances or de-risk as required.
- 3.2.2 BREEAM Very Good Rating is not required as part of the CURRENT project brief; the additional cost required to meet with these ratings is estimated to be an additional sum of £35,000.00
- 3.2.3 BREEAM Excellent Rating/LCZT is not required as part of the project brief; the cost required to meet with the change in rating from 'Very Good' to 'Excellent' ratings is estimated to be an additional sum of £725,000.00, over and above that sated for BREEAM 'Very Good'
- 3.2.4 Fixtures for the assembly of Gymnastic equipment to be installed to walls, floors and ceiling areas will be provided by GLL.

#### 3.3 Exclusions

- 3.3.1 Planning application fees
- 3.3.2 BREEAM requirements
- 3.3.3 Temporary Sands Centre/Staffing accommodation requirements
- 3.3.4 Fixed Furniture and Equipment required by GLL is excluded from these costs (e.g. Fitness suite equipment, Gymnastic equipment, Sports Equipment such as Badminton posts and netting, trampolines, floor mats' etc.)
- 3.3.5 Booms to the main swimming pool.
- 3.3.6 Fixed Furniture and Equipment required by the NHS for the Physiotherapy Unit are excluded from these costs
- 3.3.7 Additional allowance for highways costs
- 3.3.8 Additional allowance for any upgrade to the existing car parking arrangements.

# OJEU Process Chart

Click the first arrow of each procedure to link to a more detailed flowchart



Released: 16/02/2015

Reference: PCD41-A

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## EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 18 DECEMBER 2017

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### **EX.132/17 SANDS CENTRE REDEVELOPMENT** (Key Decision – KD.33/17)

**Portfolio** Finance, Governance and Resources; Culture, Heritage and Leisure

**Relevant Scrutiny Panel** Health and Wellbeing; Business and Transformation

#### **Subject Matter**

The Culture, Heritage and Leisure Portfolio Holder submitted report CS.31/17 considering proposals to redevelop the Sands Centre.

The report set out the background position. In February 2017, Abacus Cost Management (Abacus) had produced a high level feasibility exercise to consider two main development options:

Option 1: would relocate swimming provision only to the Sands Centre at an estimated cost of £7.4m.

Option 2: would deliver the full extent of the Council's Sports Facilities Strategy on the Sands Centre site. Abacus estimated Option 2 at £14.2m (excluding VAT) for a scheme delivering all elements of the Council's Sports Facilities Strategy. Sport England had previously advised that this option provided a greater opportunity of securing their investment as the facility would better meet demand requirements.

Following extensive review of the Council's Sports Facilities Strategy in conjunction with the notion that Sport England was unlikely to support Option 1 the Executive had, on 8 May 2017, decided to discount Option 1 and to proceed with Option 2 for the progression of an RIBA Stage 2 – Concept Design for the Sands Centre Redevelopment including both the wet and dry provisions.

The Portfolio Holder stated that, as Members were aware, the Sands Centre was a high profile project which was generating interest locally and sub-regionally. She emphasised that the facility must achieve the aspirations outlined in the Council's Sports Facilities Strategy from a strategic, operational and financial perspective with the aim of improving the fitness offer to the local and sub-regional community. The proposed redevelopment also linked with the Executive's wider priorities in terms of economic growth.

The Portfolio Holder then gave an overview of the proposed development options and approach for the Sands Centre redevelopment (as outlined in the Council's Sports Facilities Strategy). She further referenced the anticipated capital costs; the developed programme and risk register; and the initial considerations with regard to alternative procurement options for the Principal Contractor.

Members were advised that the report was to be read in conjunction with the accompanying Appendices.

The Culture, Heritage and Leisure Portfolio Holder concluded her presentation by formally moving the recommendations set out in Report CS.31/17, which were formally seconded by the Deputy Leader, and Finance, Governance and Resources Portfolio Holder.

In addition, the Deputy Leader, and Finance, Governance and Resources Portfolio Holder echoed the views expressed by the Portfolio Holder in terms of what was a complicated but exciting project. Clearly the funding options / financing element would be key and he looked forward to the matter progressing through the democratic process.

**Summary of options rejected**     None

## **DECISION**

That the Executive:

1. Had given consideration to Report CS.31/17 and the accompanying appendices.
2. Referred the item to the Health and Wellbeing and Business and Transformation Scrutiny Panels, at their joint meeting on 29 January 2018.
3. Sought the Scrutiny Panels' views on the redevelopment proposals and the funding and procurement options laid out.
4. Would take those proposals into account when proposing the Executive Budget to Council.

## **Reasons for Decision**

The redevelopment of the Sands Centre complex would deliver the key aspirations of Carlisle City Council's Sports Facilities Strategy, deliver the reductions in leisure contract subsidy enshrined in the new Leisure Contract, and replace / renovate existing facilities as, or more efficiently, than fulfilling the anticipated repair liabilities at the Pools and Sands Centre sites

**JOINT MEETING OF THE BUSINESS AND TRANSFORMATION SCRUTINY PANEL  
AND THE HEALTH AND WELLBEING SCRUTINY PANEL**

**MONDAY 29 JANUARY 2018 AT 10.00AM**

**PRESENT:** Councillor Mrs Riddle (Chairman), Councillors Allison, Birks, Bloxham (as substitute for Councillor Layden), Mrs Bowman, Burns, Ellis, Mrs Glendinning (until 1:21pm), Mallinson E, Mallinson J, McDonald, McNulty, Paton (until 1:23pm), S Sidgwick, Shepherd (as substitute for Councillor Robson) and Watson.

**ALSO PRESENT:** Councillor Quilter – Culture, Leisure and Heritage Portfolio Holder  
Councillor Bradley – Economy, Enterprise and Housing Portfolio Holder  
Mr Paul Denson – Pick Everard  
Mr Mark Dando – Pick Everard  
Simon Dunstan – GT3 Architects  
Paul Reed – GT3 Architects  
John Finlayson – Buro Happold  
Duncan Ker-Reid – Buro Happold  
Tom Rice – Greenwich Leisure Limited  
Councillor Bainbridge – (Observer)  
Councillor Finlayson – (Observer)

**OFFICERS:** Deputy Chief Executive  
Deputy Chief Finance Officer  
Contracts and Community Services Manager  
Policy and Communications Manager

**SJSP.01/18      APPOINTMENT OF CHAIRMAN**

RESOLVED - That Councillor Mrs Riddle be appointed Chairman for the meeting.

**SJSP.02/18      APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillor Layden and Councillor Robson.

**SJSP.03/18      DECLARATIONS OF INTEREST**

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

**SJSP.04/18      PUBLIC AND PRESS**

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

**SJSP.05/18      SANDS CENTRE REDEVELOPMENT**

The Chairman welcomed Messrs Denson, Dando, Dunstan, Reed, Finlayson, Ker-Reid, and Rice to the meeting.

The Chairman advised that as the Special Meeting comprised two Panels, in order to retain sovereignty over the scrutiny of those aspects of the Sands Centre Re-development project

relevant to the remits of the individual Panel, each Chairman would put forward recommendations on behalf of their respective Panel.

## **OVERVIEW OF THE PROPOSED DEVELOPMENT**

The Contracts and Community Services Manager presented report CS.10/18 Sands Centre Redevelopment, and he outlined the history of plans to redevelop the Sands Centre, noting that the aging of The Pools facilities on James Street had been a significant factor in the Council retaining the ambition to provide new sporting facilities in the city. In 2013 the Council had adopted the Sports Facilities Strategy 2013 – 2025 which had been based on an indoor and outdoor facilities needs assessment and set out the authority's vision for sports facility development in the district. The Strategy recommended that a replacement swimming pool, additional sports hall and improved health and fitness facilities be developed at the Sands Centre to maximise the benefits of the site's strategic location, and the generation of operational efficiencies and cross subsidisation as a result of the co-location of sports and cultural facilities in one venue.

Following the adoption of the Strategy, the Council had continued to explore redevelopment options in tandem with its re-tendering of the Leisure Contract. The Contracts and Community Services Manager provided an overview of the re-tendering process and noted the importance of the new contract in enabling the Council to fund a proportion of the Sands Centre redevelopment. The new Leisure Contract had been approved by the Executive in November 2017 and made provision for an annual subsidy to Greenwich Leisure Limited (Principal Leisure Operator) to operate the Council's Leisure Facilities in their current format. Following the completion of the Sands Centre Redevelopment the Council would receive payment from Greenwich Leisure Limited that, over the life of the contract would result in a significant net payment to the Council.

In the summer of 2017, the Council had commissioned a design team to work up a Royal Institute of British Architect's (RIBA) Stage 2 Outline Design for the Sands Centre, incorporating full cost estimate and anticipated programme of works. Pick Everard and GT3 had been selected by means of competitive tender to realise the project management and design roles.

In response to questions from Members the Contracts and Community Services Manager advised:

- An outline Business Plan for the Sands Centre Redevelopment had been considered by the Executive in May 2017 when the Leisure Contract Re-tender exercise had been ongoing. The Plan concluded that relocating the swimming pools only would cost the operator, and ultimately the Council circa £400,000 more than building a full sports and leisure facilities mix on one site. Consequently, the new Leisure Contract incorporated the delivery of a full facilities provision on a single site thereby providing contractual certainty for both the Council and Greenwich Leisure Limited as Principal Leisure Operator. The Contracts and Community Services Manager further noted that the work undertaken on plans for the redevelopment of the Sands Centre, as detailed in the report, were provided to assist Members in understanding the project and aiding the Council's consideration as to whether to proceed with the scheme.
- Responding to concerns raised by a number of Members regarding the possibility of future flooding of the Sands Centre facility, the Contracts and Community Services Manager explained that in 2005 the facility had not flooded and in 2015 only minor damage had occurred at the site. He acknowledged the new facility would comprise a greater amount of equipment and systems, but noted that mitigation measures would be incorporated into the design with a view to decreasing the likelihood of a flood event occurring at the site.

- The identification of the ownership of the land in the Risk Register contained within the report was a standard matter raised in project management procedures for schemes of this nature. The Contracts and Community Services Manager undertook to provide written confirmation to Members that the Sands Centre site was owned by the Council.

## **THE SANDS LEISURE CENTRE STAGE 2 REPORT PRESENTATION**

*Mr Dunstan and Mr Reed (GT3 Architects)* delivered a presentation to the Panel covering: the RIBA plan process and stages; site analysis including location, movement framework, micro-climate, area character, existing structures at the site, conservation and Listed Structure in the area, zoning and routing, site constraints and opportunities, local colour palette of urban and rural landmarks; the history of the site; the design brief and concept design including the relationship between sport and events space within the proposed new facility, and proposed floor and section plans.

Mr Dunstan explained that as architects of the design stage, GT3 had sought to create a scheme with a broad range of facilities to meet the needs of the communities in the district. The proposed scheme was a unique mixture of sporting and cultural facilities closely located to the urban centre. In terms of addressing flood mitigation measures, he noted that the Buro Happold Engineers had been considering those matters in their work on the scheme.

The following observations and comments were raised in discussion:

- Would the number of car parking spaces provided at the site be reduced?

Mr Reed advised that a number of car parking spaces would be removed from the site to accommodate the new, extended building, although a full transport study would be required to ascertain the exact number of spaces.

Concerns were expressed by a number of Members that the site was not directly accessible by public transport and that residents from the rural areas and the suburban edge of the city necessarily needed to use motor vehicles to access the site and that reducing the number of car parking spaces would negatively impact them. It was noted that the new facility was likely to increase footfall to the site and assurance was sought that the level of car parking provision would be sufficient to meet demand.

The Deputy Chief Executive noted that there were a number of other Council owned and operated car parks in the vicinity of the site and consideration would be given as to how these may be utilised by users of the new Centre, as the project progressed, were Council to approve it.

Mr Dunstan stated that a Travel Plan for the scheme would consider the matter of public transport to the site which was currently difficult for buses to access. Furthermore, it was intended that the design of the car park would be altered to make it more pedestrian and cyclist friendly, giving greater priority to those users than was afforded in the current layout.

A Member asked whether consideration would be given to removing the provision of permitted parking for Council staff at the Swifts Bank car park in order to provide more spaces for Sands Centre users.

The Deputy Chief Executive responded that such matters would be addressed in the next stages of the scheme, were it to secure Council approval. He noted that it was likely that the peak demand times for Sands Centre users would be evening and weekends, when the Swifts Bank car park was not used by Council staff. He was confident that the Council was able to make sufficient car parking provision for those using the Sands Centre.

- Would the multi-purpose use of the concert hall for both cultural events as well as sports be retained in the new facility?

The Contracts and Community Services Manager advised that the multi-purpose nature of the concert hall would be retained so that there was overall flexibility of use within the spaces at the site. The concert hall's primary function would be the delivery of cultural events as it was anticipated that sports provision would be adequately provided for within the remainder of the scheme.

- Had archaeological investigations been carried out at the site?

Mr Dunstan noted that the Sands Centre site had previously been developed during the construction of the existing building. The project had not advanced to the stage where the Validation requirements of the Local Planning Authority had been identified, however, given the location of the site and the knowledge that archaeological artefacts had been discovered in the development of another site in the immediate area of the Sands Centre, those involved with the project would keep a watching brief on the issue going forward.

The Member further commented that she would have like to have seen the disability, equality and environmental impact assessments for the scheme, however, she recognised that the project was in the early stages of development.

Responding to a further question from a Member, Mr Dunstan advised that the void in the first floor over the sports hall area was necessary due to the hall requiring a double height ceiling space.

- A Member requested further detail on the inclusion of a space for National Health Service (NHS) use in the proposed scheme.

The Deputy Chief Executive advised that Officers had been in dialogue with the hospital regarding the provision of a space from which NHS services such as physiotherapy could be delivered. Officers felt that the inclusion of such provision within the scheme was helpful in alleviating pressures on services and the hospital and beneficial in providing health and wellbeing services to Sands Centre users. He advised that no formal decision had been taken and that discussions with the NHS on the matter were ongoing.

The Member responded that should the hospital wish to utilise space within the new centre to deliver services, the Council needed to secure a Letter of Intent from the NHS at the earliest opportunity in order that the relevant design specifications were able to be included in the scheme.

- Would the redeveloped site be accessible to mobility scooter users?

Mr Reed explained that site accessibility was a key consideration in the design phase of the project and it was planned that the whole facility would have level access to enable wheelchair and mobility scooter users to enter and use the site.

- Had the Council in commissioning the design brief requested that proposals for other sites in the city be developed?

Mr Dunstan responded that the Council had only indicated the existing Sands Centre site for the new facility. In developing the brief designers had sought to create a facility that would meet the needs of all users.

- Had the Greenwich Leisure Limited been involved in the design stage of the proposed scheme?

The Contracts and Community Services Manager confirmed that Greenwich Leisure Limited, following its appointment as the Council's Principal Leisure Contractor had been closely involved in the design stage.

- What opportunity would the Council's Scrutiny Panels have to contribute to the project going forward?

The Deputy Chief Executive outlined the next steps for the project in the Council's democratic decision making process. He drew Members' attention to the RIBA Design Plan stages detailed in the presentation and suggested that Members may wish to receive further reports at the end of each stage.

The Chairman invited the Chairman of the Health and Wellbeing Scrutiny Panel to summarise the points and recommendations made by the Members of that Panel.

The Chairman of the Health and Wellbeing Scrutiny Panel noted that Members had overall expressed support for the scheme, with their central concerns relating to car parking, disability access, the presence of archaeological artefacts at the site, and the securing of a Letter of Intent from the NHS to occupy a suite within the Centre.

The Chairman (in her capacity as Chairman of the Business and Transformation Scrutiny Panel) noted that Members had considered the development of a full Transport Strategy and Travel Plan for the site to be exceedingly important, and that any agreement with the hospital regarding the provision of NHS services at the redeveloped Centre needed to be concluded at the earliest opportunity.

## **EMPLOYER'S AGENT PRESENTATION**

*Mr Denson and Mr Dando (Pick Everard)* delivered a presentation covering the following: the Employer's Agent Team members, roles and Leads; the principles of the RIBA Plan of Work; cost estimates for the project; summary of the programme; key project risks including Consequential Improvement costs, flood zoning, programme slippage and project affordability; the procurement process for the Principal Contractor; the benefits and risks associated with both the Official Journal of the European Union (OJEU) tender process and alternative OJEU compliant National Frameworks procurement models.

Mr Denson stated that publicly funded projects costing in excess of £4.2M had to use the OJEU process to ensure an open tender for the Principal Contractor, were Council to approve the scheme in March 2018, the project would move into Stage 3 of the RIBA Plan of Works. Stage 4 would formally invite contractors to tender for the Principal Contractor role, and those who chose to bid would need experience of swimming pool construction as such works required particular expertise to carry out. He noted most firms which secured Principal Contractor appointments did so through a National Frameworks method and that would provide the Council with confidence in the construction of the centre through the use of an experienced contractor.

The RIBA Plan of Works afforded a four week time period from the deadline for the receipt of tenders to be considered prior to the Council selecting its preferred Principal Contractor. Mr Denson noted that it would be advantageous to the delivery of the project for the Principal Contractor to be selected as early in the process as possible in order that they may begin to undertake ground work investigations with a view to mitigating against delays in the project programme as a result of, for example, finding archaeological artefacts.

At the current stage of the project it was expected that the redeveloped Sands Centre would open to the public in the summer of 2020, following which the Principal Contractor had a 1 year liability for defective works, and an 11 year period of liability for latent defects. Any defects identified in those periods would be addressed by the Principal Contractor at their cost. In conclusion, Mr Denson recommended that the Council give approval to Pick Everard to explore a National Frameworks approach to the procurement of the Principal Contractor, rather than the OJEU method.

In discussion the following observations and comments were made:

- A Member understood that the OJEU process for appointing a Principal Contractor may take a year to complete, she expressed concern that such a time frame had not been factored into the Plan of Works, and that were the OJEU method to be used, the process may lead to the project falling behind time.

In response Mr Denson acknowledged that the OJEU method was a risk to the project meeting its delivery timetable, he reiterated that the National Frameworks outlined in his presentation were OJEU compliant and he hoped that the Principal Contractor may be selected in tandem with the detailed design phase of the project through a Pre-Construction Services Agreement.

- What was the range of the financial value of projects covered by the Frameworks referred to in the presentation?

Mr Denson advised that the total value of the project was £19,466,765 excluding £655,000 allowed by the Council and Greenwich Leisure Limited for temporary facilities and VAT. The North West Construction Hub Framework covered projects costing up to £10M, and the Scape Group National Construction Frameworks comprised contractors delivering projects of the following ranges: £2M - £20M and £10M - £50M

A Member sought assurance that the Principal Contractor would appoint sub-contractors using the locally approved CHEST Framework.

Mr Denson explained that an OJEU compliant contractor was required to demonstrate a specified percentage of expenditure locally relating to the use of sub-contractors, and that Pick Everard as Employer's Agent would explore the matter with the Principal Contractor, however, the CHEST Framework may not be the method by which the sub-contractors were appointed.

The Member responded that she wished for any sub-contractors used in the construction of the scheme to be compliant with the CHEST Framework, and that apprentice training be provided by those companies.

Mr Denson stated that the Principal Contractor would be keen to only use reliable contractors as they would be financially liable for all works carried out at the site.

The Contracts and Community Services Manager explained that it was important for Members to clearly distinguish between works and defects issues, he asserted that the Council would appoint sub-contractors via the CHEST were financial thresholds to be exceeded.

- Would the requirement for the Principal Contractor to have experience of constructing swimming pool and leisure facilities make the tender process open to legal challenge by firms interested in the work who did not have such experience?

Mr Denson explained that the construction of leisure facilities and swimming pools in particular required specialist experience, and whilst he acknowledged that such a criteria may prevent smaller local firms for tendering for the role of Principal Contractor, it was anticipated that local firms would be contracted to construct particular areas of the scheme in line with the design brief and as specified by the Principal Contractor.

- Had a list of approved sub-contractors been identified?

The Contracts and Community Services Manager stated sub-contractors would be identified, once the Principal Contractor was confirmed.

- With reference to the risks and cost of the project as detailed in the report, a Member sought clarification as to the total cost of the project.

Mr Denson explained that the £19.46M figure quoted in the report was the total outturn figure for the scheme excluding V.A.T and the provision of temporary facilities during the construction phase of the project.

The Contracts and Community Services Manager added that the £19.46M anticipated cost of the project included £1.3M for Consequential Improvements required by Building Control, professional fees and a contingency fund allocation.

A Member asked whether the contingency made allowance for a delay to the project in the event of archaeological materials being found at the site.

Mr Denson responded that the project was in the very early stages and he undertook to ensure that the finding of archaeological materials be included in the project's Risk Register and that discussions would take place with the project designers and the Local Planning Authority in order that all matters relating to the issue were adequately addressed.

- Were there plans to include renewable energy sources in the scheme?

Mr Finlayson (Buro Happold) advised that renewable and low carbon technologies would be a key factor in the construction of the redeveloped Centre and consideration would be given to systems that would provide opportunities for payback for the Council. The Consequential Improvements required by Building Control indicated, as a guide, that 10% of the total build cost be used in making improvements to meet current standards, therefore combining the old and new parts of the Centre afforded the Council the scope to provide a building with improved energy performance.

- What governance arrangements were in place to manage and monitor the project?

The Deputy Chief Executive explained that, were the project to be approved by Council governance arrangements, including Officers and Members would then be developed and agreed by the Executive. Reportage to the Council's Scrutiny function would be managed through the relevant Panel's Work Programmes.

The Member responded that she felt Councillor involvement in the project was particularly important given the scale and cost of the project, and that the Scrutiny Panels should receive regular updates on the progress of the project in order that Members be kept abreast of developments.

- What arrangements were in place for those wishing to use the Sands Centre during the construction phase?

The Contracts and Community Services Manager advised that in essence the area to the left of the Hall in the current building was to be demolished which included the gym and bar and that a new, extended facility would be constructed in its place. The hall had a previously agreed programme of events occurring during the construction phase and would therefore remain open during the entire redevelopment works. It was intended that temporary, replacement facilities of those areas of the existing site would be provided for the duration of the construction phase of the project.

- How had the central area at the entrance been included in the design and had it added £5M to the project costs?

Mr Dunston noted that the central area known as “The Street” had been incorporated into the design for two main reasons: it provided an attractive entrance and congregational space for users of the facilities, and it acted as a foyer for the theatre. He noted that some cultural events in the Hall may attract up to 2,000 visitors and in order to manage their exiting of the building safely a large area was needed.

In terms of increased budgetary costs for the project, Mr Dunston asserted that was as a result of the proposed scheme being larger than previous proposals, however, he considered the budget for the project to be realistic.

- A Member commented that effective management of similar large scale construction projects in the private sector was attributed to the carrying out of robust meetings with the contractors delivering the projects, she sought assurance that the Council would look to employ a similar approach in the Sands Centre Redevelopment.

Mr Dando assured Members that, as Employer’s Agent he and his colleagues would ensure that the project was managed and delivered in the manner that the Council had set out in its requirements.

- What payment liabilities to Greenwich Leisure Limited would the Council incur were the project to fall behind schedule?

The Contracts and Community Services Manager acknowledged the Member’s concerns and confirmed that the risk of over-run was a significant risk to the project. Furthermore, he considered that risk gave strength to the rationale of identifying a suitable Principal Contractor at the earliest opportunity.

Mr Denson advised that regular programme review meetings would be held during the project to manage and mitigate against any issues which may cause slippage in the timetable. Pick Everard would take all necessary action to ensure that the project was completed within the agreed timetable.

The Chairman invited the Chairman of the Health and Wellbeing Scrutiny Panel to summarise the points and recommendations made by the Members of that Panel during their consideration of the presentation.

The Chairman of the Health and Wellbeing Scrutiny Panel noted that key issues for the Panel were: the use of apprentices in the delivery of the project; the securing of a Letter of Intent from the NHS Suite at the earliest opportunity and: that an OJEU compliant framework be employed in the tendering process for the appointment of Principal Contractor for the project

The Chairman (in her capacity as the Chairman of the Business and Transformation Scrutiny Panel summarised the key issues raised by that Panel was the need for the Council to ensure that the project remained within budget; in order to aid this the Panel felt that the plans for the redevelopment must be finalised prior to the commencement of works, and that Members be provided with regular reports being submitted to the relevant Scrutiny Panel(s) for consideration.

Members held a discussion on the purpose and effectiveness of operating a joint Panel meeting, and considered it important that the resolutions of the individual Panels be appropriately recorded to aid Members ongoing scrutiny of the project.

The Policy and Communications Manager explained that the joint meeting had been convened in order to allow for efficient feedback to the Executive for it to consider the issues raised by Members, as part of its decisions making process. He assured Members that individual resolutions would be appropriately attributed to the individual Panels.

*The meeting adjourned at 12:55pm and reconvened at 1:05pm*

## **SJSP.06/18            STANDING ORDERS**

It was noted that the meeting had been in progress for 3 hours and it was moved, seconded and RESOLVED that Council Procedure Rule 9, in relation to the duration of meetings be suspended in order that the meeting could continue over the time limit of 3 hours.

## **SJSP.07/18            SANDS CENTRE REDEVELOPMENT**

### **FINANCIAL IMPLICATIONS**

*The Deputy Chief Finance Officer* provided an overview of the financial implications of the project, noting that a level of borrowing would be required by the Council and that a number of illustrative examples of how that could be achieved were set out in paragraph 2.8 of the report.

The starting point for the Council's consideration of potential methods of funding the project had been the re-tendered Leisure Contract which, following the completion of the redeveloped site would move the Council to a zero subsidy position in relation to its Principal Leisure Operator. Over the lifetime of the new Leisure Contract the Council would realise budget savings through receipt of payments from Greenwich Leisure Limited.

The Council had an asset portfolio worth £158M and an existing debt of £15M, with an interest rate of 8.5% as a result of a previous stock issue, which equated to a gearing of 9.4%. The calculated level of borrowing to fund the scheme was £17.5M with an anticipated interest rate of 2.5% over a 25 year period; it was anticipated that the additional monies would be raised through external grant funding. Given that the stock issue was due to be re-financed, an option was to combine the borrowing for the scheme and the stock issue, the Deputy Chief Finance Officer noted that such a strategy may achieve a lower level of interest payment for the Council by reducing the level of interest payable on the stock issue. He emphasised that the exact level of interest accorded to the loan was dependent upon the time at which the loan was taken out.

The loan would be secured from the Public Works Loan Board who provided three types of loan repayment options: interest only, annuity, and equal instalment payment, the Deputy Chief Finance Officer noted that the scenarios for loan repayments detailed in the report were based on an equal instalment payment option; he cautioned Members that the examples therein were for illustrative purposes only. The Budget considerations to be submitted to Council for consideration and approval in February 2018 incorporated a borrowing for the project of £17.5M at an interest rate of 3.25% and with a Minimum Revenue Provision (MRP) of 3%.

The Deputy Chief Finance Officer advised that consideration needed to be given as to the best policy for Council to adopt with regard to the regulation of its MRP and whether a separate MRP strategy was needed for the project. The factors for Members to consider in relation to the Council undertaking borrowing to fund the project were set out on pages 23 and 24 of the report.

In discussion the following observations and comments were made:

- A number of Members sought further detail on the Council's plans for the existing James Street Pool site and Turkish Bath suite following the relocation of the swimming pool facilities.

The Deputy Chief Executive explained that the Council had undertaken work with Montagu Evans to identify whether there was any external interest in the site. No proposal for the premises had been worked up but in due course options would be developed and submitted to the Executive for consideration.

A Member responded that the matter of the Turkish Baths and James Street Pool site needed to be included on the Council's Risk Register and, when plans for their use had been worked up, should be submitted to Scrutiny for its consideration.

- Were there any caveats in the Leisure Contract which would allow the Principal Leisure Contractor to reduce their payments to the Council following the completion of the redeveloped site?

The Contracts and Community Services Manager advised that the payments between the Council and Greenwich Leisure Limited were enshrined in the Leisure Contract signed between the two bodies, he noted that caveats were included which would allow for lower receipts to the Council in the event of a smaller facility being constructed.

- Was it necessary for the Council to secure the finance prior to the redevelopment scheme being "locked –in"?

The Deputy Chief Finance Officer advised that locking in for the scheme prior to any approvals being given to proceed would not be prudent, however, once approvals were given the best time to lock-in borrowing would be considered.

Responding to a further question from a Member, the Deputy Chief Finance Officer explained that tranching the borrowing requirements for the project would allow for a degree of flexibility in terms of the Council's profiling of cash flows by borrowing amounts to deliver specific aspects of the project as and when they were required and would also give flexibility for repayment profiles.

Regarding its asset to debt gearing ratio, the Council was, in relation to peer authorities, typically above average with respect to its portfolio of assets and a low level of debt. The Deputy Chief Finance Officer advised that financing the project would not preclude any further capital developments progressing.

Members discussed the financing options and felt that the equal instalment payment route for financing the project was the prudent option for the Council to take, and that the Executive should pursue such a method of financing. A number of Members, whilst agreeing with that approach, considered making such a recommendation was premature, given the current stage of project development, and that to do so would fetter the Executive.

- Had the Council any plans to dispose of any of its assets to help fund the project?

The Deputy Chief Finance Officer responded that the sale of assets was managed through the on-going asset disposal programme and that items would be brought forward as part of the Capital Programme.

- Had funding for the project been secured from Sport England?

The Contracts and Community Services Manager advised that as Council had not yet approved the scheme, the funding was not able to be applied for. He further explained that Sport England had a ring-fenced pot of money for projects in the Carlisle District of £2.5M, whilst a bid was required to access the funds, the Contracts and Community Services Manager was confident that the Council would receive an allocation.

- What was the anticipated lifespan of the NHS suite?

The Deputy Chief Executive advised that a time frame had not been identified as the hospital had not confirmed whether it intended to occupy the suite. He noted that a decision on the matter was needed soon, as were the Council to approve the project, designers would need to know how the space was to be utilised in order for the project to be taken forward. In the event that the hospital did wish to occupy the suite he undertook to secure Letter of Intent or similar document as surety to aid the Council's determination of the scheme.

In response to a further question from a Member, the Deputy Chief Executive advised that the inclusion of an NHS suite would not affect Greenwich Leisure Limited payments to the Council.

The Chairman requested that details of how the Council planned to use the suite, in the event that the NHS did not take it up be circulated to Members.

In summarising the discussion, the Chairman noted that Members were satisfied with the Council's position in relation to the financing of the project as set out in the report and that details regarding the options for the NHS Suite and the James Street site be circulated to Members in due course.

The Chairman thanked the Officers and Messrs Denson, Dando, Dunstan, Reed, Finlayson, Ker-Reid, and Rice for their presentation and contributions to the meeting.

RESOLVED – 1) That the Health and Wellbeing Scrutiny Panel recommend to the Executive:

- i) That an OJEU compliant Framework method be used in the process for the tendering of the Principal Contractor role;
- ii) That the Council seek to secure a Letter of Intent from the NHS regarding the provision of services from the redeveloped Sands Centre;
- iii) That details of alternative options for the proposed NHS Suite be circulated to the Panel, in the event that the hospital did not wish to proceed with the agreement.

2) That the Business and Transformation Scrutiny Panel recommend to the Executive:

- i) That a Transport Strategy and Travel Plan be secured as soon as possible;
- ii) That the use of apprentices be encouraged in the delivery of the project;
- iii) That plans for the James Street site and Turkish Bath complex be circulated to the Panel for its consideration when they became available;
- iv) That the Panel be provided with regular updates on the progress of the project.

3) That the Contracts and Community Services Manager circulate to Members of both Scrutiny Panel's confirmation of the Council's ownership of the land at the Sands Centre site.

4) That both Panels note report (CS.10/18) and submit the comments as detailed above to the Executive for their consideration.

(The meeting ended at 1.47pm)

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## EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 12 FEBRUARY 2018

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**EX.09/18      \*\*SANDS CENTRE REDEVELOPMENT**  
(Key Decision – KD.33/17)

(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**      Finance, Governance and Resources

**Relevant Overview and Scrutiny Panel**      Business and Transformation; Health and Wellbeing

### **Subject Matter**

Pursuant to Minute EX.132/17 and in the absence of the Culture, Heritage and Leisure Portfolio Holder, the Deputy Leader, and Finance, Governance and Resources Portfolio Holder reported (CS.13/18) that the Executive had, on 18 December 2017, considered proposals for the redevelopment of the Sands Centre; which proposals would support delivery of the Council's Sports Facilities Strategy.

The Deputy Leader commented upon the significance of the proposed redevelopment project and thanked those Officers involved in the preparation of what was a very comprehensive report.

The Executive had referred the proposals to the joint meeting of the Business and Transformation; and Health and Wellbeing Scrutiny Panels convened on 29 January 2018 in order to seek their views. Copies of the Minutes of that special meeting, setting out the observations and recommendations of the Scrutiny Panels, had also been circulated.

The Deputy Leader drew Members' attention to the attached original Executive report (CS.31/17) which retained the anticipated costs, funding options and a developed programme and risk register.

The Chairman of the Business and Transformation Scrutiny Panel was in attendance. She referred to the Treasury Management workshop held on 25 January 2018, which had aided Members' understanding of the financial implications of the project; and thanked the Chief Finance Officer for providing that essential training.

Turning to the Minutes of the special joint Scrutiny Panel meeting, the Chairman referenced the detailed discussion which had taken place, including questions / concerns expressed with regard to land ownership; archaeological investigations at the site; and the securing of a Transport Strategy and Travel Plan as soon as possible.

The Leader noted that the Chairman of the Health and Wellbeing Scrutiny Panel had been invited to speak, but was not in attendance today.

The Deputy Leader thanked Scrutiny Panel Members for their in depth consideration of the matter; and responded to the recommendations made at the joint meeting on 29 January 2018 in the following terms:

**(1) Health and Wellbeing Scrutiny Panel:**

*i) That an OJEU compliant Framework method be used in the process for the tendering of the Principal Contractor role.*

The Executive welcomed that suggestion and would agree that using an OJEU compliant framework to bring a contractor on board quickly was the right way forward in this instance. It would ensure that the contractor was involved in solving some of the particular challenges around site planning and logistics during the construction phase, and even more importantly it would reduce the timescale for procurement and therefore reduce the risks of delays in the programme which would increase the costs of GLL's operating contract. The Executive would make the use of an OJEU compliant framework for the procurement of the main contractor as one of the formal recommendations within the paper presented to full Council.

*ii) That the Council seek to secure a Letter of Intent from the NHS regarding the provision of services from the redeveloped Sands Centre.*

The Council's Officers were engaged with the NHS and would be seeking a letter of intent and / or clarity on the NHS's position as a matter of urgency.

*iii) That details of alternative options for the proposed NHS Suite be circulated to the Panel, in the event that the hospital did not wish to proceed with the agreement.*

If the NHS did not occupy their proposed portion of the building, the Council and the design team would work with GLL to develop appropriate (and revenue generating) alternative uses for the space. Those would be presented to the Health and Wellbeing Scrutiny Panel before formal adoption as part of the regular updates to the Panel.

**(2) Business and Transformation Scrutiny Panel:**

*i) That a Transport Strategy and Travel Plan be secured as soon as possible.*

A Transport and Travel Strategy would be a requirement of the planning process. As such, it would be developed within the next stage of the programme, and would be subject to the comments of statutory consultees and approval within the planning process.

*ii) That the use of apprentices be encouraged in the delivery of the project.*

The principal OJEU compliant frameworks that had been explored initially actually mandated the use of a certain proportion of apprentices which was another point to support the use of such frameworks in this instance.

*iii) That plans for the James Street site and Turkish Bath complex be circulated to the Panel for its consideration when they became available.*

Plans for the future use of the James Street site would be worked up and presented to the Business and Transformation Panel as soon as they were ready.

*iv) That the Panel be provided with regular updates on the progress of the project.*

Regular updates on the project can and will be provided to both Panels as necessary and both are obviously free to build updates into their own work programmes in any case.

**(3)** *That the Contracts and Community Services Manager circulate to Members of both Scrutiny Panels confirmation of the Council's ownership of the land at the Sands Centre site.*

The legal ownership of the land at the Sands Centre had been confirmed and he would ask that a note was issued to the Panels confirming that fact.

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder concluded this item of business by formally moving the recommendations set out in Report CS.13/18.

The Leader added his thanks to the Scrutiny Panels for all of the very thorough work undertaken which had provided much food for thought moving forward. The Executive wished to build into the process a mechanism by which to work with Scrutiny and to monitor the way forward.

He also expressed thanks to the Officer team for their considerable efforts and work in preparation of the proposals which would be transformational for the City.

The Leader then formally seconded the recommendations.

**Summary of options rejected** Not to refer the report to Council

## **DECISION**

That the Executive:

1. Had considered Report CS.13/18 and its appendices.

2. Had given consideration to the comments and recommendations arising from the Business and Transformation Scrutiny Panel; and the Health and Wellbeing Scrutiny Panel, and responded as detailed above.
3. Referred the report to full Council for consideration.
4. Recommended to full Council that the proposed scheme is progressed with further Executive consent sought at the end of RIBA Stage 4 (ahead of the appointment of a principal contractor).
5. Recommended to full Council that the selection of an OJEU compliant procurement route for the principal contractor be delegated to the Deputy Chief Executive following consultation with the Portfolio Holders for Finance, Governance and Resources; and Culture, Heritage and Leisure.

### **Reasons for Decision**

The redevelopment of the Sands Centre complex would deliver the key aspirations of Carlisle City Council's Sports Facilities Strategy, deliver the reductions in leisure contract subsidy enshrined in the new Leisure Contract, and replace / renovate existing facilities as, or more efficiently, than fulfilling the anticipated repair liabilities at the Pools and Sands Centre sites



# Report to Council

**Agenda  
Item:**  
  
**20(ii)**

Meeting Date: 6<sup>th</sup> March 2018  
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 2017  
Report of: CHIEF FINANCE OFFICER  
Report Number: RD 44/17

## Purpose / Summary:

This report provides an overview of the budgetary position of the City Council's capital programme for the period April to December 2017.

## Recommendations:

Council is asked to:

- (i) approve reprofiling of £1,100,000 as detailed in para 3.3 and Appendix A from 2017/18 into 2018/19.

## Tracking

Executive:	12 <sup>th</sup> February 2018
Overview and Scrutiny:	15 <sup>th</sup> February 2018
Council:	6 <sup>th</sup> March 2018

# Report to Executive

Agenda  
Item:

Meeting Date: 12<sup>th</sup> February 2018  
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 2017  
Report of: CHIEF FINANCE OFFICER  
Report Number: RD 44/17

## Purpose / Summary:

This report provides an overview of the budgetary position of the City Council's capital programme for the period April to December 2017.

## 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 2017;
- (iii) Note adjustments to the 2017/18 capital programme as detailed in paragraph 2.1
- (iv) Make recommendations to Council to approve reprofiling of £1,100,000 as detailed in para 3.3 and Appendix A from 2017/18 into 2018/19.

## Tracking

Executive:	12 <sup>th</sup> February 2018
Scrutiny:	15 <sup>th</sup> February 2018
Council:	6 <sup>th</sup> March 2018

## **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 Chief Officers 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 2017/18:

<b>2017/18 Capital Budget</b>	<b>£</b>
<b>2017/18 Capital Programme (RD04/17 Council 11/07/17)</b>	<b>9,010,700</b>
Affordable Homes (S106) (ED24/17 Executive 31/07/17)	229,400
Additional contributions & increased revenue financing including use of GLL Reserve for Harraby Cycle Track (OD92/17)	157,300
Increase for additional contributions to Public Realm Scheme	25,000
Release of funding from reserve for ICT Strategy (CE01/17 13/02/17)	49,600
Revenue contributions towards Talkin Tarn Play Area	41,400
Revenue contributions and external grant to fund Economic Development ICT purchases	10,900
S106 contributions towards Pirelli Cycleway Scheme	28,800
Revenue contribution towards Vehicles & Equipment	42,200
Revenue contribution towards Tennis Facilities	19,200
Revenue contribution towards Play Area Developments	4,000
<b>Revised 2017/18 Capital Programme (at Dec 2017)</b>	<b>9,618,500</b>
Less Capital Reserves to be released by Executive (see para 3.9)	(405,000)
<b>Revised 2017/18 Capital Programme (released)</b>	<b>9,213,500</b>
Carry forwards into 2018/19 (Subject to Council Approval, see para 3.3)	(1,100,000)
<b>Revised 2017/18 Capital Programme (released)</b>	<b>8,113,500</b>

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

2.3 The Council has approved (CS22/17) the release of a further sum, up to a prescribed amount, from the GLL Reserve to provide a contingency to ensure that the Council meets its contractual obligations on the Harraby Cycle Track project.

### 3. 2017/18 BUDGET MONITORING

3.1 The position statement as at December 2017 can be summarised as follows:

<b>Directorate</b>	<b>Revised Annual Budget £</b>	<b>Budget to Date £</b>	<b>Spend to date £</b>	<b>Variance to date £</b>	<b>Para. Ref.</b>
Community Services	3,705,200	2,276,670	2,473,751	197,081	3.4
Corporate Support & Resources	285,200	190,326	105,970	(84,356)	3.5
Economic Development	678,500	337,261	314,703	(22,558)	3.6
Governance & Regulatory Services	3,831,100	2,616,499	1,428,540	(1,187,959)	3.7
<b>Total</b>	<b>8,500,000</b>	<b>5,420,756</b>	<b>4,322,964</b>	<b>(1,097,792)</b>	
Flood Related Capital	713,500	713,500	2,505,144	1,791,644	3.8
<b>Total</b>	<b>9,213,500</b>	<b>6,134,256</b>	<b>6,828,108</b>	<b>693,852</b>	
Reserves to be released	405,000	0	0	0	3.9
<b>Total</b>	<b>9,618,500</b>	<b>6,134,256</b>	<b>6,828,108</b>	<b>693,852</b>	

Schemes still to be released by the Executive are outwith 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 £4,322,964 has been incurred on the Council's core capital programme excluding flood related expenditure. When considered against the profiled budget of £5,420,756 this equates to an underspend of £1,097,792.

The unspent balance remaining of the revised annual budget (excluding flood related expenditure) of £8,500,000 is £4,177,036. This will be closely monitored over the following months to identify accurate project profiles and any potential slippage into future years, and budgets for flood related expenditure will be increased in line with any agreed settlement figures.

- 3.3 However an initial review of the 2017/18 capital programme has been undertaken and **the Executive are asked to recommend to Council the reprofiling of £1,100,000 from 2017/18 to 2018/19** (further details in Appendix A).

Directorate	Annual Budget £	Carry Forwards £	Revised Annual Budget £	Spend to Date £	Budget Remaining £
Community Services	3,885,200	0	3,885,200	2,473,751	1,411,449
Corporate Support & Resource	285,200	0	285,200	105,970	179,230
Economic Development	498,500	0	498,500	314,703	183,797
Governance & Regulatory	3,831,100	(1,100,000)	2,731,100	1,428,540	1,302,560
<b>Total</b>	<b>8,500,000</b>	<b>(1,100,000)</b>	<b>7,400,000</b>	<b>4,322,964</b>	<b>3,077,036</b>
Flood Recovery	713,500	0	713,500	2,505,144	(1,791,644)
<b>Total</b>	<b>9,213,500</b>	<b>(1,100,000)</b>	<b>8,113,500</b>	<b>6,828,108</b>	<b>1,285,392</b>
Reserves to be released	405,000	0	0	0	0
<b>Total</b>	<b>9,618,500</b>	<b>(1,100,000)</b>	<b>8,113,500</b>	<b>6,828,108</b>	<b>1,285,392</b>

The unspent balance remaining of the revised annual budget of £7,400,000 (excluding flood related expenditure) is £3,077,036 as at December 2017.

- 3.4 The variance in Community Services is attributable to the following:
- (i) An underspend of £27,038 on enhancements and improvements to the Art Centre. This budget was carried forward to provide for works that were postponed due to the 2015 floods.
  - (ii) An overspend of £99,304 on Waste Minimisation purchases. A review of expenditure is currently underway including the level of stock held.
  - (iii) An overspend of £133,067 on Cycle Track Development. The final spend will be dependent on the final account and negotiations with contractors. The funding required is dependent on the final account agreed and will be released as approved by Council in September 2017.
- 3.5 The variance in Corporate Support and Resources is attributable to the following:
- (i) An underspend of £50,451 on IT Strategy costs, and an underspend of £33,905 on Revenues and Benefits IT Upgrades. These budgets are being considered in the development of a revised IT Strategy implementation plan.
- 3.6 The variance in Economic Development is attributable to the following:
- (i) An underspend of £17,307 on Durranhill Industrial Estate improvements.
- 3.7 The variance in Governance & Regulatory Services is attributable to the following:
- (i) An underspend of £1,210,725 on Disabled Facilities Grants. The DFG funding increased in 2016 with the expectation from the Government that action plans be produced for 2017 to 2019 which provides a 2 year spending plan; the plans should involve both Health and Social Care. The Executive approved our action plan at its meeting of 17<sup>th</sup> January 2018.
  - (ii) An overspend of £35,635 on Castle Way S106 which can be accommodated within proposed funding options.
- 3.8 The variance in Flood Related Projects is attributable to the following:
- (i) An overspend of £1,791,644 on Building reinstatement costs. Budgets will be adjusted once final accounts from the contractors have been received and insurance settlement figures have been agreed with the loss adjusters. This will then determine the balance to be funded from the Council's own balances and reserves.
- 3.9 A number of schemes are included in the capital programme for 2017/18 that require reports to be presented to the Executive for the release of funding before the project can go ahead, some of which may slip into future years capital programmes.

Scheme	Budget £	Note
Old Town Hall / Greenmarket	380,000	
Play Area Green Gyms	25,000	
<b>Total</b>	<b>405,000</b>	

#### 4. FINANCING

4.1 The 2017/18 capital programme can be financed as follows:

	Annual Budget £
<b>Total Programme to be financed (para 2.1)</b>	<b>8,113,500</b>
<u>Financed by:</u>	
Capital Receipts / Internal Borrowing	2,266,700
Capital Grants	
• Disabled Facilities Grant	1,613,900
• General	1,149,600
Direct Revenue Financing	2,057,700
Other Contributions	1,015,800
Earmarked Reserves	9,800
<b>Total Financing</b>	<b>8,113,500</b>

#### 5. CAPITAL RESOURCES

5.1 The following table shows the position as at December 2017 of the capital resources due to be received during 2017/18:

	2017/18 Revised Budget £	2017/18 Actual £	2017/18 Not yet received £	Note
Capital Receipts				
• Asset Review	(200,000)	(47,400)	152,600	1
• Vehicle Sales	0	(48,564)	(48,564)	2
• PRTB Sharing agreement	(150,000)	0	150,000	3
Capital Grants				4
• Disabled Facilities Grant	(1,613,900)	(1,613,944)	(44)	
• Tennis Facilities	(400,000)	0	400,000	
• Cycle Track Development	(68,000)	0	68,000	
• General	0	(2,000)	(2,000)	
Capital Contributions				
• Section 106	(872,600)	(441,030)	431,570	5
• Cycle Track Development	(90,400)	(90,480)	(80)	
• General	(52,800)	(95,444)	(42,644)	6
<b>Total</b>	<b>(3,447,700)</b>	<b>(2,338,862)</b>	<b>1,108,838</b>	

Notes:

1. Receipts for 2017/18 are anticipated to be received from asset review sales (£200,000).
2. Included within vehicle sales are receipts of £19,439 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. It should be noted that Riverside Group are currently preparing forecasts for PRTB receipts for 2017/18. Forecast projections will be provided in a future report to the Executive.
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 (£266,000), Public Realm S106 (£49,600), Crindledyke Cycleway (£268,700), Open Space Improvements (£42,900), Affordable Homes (£229,400) and Pirelli Cycleway (£16,000).
6. Additional contributions received towards Public Realm (£25,000), Public Realm/Cracker Packer (£15,000) and Pirelli Cycleway (£12,800).

## **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 2016/17 accounts, fixed assets totalled £161million (2015/16 £160million). This represents 94% 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 2017 debtors of £11,935 (£226,803 at 31 March 2017) were outstanding for capital grants, contributions and receipts. PRTB receipts for 2016/17 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 2017 totalled £103,063 (£456,407 at 31 March 2017).

## **7. PERFORMANCE**

- 7.1 The 2017/18 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 £405,000 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 Transformation Sub-Group 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**

Business & Transformation Scrutiny Panel will consider the report on 15<sup>th</sup> February 2018.

## **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 2017;
- (ii) Note adjustments to the 2017/18 capital programme as detailed in paragraph 2.1
- (iii) Make recommendations to Council to approve reprofiling of £1,100,000 as detailed in para 3.3 and Appendix A from 2017/18 into 2018/19.

## **10. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

- 10.1 The Council's capital programme supports 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:**

**Community Service – Not applicable**

**Corporate Support & Resources** – Financial implications are contained in the main body of the report.

**Economic Development** – Not applicable

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

**2017/18 CAPITAL PROGRAMME**
**APPENDIX A**

<b>Scheme</b>	<b>Original Capital Programme 2017/18 £</b>	<b>Other Adjustments £</b>	<b>Proposed Carry Forwards £</b>	<b>Revised Capital Programme 2017/18 £</b>
<b><u>Current non-recurring commitments</u></b>				
Public Realm/Cracker Packer (S106)	64,600	0	0	64,600
Castle Way (S106)	266,000	0	0	266,000
Arts Centre	47,300	0	0	47,300
Tennis Facilities	497,000	19,200	0	516,200
Cycle Track Development	717,000	157,300	0	874,300
Market Hall Roof	460,000	0	0	460,000
Crindledyke Cycleway	268,700	0	0	268,700
Durranhill Industrial Estate	105,400	0	0	105,400
Play Area Developments	10,900	4,000	0	14,900
Open Space Improvements	42,900	0	0	42,900
Kingstown Industrial Estate	9,800	0	0	9,800
Public Realm Improvements	243,200	25,000	0	268,200
IC Buildings Flood Reinstatement	713,500	0	0	713,500
Revenues & Benefits ICT Upgrades	45,200	0	0	45,200
Asset Review	203,600	0	0	203,600
Talkin Tarn	0	41,400	0	41,400
Affordable Homes (S106)	0	229,400	0	229,400
Pirelli Cycleway	0	28,800	0	28,800
Economic Development ICT Purchases	0	10,900	0	10,900
	<b>3,695,100</b>	<b>516,000</b>	<b>0</b>	<b>4,211,100</b>
<b><u>Recurring commitments</u></b>				
Planned Enhancements to Council Property	215,000	0	0	215,000
Vehicles, Plant & Equipment	1,857,300	42,200	0	1,899,500
ICT Infrastructure	190,400	49,600	0	240,000
	<b>2,262,700</b>	<b>91,800</b>	<b>0</b>	<b>2,354,500</b>
<b><u>Disabled Facilities Grants</u></b>				
Private Sector Grants	2,594,700	0	(1,100,000)	1,494,700
Minor Works Grants	53,200	0	0	53,200
	<b>2,647,900</b>	<b>0</b>	<b>(1,100,000)</b>	<b>1,547,900</b>
<b>TOTAL</b>	<b>8,605,700</b>	<b>607,800</b>	<b>(1,100,000)</b>	<b>8,113,500</b>
<b><u>Capital Reserves to be released</u></b>				
Play Area Green Gyms	25,000	0	0	25,000
Old Town Hall / Greenmarket	380,000	0	0	380,000
	<b>405,000</b>	<b>0</b>	<b>0</b>	<b>405,000</b>
<b>REVISED TOTAL</b>	<b>9,010,700</b>	<b>607,800</b>	<b>(1,100,000)</b>	<b>8,518,500</b>

**DECEMBER 2017 - 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	47,300	0	47,300	27,038	0	(27,038)	Budget carried forward to provide for works postponed due to the 2015 floods.
Vehicles & Plant	1,899,500	0	1,899,500	1,185,500	1,178,079	(7,421)	Replacement of vehicle purchases in 2017/18 on target to date.
Waste Minimisation	0	0	0	0	99,304	99,304	A review of expenditure is currently underway.
Tennis Facilities	516,200	0	516,200	5,162	4,884	(278)	Approved by Council 08/09/15 (SD16/15).
Cycle Track Developments	874,300	0	874,300	874,300	1,007,367	133,067	Approved by Executive 27/07/15 (SD13/15). Budget increased for additional grant and contributions. Additional funding to be provided from GLL Reserve as approved by Council.
Play Area Developments	14,900	0	14,900	0	0	0	External funding carried forward to complete schemes.
Open Space Improvements	42,900	0	42,900	4,351	3,751	(600)	External funding carried forward to complete schemes which are now being progressed.
Crindledyke Cycleway (S106)	268,700	0	268,700	138,919	138,932	13	Approved by Executive 01/06/15 (LE10/15). Funded by Section 106 monies. Various factors have delayed the project.
Talkin Tarn	41,400	0	41,400	41,400	41,434	34	Improvements to Play Area funded by revenue.
<b>Grand Total</b>	<b>3,705,200</b>	<b>0</b>	<b>3,705,200</b>	<b>2,276,670</b>	<b>2,473,751</b>	<b>197,081</b>	

DECEMBER 2017 - 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
ICT Infrastructure	240,000	0	240,000	156,421	105,970	(50,451)	Part of ICT Strategy Business Case. Budget carried forward to accommodate contracts and orders placed to upgrade IT infrastructure, network & equipment. Additional £100,000 budget now released by Executive on 23/10/17 (CS20/17).
Revenues and Benefits ICT Upgrades	45,200	0	45,200	33,905	0	(33,905)	Budget carried forward as part of ICT Strategy.
<b>Grand Total</b>	<b>285,200</b>	<b>0</b>	<b>285,200</b>	<b>190,326</b>	<b>105,970</b>	<b>(84,356)</b>	

**DECEMBER 2017 - 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	268,200	0	268,200	91,190	91,125	(65)	Budget released by Executive 10/03/14 (ED10/14). Additional budget released by Executive 07/04/15 (ED15/15). Revised Project Plan developed and is being implemented in line with revised timescales.
EA Central Plaza	0	0	0	0	2,531	2,531	Implementation of work under the Corporate Director of Economic Development's emergency powers with reference to the Building Act 1984 S78 Dangerous building - emergency measures (OD.104/16).
Public Realm (S106)	64,600	0	64,600	41,410	33,643	(7,767)	Approved by Executive 3/9/12 (RD34/12). Funded by Section 106 monies. Tender awarded and work progressing.
Durranhill Industrial Estate	105,400	0	105,400	79,061	61,754	(17,307)	Approved by Executive 15/01/14 (ED02/14). Revised programme of works approved by Executive 7/04/15 (ED14/15).
Affordable Homes	229,400	0	229,400	114,700	114,750	50	Approved by Executive 31/07/17 (ED24/17). First instalment paid.
Economic Development ICT Purchases	10,900	0	10,900	10,900	10,900	0	Funded by Housing and Planning Delivery grant and contribution from revenue.
<b>Grand Total</b>	<b>678,500</b>	<b>0</b>	<b>678,500</b>	<b>337,261</b>	<b>314,703</b>	<b>(22,558)</b>	

**DECEMBER 2017 - CAPITAL BUDGET MONITORING**

**APPENDIX E**

**GOVERNANCE & REGULATORY SERVICES**

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	215,000	0	215,000	177,056	185,240	8,184	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). Negotiations ongoing regarding the Council's contribution towards the works.
Asset Management Plan	203,600	0	203,600	146,477	146,431	(46)	Budget carried forward in relation to remaining payments from Escrow account & demolition costs.
Kingstown Industrial Estate Roads	9,800	0	9,800	7,352	0	(7,352)	Remaining budget required for additional public realm signage on the estate.
Castle Way (S106)	266,000	0	266,000	266,000	301,635	35,635	Approved by Executive 11/4/12 (RD01/12). Funded by Section 106 monies. Completed early 2017/18.
Disabled Facilities Grants	2,594,700	(1,100,000)	1,494,700	1,946,286	735,561	(1,210,725)	Mandatory Grants. Increased grant allocation for 2017/18. The position is being closely monitored.
Minor Works Grants	53,200	0	53,200	44,528	31,232	(13,296)	Budget approved by Executive 04/04/16 (ED09/16).
Pirelli Cycleway	28,800	0	28,800	28,800	28,441	(359)	OD. 117/17, funded by Section 106 monies and external contributions.
<b>Grand Total</b>	<b>3,831,100</b>	<b>(1,100,000)</b>	<b>2,731,100</b>	<b>2,616,499</b>	<b>1,428,540</b>	<b>(1,187,959)</b>	

**DECEMBER 2017 - 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	713,500	0	713,500	713,500	2,505,144	1,791,644	Capitalisation of building improvements as a result of the flood.
<b>Grand Total</b>	<b>713,500</b>	<b>0</b>	<b>713,500</b>	<b>713,500</b>	<b>2,505,144</b>	<b>1,791,644</b>	

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## **EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 12 FEBRUARY 2018**

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**EX.15/18     \*\*CAPITAL BUDGET OVERVIEW AND MONITORING REPORT –  
APRIL TO DECEMBER 2017  
(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 Scrutiny Panel**     Business and Transformation

**Subject Matter**

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder submitted report RD.44/17 providing an overview of the budgetary position of the City Council's capital programme for the period April to December 2017. He outlined for Members the overall budget position of the various Directorates and the financing of the 2017/18 Capital Programme, details of which were set out in the report.

As at the end of December, expenditure of £4,322,964 had been incurred on the Council's core capital programme excluding flood related expenditure. When considered against the profiled budget of £5,420,756 that equated to an underspend of £1,097,792.

The unspent balance remaining of the revised annual budget (excluding flood related expenditure) of £8,500,000 was £4,177,036. That would be closely monitored over the following months to identify accurate project profiles and any potential slippage into future years, and budgets for flood related expenditure would be increased in line with any agreed settlement figures.

Paragraph 3.3 recorded that an initial review of the 2017/18 capital programme had been undertaken and the Executive was asked to recommend to Council the re-profiling of £1,100,000 from 2017/18 to 2018/19, further details of which were set out at Appendix A. The unspent balance remaining of the revised annual budget of £7,400,000 (excluding flood related expenditure) was £3,077,036 as at December 2017.

The Deputy Leader further commented upon performance against the 2017/18 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 Transformation Sub-Group 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 formally moved the recommendations, which were formally seconded by the Leader.

**Summary of options rejected**                      none

## **DECISION**

That the Executive:

1.     Noted and had commented on the budgetary position and performance aspects of the capital programme for the period April to December 2017;
2.     Noted adjustments to the 2017/18 capital programme as detailed in paragraph 2.1;
3.     Made recommendations to Council to approve reprofiling of £1,100,000 as detailed in paragraph 3.3 and Appendix A from 2017/18 into 2018/19.

## **Reasons for Decision**

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

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## **EXCERPT FROM THE MINUTES OF THE BUSINESS AND TRANSFORMATION SCRUTINY PANEL HELD ON 15 FEBRUARY 2018**

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### **BTSP.18/18      CAPITAL BUDGET OVERVIEW AND MONITORING REPORT: APRIL TO DECEMBER 2017**

The Chief Finance Officer submitted report RD.44/17 providing an overview of the budgetary position of the City Council's capital programme for the period April to December 2017. She outlined for Members the overall budget position of the various Directorates and the financing of the 2017/18 Capital Programme, details of which were set out in the report.

Paragraph 3.3 recorded that an initial review of the 2017/18 capital programme had been undertaken and the Executive had been asked to recommend to Council the re-profiling of £1,100,000 from 2017/18 to 2018/19, further details of which were set out at Appendix A. The unspent balance remaining of the revised annual budget of £7,400,000 was £3,077,036 as at December 2017.

The Executive had considered the matter at their meeting on 12 February 2018 (EX.15/18 refers) and resolved:

“That the Executive:

1. Noted and had commented on the budgetary position and performance aspects of the capital programme for the period April to December 2017;
2. Noted adjustments to the 2017/18 capital programme as detailed in paragraph 2.1
3. Made recommendations to Council to approve reprofiling of £1,100,000 as detailed in paragraph 3.3 and Appendix A from 2017/18 into 2018/19.”

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

- A Member asked for further details regarding the expenditure against Waste Minimisation.

The Chief Finance Officer responded that the expenditure had been for new bins and recycling boxes. She explained that the expenditure was recorded as an asset at the time of purchase and not when it was used. She agreed to investigate the matter further and circulate details to the Panel.

- When entering into Section 106 agreements in regard to cycle paths, did the Council secure future maintenance funding?

The Chief Finance Officer responded that maintenance costs were subject to the agreement; however, the Council did strive to secure maintenance support in agreements.

- Did the emergency measures which had been carried out at the old Central Plaza Hotel building include the road closure?

The Corporate Director of Governance and Regulatory Services reminded the Panel that the building was not owned by the City Council. The Council had an obligation to secure the building and make it safe; the road closure was not part of the Council's obligations.

RESOLVED – 1) That the overall budgetary position for the period April to December 2017, as set out in the Capital Budget Overview and Monitoring report (RD.44/17), be noted.

2) That the Chief Finance Officer circulate further information on the waste minimisation expenditure.



# Report to Council

Agenda  
Item:

**21**

Meeting Date: Tuesday 6<sup>th</sup> March 2018

Portfolio: Finance, Governance and Resources

Key Decision: No

Within Policy and Budget Framework YES

Public / Private Public

Title: PAY POLICY STATEMENT 2018/19

Report of: Chief Finance Officer

Report Number: RD47/17

## 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 2018/19 is attached to this report for Members approval.

## Recommendations:

That Council approves the 2018/19 Policy Statement on Chief Officers' Pay.

## Tracking

Employment Panel:	<b>31<sup>st</sup> January 2018</b>
Overview and Scrutiny:	<b>Not applicable</b>
Council:	<b>6<sup>th</sup> March 2018</b>

## **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 on an annual basis.
- 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 2018/19**

- 2.1 The definition of 'Chief Officers' includes the Chief Executive, Deputy Chief Executive, Corporate Directors and Chief Finance Officer. The Statement attached to this report, detailing the pay and associated benefits for Chief Officers, has been amended where necessary for 2018/19 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 Chief Officers' Pay Agreement 2016/18; however, no agreement has been reached beyond this date.

### **3. CONSULTATION**

3.1 None

### **4. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

4.1 The Employment Panel approved the 2018/19 Policy Statement on Chief Officers' Pay for recommendation to Council on 6<sup>th</sup> March 2018 with minor amendments at section 8.5 of the policy to reflect the preferred option in respect of interim support at Chief Officer level.

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: Melanie Milne**

**Ext: 7071**

**Appendices**                      **Appendix – Pay Policy Statement 2018/19 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:**

**Community Services – Not applicable**

**Economic Development – Not applicable**

**Governance & Regulatory Services** – 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.

**Corporate Support & Resources – Not applicable**

**CARLISLE  
CITY COUNCIL**



**[www.carlisle.gov.uk](http://www.carlisle.gov.uk)**

# **PAY POLICY STATEMENT 2018/19**

## **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 2018/19 financial year and will be subject to review again for 2019/20 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. These are the Chief Executive, Deputy Chief Executive, Corporate Directors and Chief Finance Officer.

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 2018/19)). 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, and updated in December 2013 to implement the Living Wage increase with other regular updates to reflect increases to the foundation living wage and national pay awards. 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 knowledge, experience, skills. and capacity. The document *Pay Policy and Arrangements* details these.

#### **5 Chief Officer 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 Chief Officers’ pay, the Employment Panel may 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 uses 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.
- 6.5 Table 1, paragraph 10, gives current pay rates.

## **7 Elements of the remuneration package for Chief 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 and their particular statutory responsibilities. \*The Chief Finance Officer does not receive the Chief Officer Car Lease Scheme allowance.

## **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 knowledge, qualifications, skills and experience of the successful candidate.
- 8.3 In the case of the other Chief Officers, the 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 (1999) 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 is due to extend its consultation on the repayment of Public Sector exit payments and further legislation regarding such payments is expected in the foreseeable future. The Council will amend policies and processes as required to adhere to any forthcoming changes in legislation.

- 8.5 Interim Support. Where the Council has need for interim support to cover work at Chief Officer or Chief Executive level, and 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 chief 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 (in the following order) by either:

- Direct employment by the Council on a temporary contract.
- On a self-employed basis where the person meets the HMRC definition (IR35) of 'self-employed' or
- On an agency basis where the person is employed by the agency

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.

The Government is due to extended consultation on the financial caps to exit payments of Public Sector employees and further legislation regarding such payments is expected in the foreseeable future. The Council will amend policies and processes to adhere to any forthcoming changes in legislation.

- 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 15.6%. 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 Chief 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 Chief 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 reflects the Chief Executive/Chief Officers' Pay Agreement 2016/18; no agreement has been reached beyond this date.

**TABLE 1: Chief 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: - 100,551 - 102,567 - 106,563	9.09% of salary	-109,691 - 111,890 - 116,250	- 5.0:1 - 5.1:1 - 5.3:1	- 6.7:1 - 6.9:1 - 7.1:1
Deputy Chief Executive	3 points in the range: - 77,565 - 81,444 - 85,323	9.09% of salary	- 84,616 - 88,847 - 93,079	- 3.9:1 - 4.0:1 - 4.2:1	- 5.2:1 - 5.4:1 - 5.7:1
Corporate Directors	3 points in the range: - 62,823 - 66,111 - 69,402	9.09% of salary	- 68,534 - 72,120 - 75,711	- 3.1:1 - 3.3:1 - 3.4:1	- 4.2:1 - 4.4:1 - 4.6:1
Chief Finance Officer	2 points in the range: - 54,617 - 59,684  (Inclusive of 12%)	N/A	- 54,617 - 59,684	- 2.5:1 - 2.7:1	- 3.3:1 - 3.7:1

Note 1 - £21,962 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 Chief Officers (at the top of the grade) is as follows:

Deputy Chief Executive	1.2:1
Corporate Directors	1.5:1
Chief Finance Officer	1.9:1

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

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## **EXCERPT FROM THE MINUTES OF THE EMPLOYMENT PANEL HELD ON 31 JANUARY 2018**

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### **EMP.05/18 PAY POLICY STATEMENT 2018/19**

The Chief Finance Officer presented report RD.42/17 which contained the Pay Policy Statement 2018/19 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 2018/19 and was subject to the approval of full Council. The salary for all Chief Officers had been amended to reflect the Chief Officers Pay Agreement 2016/18; however no agreement had been reached beyond 2018.

The Panel discussed the Chief Officers' car allowance scheme and felt that the scheme had become outdated and was not representative of a modern offer to attract Chief Officers. The Panel asked that some comparison work be undertaken on other local authorities' chief officer offer and what the current trend was for attracting staff. The report should also include information on how any changes to the existing car allowance would affect existing officer's terms and conditions and the effect on the Council's pension contributions. The Panel did not want to reduce the chief officer offer or affect existing chief officer remuneration in a negative way but did want to offer the most appropriate and modern incentives available.

Referring to section 8.5 of the Policy the Panel stated that the secondment of an internal candidate where suitable and direct employment would be the preferred options to cover work at Chief Officer or Chief Executive level on an interim basis. The Chief Finance Officer agreed to change the order of the three bullet points in section 8.5.

**RESOLVED – 1)** That the 2018/19 Policy Statement on Chief Officers' Pay, with an amendment to Section 8.5 as detailed above, be recommended to Council for approval (RD.42/17).

**2)** That a report be submitted to a future meeting of the Employment Panel detailing comparison information on car allowances in other local authorities, other offers that were available to chief officers and the effect of any potential changes to the car allowance scheme on existing staff and the Council's pension contributions.



# Report to Council

Agenda  
Item:

**22**

Meeting Date: 6 March 2018  
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.17/18

## Purpose / Summary:

To report on the operation of call-in and urgency since the previous report to Council on 6 February 2018.

## Recommendations:

That the position be noted.

## Tracking

Executive:	N/A
Overview and Scrutiny:	N/A
Council:	6 March 2018

## **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 her 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 12 February 2018, considered the following reports which were referred to Council. These items are to be considered by the Council on 6 March 2018. 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 6 March 2018.

### **(a) Sands Centre Redevelopment**

The above matter was considered by the Business and Transformation Scrutiny Panel and the Health and Wellbeing Scrutiny Panel on 29 January 2018.

### **(b) Capital Budget Overview and Monitoring Report: April to December 2017**

The above matter was considered by the Business and Transformation Scrutiny Panel on 15 February 2018.

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

