

## **EXECUTIVE**

**MONDAY 11 FEBRUARY 2019 AT 4.02 PM**

### **PRESENT:**

Councillor Glover (Leader / Chairman)  
Councillor Dr Tickner (Deputy Leader, and Finance, Governance and Resources Portfolio Holder)  
Councillor Miss Sherriff (Communities, Health and Wellbeing Portfolio Holder)  
Councillor Southward (Environment and Transport Portfolio Holder)  
Councillor Glendinning (Economy, Enterprise and Housing Portfolio Holder)

### **OFFICERS:**

Town Clerk and Chief Executive  
Deputy Chief Executive  
Corporate Director of Governance and Regulatory Services  
Corporate Director of Finance and Resources  
Corporate Director of Economic Development

### **ALSO PRESENT:**

Councillor Nedved (Chairman of the Economic Growth Scrutiny Panel)  
Councillors Allison and Mallinson (J) (Observers)

## **WELCOME**

The Leader welcomed all those present to the meeting.

## **APOLOGY FOR ABSENCE**

An apology for absence was submitted on behalf of Councillor Ms Quilter (Culture, Heritage and Leisure Portfolio Holder).

## **DECLARATIONS OF INTEREST**

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

## **PUBLIC AND PRESS**

RESOLVED – That the Agenda be agreed as circulated.

**EX.10/19 ST CUTHBERT'S GARDEN VILLAGE, KEY NEXT STEPS**  
(Key Decision – KD.03/19)

**Portfolio** Economy, Enterprise and Housing

**Relevant Scrutiny Panel** Economic Growth

## **Subject Matter**

The Economy, Enterprise and Housing Portfolio Holder submitted report ED.06/19 updating the Executive on the planning and delivery of St Cuthbert's Garden Village (SCGV).

The report recorded that the project governance had been established in May 2017, at which point four key project strands were identified comprising Masterplanning; Plan Making; Carlisle Southern Link Road (CSLR); and Delivery. The Governance arrangements, which included a now well established cross-party Members' Advisory Group, had proved robust and continued to provide a solid foundation for the project moving forward.

Section 2 set out the significant progress made to date in advancing the project, which included the highlights identified at paragraph 2.1. The project had been positively received by a wide range of stakeholders including the general public; and had attracted a large amount of interest, succeeding in securing a previously unprecedented scale of participation. The work undertaken across 2018 therefore presented a solid foundation from which to move into the more detailed planning stages across 2019.

Details of the key next steps in terms of master planning; plan making; the CSLR; and project delivery were also provided.

Referencing the indicative work programme and funding profile, the Portfolio Holder explained that much of the work to date on the project had been funded utilising capacity funding secured from the national garden villages programme. A bid for £425,000 was submitted in June 2018, with that amount also including a potential contribution to ongoing feasibility work on the CSLR. The bidding process was competitive with a decision still awaited although believed to now be imminent. Informal feedback supported that the Council was likely to be in receipt of a similar amount to the 2017/18 award (c. £300K) and certainty on that element would be welcomed.

Details of the key indicative work packages, including an indicative funding profile, for which the approval of the Executive was sought were set out in the table at paragraph 4.2, with information on risk being recorded at Section 6.

The Economic Growth Scrutiny Panel had scrutinised the matter on 17 January 2019 (Minute EGSP.07/19) and resolved:

- "1) That the St. Cuthbert's Garden Village Progress Update (ED.02/19) be received and welcomed.
- 2) That the St. Cuthbert's Garden Village be the subject of a future Informal Council Briefing.
- 3) That the Corporate Director of Economic Development circulate to the Panel an informative on the Community Infrastructure Levy, in advance of the Panel's scrutiny of the policy.
- 4) That future reports on the St. Cuthbert's Garden Village project be submitted following a key project milestone or activity.
- 5) That Officers be thanked for their work on the project thus far."

The Chairman of the Economic Growth Scrutiny Panel was in attendance.

Speaking on behalf of the Panel, the Chairman expressed thanks to the Officers involved and to the Members' Advisory Group for their work.

The Chairman stated that Report ED.02/19 considered by the Panel set out progress, together with the key next steps and was generally well received. He commented upon the project's importance in terms of the future growth of Carlisle and delivery of economic and business opportunities. The Housing Infrastructure Funding Bid would be essential at the later stages given the strategic importance of the CSLR.

The Panel was aware that decisions were awaited on whether Government grants would be awarded for the CSLR and capacity funding for the project; the consultation undertaken with stakeholders and the general public; and the visits undertaken by Officers / Members of the Advisory Group to several Garden Village sites across the country, feedback in relation to which would be provided. Members had also sought and received clarification on the Environment Agency's involvement in the project to date.

The Chairman summarised the Panel's recommendations, stressing that it was critical that all Members were kept abreast of progress via a future Informal Council Briefing.

In conclusion, he indicated that the Panel welcomed the report and looked forward to being part of the process moving forward.

The Economy, Enterprise and Housing Portfolio Holder replied that the Panel's recommendations, including the request for an Informal Council Briefing, would be taken on board. She then formally moved the recommendations set out in the report.

The Leader wished to add his thanks to the Officer team. He explained that the SCGV had its origins in the adopted Carlisle District Local Plan 2015 – 2030. He was delighted that the project was accepted into the Government's Garden Villages, Towns and Cities Programme in January 2017 and was the most northerly and the largest of the current garden villages in the United Kingdom.

That demonstrated the confidence which the Government had in Carlisle's ability to deliver such projects. He added that the project was consistently highlighted by Homes England as best practice and had been positively received by stakeholders out with Carlisle.

The Leader emphasised the excellence of the Officer team in terms of engaging with stakeholders and working collectively for the benefit of Carlisle. The need to grow the working age population was recognised and the work undertaken presented a solid foundation from which to move the City forward in the future.

Cumbria County Council had, in September 2018, submitted a Housing Infrastructure Funding Bid seeking £102m towards delivery of the CSLR, and this Council had undertaken a great deal of work in support thereof. It was hoped that a positive response would be forthcoming from Government.

The Leader concluded by formally seconding the recommendations.

**Summary of options rejected** that the proposed next steps be not approved

## **DECISION**

That the Executive:

1. Noted progress on the project including key achievements across 2018; and
2. Approved the proposed next steps and hence indicative work packages for advancing the St Cuthbert's Garden Village project, including proposed indicative funding profile, set out at Section 4, subject to confirmation of the Capacity Funding bid.

### **Reasons for Decision**

Good progress continued to be made with both the planning and delivery aspects of St Cuthbert's Garden Village. With support to undertake Stage 2 Masterplanning being actively procured, a number of parallel key activities were proposed to commence with 2019 being a busy and critical stage in the evolution of the project

Executive's approval for the indicative work packages and funding profile was required given the values involved and the need for transparency given the proposed expenditure of external grant funding. It also reflected that, as a major corporate project, the Executive were comfortable with both the progress of the project and the future direction of travel

### **EX.11/19 NOTICE OF EXECUTIVE KEY DECISIONS** (Non Key Decision)

**Portfolio** Cross-Cutting

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

### **Subject Matter**

The Notice of Executive Key Decisions dated 11 January 2019 was submitted for information. It was noted that:

- Key Decision (KD.01/19) – Old Fire Station Lease: the Deputy Chief Executive was not in a position to report at this time and the matter was therefore deferred; and
- Key Decision (KD.04/19) – North Pennines AONB Management Plan 2019 – 2024: subsequent to publication of the Notice, it was decided that the Management Plan should be referred directly to the Economic Growth Scrutiny Panel for scrutiny prior to submission to the Executive.

**Summary of options rejected** None

## **DECISION**

That, subject to the above, the Notice of Executive Key Decisions dated 11 January 2019 be received.

**Reasons for Decision**

Not applicable

**EX.12/19      SCHEDULE OF DECISIONS TAKEN BY OFFICERS**  
(Non Key Decision)

**Portfolio**      Cross-cutting

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

**Subject Matter**

Details of decisions taken by Officers under delegated powers were submitted.

**Summary of options rejected**      None

**DECISION**

That the decisions, attached as Appendix A, be noted.

**Reasons for Decision**

Not applicable

**EX.13/19      JOINT MANAGEMENT TEAM**  
(Non Key Decision)

**Portfolio**      Cross-cutting

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

**Subject Matter**

The Minutes of the meeting of the Joint Management Team held on 16 January 2019 were submitted for information.

**Summary of options rejected**      None

**DECISION**

That the Minutes of the meeting of the Joint Management Team held on 16 January 2019, attached as Appendix B, be received.

**Reasons for Decision**

Not applicable

**EX.14/19      REVENUE BUDGET OVERVIEW AND MONITORING REPORT – APRIL  
TO DECEMBER 2018**  
(Non Key Decision)

**Portfolio**      Finance, Governance and Resources

**Relevant Scrutiny Panel**      Business and Transformation

**Subject Matter**

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder submitted the Revenue Budget Overview and Monitoring Report for the period April to December 2018 (RD.35/18). He outlined the overall budgetary position and the monitoring and control of expenditure against budget allocations, together with the exercise of virement. Details of the main variances in the Directorates' budgets; together with a subjective analysis of the summarised budgetary position as at December 2018 excluding flood related items were provided.

In terms of the forecast outturn position 2018/19, the Deputy Leader advised that the Council's financial position was affected by a number of external factors (including the general effect of local economic activity on the Council's income streams; fuel prices, energy costs and other inflationary issues; and the effects of the housing market and property prices, especially with regard to income from land charges, rents and building and development control).

The Council's financial position would continue to be closely monitored and would be reported fully at the outturn. Some of the significant service and income variances estimated for the year end were detailed at paragraph 3.2. Members were asked to note that a full review of the profiling of budgets continued to be undertaken to allow better year end forecasting to be incorporated into the budget monitoring process.

The Deputy Leader further highlighted the information provided with regard to the main sources of funding for the Council, together with the explanation of balance sheet management issues and action taken to write off bad debts.

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

**Summary of options rejected**      none

**DECISION**

That Executive:

1.      Noted the budgetary performance position of the Council to December 2018;
2.      Noted the potential year end commitments as detailed in paragraph 3;
3.      Noted the action by the Corporate Director of Finance and Resources to write-off bad debts as detailed in paragraph 6;

4. Noted the release of reserves as set out in the table at paragraph 2.2, and the virements approved as detailed in Appendix A.

### **Reasons for Decision**

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

### **CALL-IN PROCEDURES**

The Leader reported that The Mayor had, on 7 February 2019, agreed that the following item should be exempt from call-in as call-in procedures would overlap the City Council meeting on 5 March 2019 when the matter was scheduled for consideration:

- Capital Budget Overview and Monitoring Report – April to December 2018

**EX.15/19      \*\*CAPITAL BUDGET OVERVIEW AND MONITORING REPORT – APRIL TO DECEMBER 2018**  
(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.36/18 providing an overview of the budgetary position of the City Council's capital programme for the period April to December 2018. He outlined for Members the overall budget position of the various Directorates and the financing of the 2018/19 capital programme, details of which were set out in the report.

As at the end of December, expenditure of £4,101,315 had been incurred on the Council's core capital programme. When considered against the profiled budget of £4,772,671 that equated to an underspend of £671,356.

The unspent balance remaining of the revised annual budget of £9,309,200 was £5,207,885. That would be closely monitored over the following months to identify accurate project profiles and any potential slippage into future years.

Attention was drawn to Paragraph 3.3 which recorded that an initial review of the 2018/19 capital programme had been undertaken and the Executive was asked to recommend to Council the re-profiling of £982,100 from 2018/19 to 2019/20, further details of which were

set out at Appendix A. The unspent balance remaining of the revised annual budget of £8,327,100 was £4,225,785 as at December 2018.

Information on balance sheet management and performance against the 2018/19 programme was also provided.

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 2018;
2. Noted adjustments to the 2018/19 capital programme as detailed in paragraph 2.1
3. Made recommendations to Council to approve reprofiling of £982,100 as detailed in paragraph 3.3 and Appendix A from 2018/19 into 2019/20.

## **Reasons for Decision**

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

**EX.16/19 TREASURY MANAGEMENT OCTOBER – DECEMBER 2018**  
(Non Key Decision)

**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.37/18 providing the regular quarterly report on Treasury Transactions, including the requirements of the Prudential Code.

Appendix 1 recorded that interest receivable was slightly below expectations due to lower than forecast average cash balances and a lower rate of return being achieved on treasury investments when compared to when the budgets were set. The CCLA property investment saw an increase in the capital value to the end of December. Dividends and yield remained at over 4.21%.



In conclusion the Deputy Leader, and Finance, Governance and Resources Portfolio Holder formally moved the recommendation which was formally seconded by the Leader.

**Summary of options rejected** none

## **DECISION**

That Report RD.37/18 be received and the Prudential Indicators noted as at the end of December 2018.

## **Reasons for Decision**

To advise Members of the Council's Treasury Transactions

## **PUBLIC AND PRESS**

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

**EX.17/19 LAND AND PROPERTY TRANSACTION – PARKHOUSE INDUSTRIAL ESTATE**  
(Key Decision – KD.02/19)  
(Public and Press excluded by virtue of Paragraph 3)

**Portfolio** Finance, Governance and Resources

**Relevant Scrutiny Panel** Business and Transformation

## **Subject Matter**

The Deputy Leader, and Finance, Governance and Resources Portfolio Holder submitted private report GD.07/19 appraising the Executive of a disposal opportunity at Parkhouse Industrial Estate.

The Deputy Leader provided a detailed overview of the background position; proposals before the Executive for consideration; next steps; and risks before formally moving the recommendations set out within the report.

The Leader formally seconded the recommendations.

**Summary of options rejected** that the disposal opportunity be not approved

## **DECISION**

That the Executive:

1. Approved the release and freehold disposal of the Council's ground leases to Carlisle Brass Limited and Braid Investments Parkhouse Road, subject to final terms to be agreed by the Property Services Manager following consultation with the Corporate Director of Governance and Regulatory Services and the Portfolio Holder for Finance, Governance and Resources.
2. Approved the release and freehold disposal of the Council's ground lease to Vertu Motors (Property) Ltd, subject to the timing of the said disposal and the final terms being agreed by the Property Services Manager following consultation with the Corporate Director of Governance and Regulatory Services and the Portfolio Holder for Finance, Governance and Resources.

### **Reasons for Decision**

As detailed within report GD.07/19

[The meeting ended at 4.20 pm]