

EXECUTIVE - SPECIAL MEETING

MONDAY 3 DECEMBER 2018 AT 4.00 PM

PRESENT:

Councillor Glover (Leader / Chairman)
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

ALSO PRESENT:

Councillor Mrs Birks (Chairman of the Business and Transformation Scrutiny Panel)
Councillor Nedved (Chairman of the Economic Growth Scrutiny Panel)
Councillor Allison (Observer)

WELCOME

The Leader welcomed all those present to the special meeting of the Executive.

APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillor Dr Tickner (Deputy Leader, and Finance, Governance and Resources Portfolio Holder); Councillor Ms Quilter (Culture, Heritage and Leisure Portfolio Holder); and the Corporate Director of Economic Development

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.117/18 BUDGET 2019/20 – FEEDBACK FROM THE SCRUTINY PANELS ON THE DRAFT BUDGET REPORTS
(Key Decision – KD.19/18)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel

Health and Wellbeing; Economic Growth; Business and Transformation

Subject Matter

Speaking by way of introduction, the Leader indicated that the Scrutiny Panels had scrutinised the draft Budget Reports for 2019/20 considered by the Executive on 12 November 2018.

The purpose of the special Executive meeting was to give consideration to feedback from the Scrutiny Panels, as detailed within the Minutes of the undernoted Panel meetings, copies of which were submitted:

- (a) Health and Wellbeing – 15 November 2018 (HWSP.71/18)
- (b) Economic Growth – 22 November 2018 (EGSP.85/18)
- (c) Business and Transformation – 29 November 2018 (BTSP.82/18)

Invitations had been extended to the Scrutiny Panel Chairmen to speak at the special meeting today.

(a) Health and Wellbeing Scrutiny Panel

In the absence of the Health and Wellbeing Scrutiny Panel Chairman, the Leader reported that the Panel had identified income shortfalls which had a total value of £837,000 and were a pressure on the budget. Of those areas of income shortfall, one fell within the Panel's remit: Reduced Income from Recyclates - £164,000. The Corporate Director of Finance and Resources had informed Members that lower income from recyclates was a national issue, and that the Council's Senior Management Team was considering how best to address the shortfall. The matter would be subject to further reporting in due course.

In respect of the income from advertising shortfall, the Corporate Director of Finance and Resources had advised that the income shortfall had arisen as a result of lamp post advertising not achieving the level of income anticipated. It was expected that the shortfall would be funded from base budgets, thereby removing the item as a budget pressure.

In addition, the Panel had questioned whether there was a single purchaser of garden waste at the site used by the Council. The Deputy Chief Executive did not have that information to hand at the Panel meeting and a written response would therefore be provided.

The Leader emphasised that it should be noted that the Council is required to give consideration to a number of other variables when selecting a site for the depositing of garden waste: proximity to the city; the impact on fuel costs and CO₂ emissions for using a more distant site.

(b) Economic Growth Scrutiny Panel

The Chairman of the Economic Growth Scrutiny Panel began by expressing thanks to the Corporate Director of Finance and Resources and her team for the considerable work undertaken in preparing the budget reports. He informed the Executive that the Panel had scrutinised the matter in detail and their observations were as set out in the Minute alluded to above.

The Chairman then summarised the following issues raised during scrutiny:

Members had questioned whether all partners involved in the Borderlands Initiative contributed financial resources similar to Carlisle and had received clarification that each partner would be contributing £100,000 to the initiative. The monies would be used to fund detailed business cases for the projects. In addition, there was a £53,000 non-recurring pressure to fund the continuation of the Project Officer post for a further two years to support the development of the business cases and progression of the growth deal.

Members had also asked whether work could be done to improve the external appearance, in particular the hoardings, at the Central Plaza building and asked if any consideration had been given to using the hoarding for advertising. In response, the Corporate Director of Economic Development had confirmed that options were being explored to improve the appearance of the hoardings along with the potential to promote the building as a development opportunity.

In response to a question, the Corporate Director of Finance and Resources had explained that the income from the Lanes had changed several years ago and the Council had to take the fluctuation into account when preparing their budget. Property Services had a good working relationship with the managers of the Lanes and would prepare projections and options. It was prudent for the Council to look at trends moving forward.

The Panel had further questioned why the Business Information Centre (BIC) was not included within report RD.22/18. The Chairman was pleased that a bid had been submitted to the ERDF, noting that the BIC could not be included until the outcome was known.

The Panel had noted the Car Park Pay and Display and Saver Permit Charges for 2019/20 set out at Section 4 of report CS.31/18; that the proposed development of the Sands Centre would take place during the 2019/20 and 2020/21 financial years, subject to Member approval, and that it was proposed that the extended hours charging policy be removed during the development period. On completion of the development the car parking charges would be reconsidered. Clarity on that aspect would be welcomed, given recent reporting in the press.

In response, the Leader stated that there were further stages to go through in terms of the Sands Centre re-development. A question had been put at the Panel meeting regarding the leisure subsidy should the Sands redevelopment not move forward, at which time the Deputy Chief Executive had explained that, should the project not be achieved, there would be an impact on the budget and the contract for the provision of leisure services would have to be renegotiated.

The Leader clarified that, although not directly linked to the Sands redevelopment project, parking charges after 6 pm would be withdrawn. He added that future changes to the Sands Centre car parking charges following completion of the development would be submitted to the Panel for scrutiny at the appropriate time.

Meetings had taken place with UK Government Ministers and the Scottish Government Cabinet Secretary, at which time the Borderlands Inclusive Growth Deal submission was warmly received. A response was awaited and it was hoped that good progress could be made on the Heads of Terms early in the New Year. Parties were committed to taking the matter forward.

In terms of the Central Plaza, the Leader commented that expressions of interest had been invited and a decision on the success thereof should be known by the end of the year. Should that process prove to be unsuccessful, there would be an impact on the budget.

The Leader added that there was support for a Business Improvement District across the Council, the aim being to work closely with businesses towards the achievement of that economic development initiative. Funding had been identified to look at development of a BID and consideration needed to be given to how the possibility of it being successful could be maximised. The renewal of the Kendal BID was noted with interest, the ambition for Carlisle being to have a Business Improvement District, but in a manner which was not futile to the budget. The opportunity to work with businesses on development of the BID constituted a real step forward.

(c) Business and Transformation Scrutiny Panel

The Chairman of the Business and Transformation Scrutiny Panel expressed thanks to the Corporate Director of Finance and Resources and her team for the narratives and depth of information received by the Panel this year. Also submitted to the Panel for consideration were the excerpts from the minutes of the Health and Wellbeing; and Economic Growth Scrutiny Panels referenced above.

The Chairman stated that concerns had been raised regarding the anticipated shortfall income of £837,000 across Council services highlighted through the budget monitoring process and how that could be addressed; and at the proposed increases to stray dog charges. On the latter issue, Members understood the need for increased charges, particularly for repeat incidents, but were concerned that charges were high for dog owners who had chipped and collared their animals.

The Panel recommended that the charges be altered and a two tier structure be utilised so that charges would be lower for dogs which were chipped and collared than for dogs without; and that equality and diversity impact assessments should be included in the budget documents, particularly within the charges reports.

Members had sought and received clarification on the true position for General Reserves, the Flood Reserve and the Promoting Carlisle Reserve.

The Chairman added that Members were content with the proposed recommendation to Council to reprofile £380,000 for Public Realm Improvements from 2018/19 to 2019/20.

During consideration of the Revenue Budget Overview and Monitoring Report: April to September 2018 (RD.25/18), it was noted that the budget position showed an overspend in the first six months. The Corporate Director of Finance and Resources responded that the Council had to find £1.237m of savings; approximately £400,000 had been achieved to date and outlined a number of options for achieving the remainder of the target.

The Property Services Manager clarified that the leases in the Industrial Estates were on a rent review pattern. The review began with negotiations and if an agreement could not be reached the review went to an independent expert. When the process was finalised the rent would be back dated to the rent review start date.

In conclusion, the Chairman reported that Members were aware that a number of significant factors affecting the budget remained unresolved (including the Government announcement on retained business rates), which would be considered as details emerged.

The Leader acknowledged that a number of interesting points had been raised by the Panel, and responded that, as stated earlier, the Council had a close working relationship with the Lanes management. The Corporate Director of Finance and Resources would provide the Panel with a written response regarding the increased income shortfall of £100,000.

There was a legal requirement for dogs to be chipped and the Council was working with community centres to that end, providing opportunities for residents to have their dogs chipped. The Executive would give consideration to the Panel's recommendation regarding stray dog charges, together with the supply and delivery of gull sacks.

The Leader summarised the Council's position regarding the maintenance of prudent levels of reserves. That was particularly important given that there were some significant budget pressures moving forward.

The Leader thanked the Chairman and Panel for the very thorough debate and discussion which had taken place.

In drawing the meeting to a close, the Leader expressed appreciation to all who participated in the scrutiny budget consultation process and for their very helpful feedback. He particularly wished to place on record thanks to the Corporate Director of Finance and Resources and the officer team involved in preparation of the documentation.

The Executive would give detailed consideration to the issues and recommendations raised prior to putting forward their draft Budget Proposals for consultation on 10 December 2018.

Summary of options rejected None

DECISION

That the Scrutiny Panels be thanked for their consideration of the draft Budget reports; and their comments / recommendations, as detailed within the Minutes submitted, would be taken into account as part of the Executive's deliberations on the 2019/20 Budget.

Reasons for Decision

The views of the Scrutiny Panels would be taken into account as part of the 2019/20 Budget process

[The meeting ended at 4.22 pm]