

## **EXECUTIVE**

**MONDAY 17 AUGUST 2020 AT 4.00 PM**

### **PRESENT:**

Councillor J Mallinson (Leader / Chair)  
Councillor Ellis (Deputy Leader, and Finance, Governance and Resources Portfolio Holder)  
Councillor Christian (Environment and Transport Portfolio Holder)  
Councillor Mrs Mallinson (Communities, Health and Wellbeing Portfolio Holder)  
Councillor Nedved (Economy, Enterprise and Housing Portfolio Holder)

### **OFFICERS:**

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

### **WELCOME**

The Leader welcomed all those present to the meeting.

### **REGISTER OF ATTENDANCE AND DECLARATIONS OF INTEREST**

A roll call of persons in attendance was taken.

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

### **APOLOGIES FOR ABSENCE**

Apologies for absence had been received from Councillor Higgs (Culture, Heritage and Leisure Portfolio Holder) and the Deputy Chief Executive.

### **PUBLIC AND PRESS**

RESOLVED – That the Agenda be agreed as circulated.

### **CALL-IN AND URGENCY PROCEDURES**

The Leader reported that the Mayor had, on 7 August 2020, agreed that the following items should be exempt from call-in, since the call-in procedures would overlap the virtual City Council meeting on 8 September 2020 when the matters were scheduled for consideration:

- Medium Term Financial Plan 2021/22 to 2025/26
- Capital Investment Strategy 2021/22 to 2025/26
- Asset Management Plan 2021 – 2026
- Carlisle Southern Link Road Agreements – Financial Implications

- Business and Planning Act 2020 and Constitutional Amendment relating to Delegation of Emerging Legislative Powers

## **EX.88/20     \*\*MEDIUM TERM FINANCIAL PLAN 2021/22 TO 2025/26**

(Key Decision – KD.15/20)

(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**

Pursuant to Minute EX.69/20, the Deputy Leader reported (RD.09/20) (amended) on the Medium Term Financial Plan (MTFP) 2021/22 to 2025/26, which set out the current framework for planning and managing the Council's financial resources, developing its annual budget strategy and updating its current five year financial plan. The Plan further linked the key aims and objectives of the Council, as contained in the Carlisle Plan, to the availability of resources thereby enabling the Council to prioritise the allocation of resources to best meet its overall aims and objectives.

The MTFP had been prepared at a time of great uncertainty in respect of the economy, especially in terms of the impact of leaving the European Union, the financial impact and economic recovery from COVID-19 and also in terms of the Government's wider approach to Public Sector Funding in general and particularly for Local Government Funding.

Details of the key dates; key messages; and risks were as outlined within the report.

The Deputy Leader highlighted, for the record, the undernoted minor changes to the MTFP:

- Page 18 - Investment returns and borrowing rates had been updated to ensure consistency between the MTFP and Capital Strategy
- Table 1a on page 20 of the pack had been amended to reflect the estimated costs of providing council services in 2025/26
- Table 6 on page 29 of the pack reflected the up-to-date capital reserves position
- Page 34 – before approval by Council, the risk assessment for the pay award would be changed to high rather than low as it was highly likely that would change
- Page 36 and page 37 of the pack now reflected the investment returns/borrowing assumptions built into the Treasury Management projections

The Business and Transformation Scrutiny Panel had scrutinised the matter on 23 July 2020 (BTSP.33/20 referred) resolving:

“1) That the Panel had considered and commented upon the draft Medium Term Financial Plan 2021/22 to 2025/26 (RD.09/20);

2) That the Panel thanked the Corporate Director of Finance and Resources and her team for the production of the Medium Term Financial Plan during such uncertain and difficult times;

- 3) That the Panel request that reference is made to environmental policies in the Medium Term Financial Plan in the future;
- 4) That the Panel are included in the development of a commercial strategy;
- 5) That the Corporate Director of Finance and Resources undertake to consider the conditions of the redundant bequests and reallocate the funds to suitable community groups or charities;
- 6) That the Finance, Governance and Resources Portfolio Holder circulate a copy of the Council's Hardship Scheme to all Members."

The Chair of the Business and Transformation Scrutiny Panel had been invited to speak on the matter but was not in attendance.

Referring to the above-mentioned Minute, the Deputy Leader advised that the Panel had some concern at the lack of projected costs within the MTFP with regard to climate change. Further information was awaited from the Climate Change Group before any adjustments could be made to the MTFP, but the intention was to include those costs.

The Deputy Leader concluded by moving the recommendations, which were duly seconded by the Leader.

**Summary of options rejected** that the Medium Term Financial Plan should not be referred to Council for approval

## DECISION

That the That the Executive:

1. Had considered the comments made by the Business and Transformation Scrutiny Panel on 23 July 2020 as detailed within Minute BTSP.33/20.
2. Referred the Medium Term Financial Plan 2021/22 to 2025/26 to Council on 8 September 2020 with a recommendation that the said Plan be approved.

## Reasons for Decision

To consider the comments of the Business and Transformation Scrutiny Panel on the Medium Term Financial Plan prior to recommending the Plan to Council for approval

**EX.89/20      \*\*CAPITAL INVESTMENT STRATEGY 2021/22 TO 2025/26**  
(Key Decision – KD.15/20)

(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

Pursuant to Minute EX.70/20, the Deputy Leader submitted report RD.08/20 (amended) presenting the Council's Capital Investment Strategy 2021/22 to 2025/26, which was intended to direct the Council's Capital Programme and the allocation of resources over that five-year period. The guidance contained therein also complemented and supplemented the Medium Term Financial Plan.

The background position; key messages; and risks were as detailed within the report.

The Deputy Leader reported upon the undernoted changes to the Strategy:

- Table 1 on page 67 had been expanded to provide clarity on the borrowing requirement to fund the capital programme and also to set out the assumptions currently built into the MTFP
- Table 6, 7 and 8 starting on page 73 now reflected the capital financing requirement for the Council including updates to the assumed level of investments held by the Council over the next five years

The Business and Transformation Scrutiny Panel had considered and commented upon the draft Capital Investment Strategy 2021/22 – 2025/26 at their meeting on 23 July 2020 (BTSP.34/20 referred).

The Chair of the Business and Transformation Scrutiny Panel had been invited to speak on the matter but was not in attendance today.

The Deputy Leader moved the recommendation set out in the report, which was duly seconded by the Leader.

**Summary of options rejected** that the Capital Investment Strategy should not be referred to Council for approval

## DECISION

That the Executive had considered the observations of the Business and Transformation Scrutiny Panel on 23 July 2020 as detailed within Minute BTSP.34/20; and referred the Capital Investment Strategy 2021/22 – 2025/26 to the meeting of the City Council on 8 September 2020 with a recommendation that the Strategy be approved.

## Reasons for Decision

To consider the comments of the Business and Transformation Scrutiny Panel on the Capital Investment Strategy prior to recommending the Strategy to Council for approval

**EX.90/20      \*\*ASSET MANAGEMENT PLAN**  
(Key Decision – KD.13/20)

(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**

Pursuant to Minute EX.71/20, the Deputy Leader submitted report GD.37/20 presenting the Asset Management Plan 2021 – 2026.

The Asset Management Plan was reviewed annually and updated, along with the Medium Term Financial Plan and the Capital Investment Strategy; and provided a succinct document which reflected the issues identified at paragraph 2.1 of the report.

The Deputy Leader reported that, during their scrutiny of the matter on 23 July 2020, Members of the Business and Transformation Scrutiny Panel had asked a number of questions (BTSP.35/20 referred); resolving “That the Panel had considered and commented upon the draft Asset Management Plan 2021 to 2026 (GD.33/20).”

The Chair of the Business and Transformation Scrutiny Panel had been invited to address the Executive but was not in attendance today.

The Deputy Leader concluded his presentation by moving the recommendation, which was duly seconded by the Leader.

**Summary of options rejected** that the Asset Management Plan should not be referred to Council for adoption

**DECISION**

That the Executive had considered the comments of the Business and Transformation Scrutiny Panel and referred the Asset Management Plan 2021 to 2026 to Council on 8 September 2020 with a recommendation that the said Plan be adopted.

**Reasons for Decision**

To update the Council’s Asset Management Plan and the position of the property portfolio in the light of the Asset Review Business Plan and Disposal Programme and other corporate initiatives

**EX.91/20 LED FOOTWAY LIGHTING INSTALLATION**  
(Key Decision – KD.20/20)

**Portfolio** Environment and Transport

**Relevant Scrutiny Panel**

Economic Growth

**Subject Matter**

The Environment and Transport Portfolio Holder submitted report GD.36/20 which set out a plan to upgrade 1073 Footway Lights throughout the District to LED lanterns. The new lanterns would result in energy savings of 60%+ as well as greatly increasing the reliability of the lights which should reduce future maintenance costs. Capital funding for the work was already included in this year’s budget and, subject to release of the funding, work

should be completed by the end of November 2020. The background position was as outlined at Section 1.

Referencing page 110 of the document pack, the Portfolio Holder indicated that the report focussed upon the financial benefits; that a recurring revenue saving of £46,000 from 2021/22 (£26,000 in 2020/21) had been approved as part of the 2020/21 budget in relation to this invest to save project. There was of course a carbon footprint benefit which, although small, would assist the Council in approaching its carbon footprint and climate change targets.

Accordingly, the Environment and Transport Portfolio Holder moved the recommendations which were seconded by the Leader.

**Summary of options rejected** that the LED Footway Lights are not upgraded.

## **DECISION**

That the Executive:

1. Authorise officers to progress the plan to upgrade footway lights to LED lanterns, as outlined in report GD.36/20; and
2. Approve the release of £203,100 to enable 1073 existing footway light units to be replaced with LED lights.

## **Reasons for Decision**

The project is an “invest to save project”, the costs would be recovered in reduced energy costs and reduced maintenance costs within five years. The new lights would also provide a more natural light with better colour rendition than the existing lights. The reduction in energy consumption would help to contribute in the reduction of CO2 and reduce the Council’s exposure to ever increasing energy costs

## **EX.92/20 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 17 July 2020 was submitted for information.

The Corporate Director of Governance and Regulatory Services was scheduled to report on the Homelessness and Rough Sleeping Strategy 2021- 2026 to the 12 October 2020 meeting of the Executive (Key Decision - KD.07/20). The matter was, however, delayed due to COVID-19 - the need to focus on safe management of critical services and increased demand.

The Leader moved and the Deputy Leader seconded the paper.

**Summary of options rejected**    None

## **DECISION**

That, subject to the above change, the Notice of Executive Key Decisions dated 17 July 2020 be received.

### **Reasons for Decision**

Not applicable

**EX.93/20      SCHEDULE OF DECISIONS TAKEN BY THE LEADER / PORTFOLIO  
HOLDERS**  
(Non Key Decision)

**Portfolio**      Cross-cutting

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

### **Subject Matter**

A Schedule detailing decisions taken by the Leader and Portfolio Holders under delegated powers was submitted.

The Leader moved and the Deputy Leader seconded the paper.

**Summary of options rejected**    None

## **DECISION**

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

### **Reasons for Decision**

Not applicable

**EX.94/20      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.

The Leader moved and the Deputy Leader seconded the paper.

**Summary of options rejected**    None

**DECISION**

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

**Reasons for Decision**

Not applicable

**EX.95/20      JOINT MANAGEMENT TEAM**  
(Non Key Decision)

**Portfolio**      Cross-cutting

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

**Subject Matter**

The Leader moved and the Deputy Leader seconded that the Minutes of the meeting of the Joint Management Team held on 20 July 2020 be received.

**Summary of options rejected**    None

**DECISION**

That the Minutes of the meeting of the Joint Management Team held on 20 July 2020, attached as Appendix C, be received.

**Reasons for Decision**

Not applicable

**EX.96/20      REVENUE BUDGET OVERVIEW AND MONITORING REPORT – APRIL  
TO JUNE 2020**  
(Non Key Decision)

**Portfolio**      Finance, Governance and Resources

**Relevant Scrutiny Panel**      Business and Transformation

**Subject Matter**

The Deputy Leader submitted report RD.20/20, the purpose of which was to provide an overview of the Council's overall budgetary position for the period April to June 2020 for revenue schemes only, together with details of the impact of COVID-19 on the revenue budget. The budgetary position as at June 2020 showed an updated Budget totalling £17,427,800.



The Deputy Leader highlighted, in particular, some of the significant service expenditure and income variances identified at paragraph 2.4.

Section 3 recorded that the Council's financial position was affected by a number of external factors which would have a financial impact during the course of the year and ultimately at the year-end. The Council's financial position would continue to be closely monitored and the likely year end position would be reported more fully in a future monitoring report. It would be important to maintain a prudent approach so as to ensure a sustainable position for future years and to avoid any significant variance at the year end.

In conclusion, the Deputy Leader moved the recommendations set out in the report, which were seconded by the Leader.

**Summary of options rejected**    None

## **DECISION**

That the Executive:

1.     Noted the budgetary performance position of the Council to June 2020;
2.     Noted the action by the Corporate Director of Finance and Resources to write-off bad debts as detailed in paragraph 6 of Report RD.20/20;
3.     Noted the release of reserves as set out in the table at paragraph 2.2, and noted the virements approved as detailed in Appendix A.
4.     Make recommendations to Council to approve virements of £640,000 as detailed in paragraph 2.4 to fund the Leisure Contract variation

## **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

**EX.97/20     CAPITAL BUDGET OVERVIEW AND MONITORING REPORT – APRIL TO JUNE 2020**  
(Non Key Decision)

**Portfolio**     Finance, Governance and Resources

**Relevant Scrutiny Panel**     Business and Transformation

## **Subject Matter**

The Deputy Leader submitted report RD.21/20 providing an overview of the budgetary position of the City Council's capital programme for the period April to June 2020.

The position statement recorded that, as at the end of June 2020, expenditure of £2,834,243 had been incurred on the Council's core capital programme. When considered against the profiled budget of £3,305,574 that equated to an underspend of £471,331.

The unspent balance remaining of the revised annual budget of £29,607,700 was £26,773,457. A review of the 2020/21 capital programme would be undertaken to identify accurate project profiles for the remainder of the financial year and any potential slippage into future years.

A number of schemes were included in the capital programme for 2020/21 that required reports to be presented to the Executive for the release of funding before the project could go ahead.

Details of the manner by which the capital programme would be financed; and the position as at June 2020 of the capital resources due to be received during 2020/21 were provided at paragraphs 4.1 and 5.1.

The 2020/21 programme had been kept to a level that took account of the Council's ability to deliver schemes with regard to capacity and available resources. Work was ongoing to continue to monitor the profiling of budgets which were adjusted to reflect progress in current capital schemes. It was likely that there would still be a requirement for some carry forwards at the year end due to further slippage and delays on projects. Members were reminded that budgets totalling £338,100 were being held in reserves until approved by the Executive for release.

The Deputy Leader concluded his presentation by moving the recommendations which were duly seconded by the Leader.

**Summary of options rejected**    None

## **DECISION**

That the Executive:

1.     Noted and had commented upon the budgetary position and performance aspects of the capital programme for the period April to June 2020.
2.     Noted adjustments to the 2020/21 capital programme as detailed in paragraph 2.1 of Report RD.21/20.

## **Reasons for Decision**

To keep Members informed of the budgetary position of the Council's Capital Programme for the period April to June 2020.

**EX.98/20     TREASURY MANAGEMENT: APRIL TO JUNE 2020**  
(Non Key Decision)

**Portfolio**     Finance, Governance and Resources

**Relevant Scrutiny Panel**     Business and Transformation

## **Subject Matter**

The Deputy Leader presented report RD.22/20, the purpose of which was to inform Members on various Treasury Management issues.

Appendix A set out the Schedule of Treasury Transactions for the period April - June 2020, whilst Appendix B discussed the Prudential Code and Prudential Indicators for 2020/21.

The Deputy Leader then moved, and the Leader seconded, that the Executive receive the report and note the Prudential Indicators as at the end of June 2020.

**Summary of options rejected**    None

## **DECISION**

That Report RD.22/20 be received, and the Prudential Indicators noted as at the end of June 2020.

## **Reasons for Decision**

To inform the Executive of various Treasury Management issues

**EX.99/20      \*\*CARLISLE SOUTHERN LINK ROAD AGREEMENTS – FINANCIAL IMPLICATIONS**  
(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 presented report RD.23/20, which provided Members with the financial implications on the Council's budgets and the Medium Term Financial Plan (MTFP), as a result of the Council completing both the Grant Determination Agreement and the Collaboration Agreement, in relation to the Carlisle Southern Link Road (CSLR) on 31 July 2020.

The Deputy Leader commented upon the importance of the CSLR to the continuing growth of the City. In so doing he wished to thank all those involved – Members and Officers of both the City and County Councils, and Government representatives for their efforts and for the hard work undertaken during detailed negotiations and which ensured that the project would progress.

The Deputy Leader then moved the recommendations set out in the report.

The Economy, Enterprise and Housing Portfolio Holder echoed the Deputy Leader's comments, expressing special thanks to the Corporate Director of Governance and Regulatory Services; the Corporate Director of Finance and Resources; the Corporate Director of Economic Development; and the Leader of the Council for their work in relation to the complex negotiations on the Grant Determination and Collaboration Agreements.

He expressed the hope that completion of the said Agreements would kick start development of the CSLR which was so important in terms of connectivity of the A595 and M6 and also for the development of the 10,000 homes at St Cuthbert's Garden Village.

Overall, the Portfolio Holder considered it a real demonstration of the ambition and economic growth of the City and so was wholeheartedly behind the project.

The Leader thanked the Deputy Leader and the Portfolio Holder for their comments, indicating that he wished to join in thanking staff and Members from all sides for their work in securing an outcome which would be of benefit to Carlisle over many years to come. He was therefore pleased to second the recommendations.

**Summary of options rejected** that a recommendation to Council should not be approved

## **DECISION**

That the Executive:

1. Had considered and approved, for recommendation to Council, the 50/50 split in the recovery proceeds as requested by the County Council; and the consequential impact on the Council's MTFP in terms of the temporary use of reserves and/or savings;
2. Noted the £5million indemnity cap which may be triggered by the County Council as a result of any financial loss incurred by them, due to the City Council defaulting on any of its obligations and milestones, noting that this will be a call on the revenue budget, if the clause is enforced;
3. Delegated authority to the Corporate Director of Governance and Regulatory Services following consultation with the S151 Officer, Leader, Deputy Leader and Portfolio Holder for Economy, Enterprise and Housing, to approve any amendments to the Collaboration Agreement.

## **Reasons for Decision**

To consider and approve, for recommendation to Council, the financial implications on the Council's budgets and the MTFP of the Carlisle Southern Link Road Agreements

**EX.100/20    \*\*BUSINESS AND PLANNING ACT 2020 AND CONSTITUTIONAL AMENDMENT RELATING TO DELEGATION OF EMERGING LEGISLATIVE POWERS**  
(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 reported (GD.38/20) that, as part of the Government's plans to reopen the hospitality and retail sector in the wake of COVID-19, it encouraged businesses to make greater use of outside space. The Business and Planning Act 2020, which came into force on 20 July 2020, had introduced a streamlined application process to allow restaurants, cafes, pubs and bars to place removable furniture such as tables and chairs on the paved highway adjacent to their premises. The measures supported businesses to operate safely and generate income whilst maintaining social distancing measures.

The report set out a proposed scheme of delegation for the decision making powers contained within the Act.

The Deputy Leader explained that the Business and Planning Act 2020 was introduced at short notice and without giving the Council the opportunity to put in place an appropriate scheme of delegation for exercise of the decision making powers. That highlighted the need for interim measures to be in place to enable powers introduced by other new legislation to be exercised until such time as a report could be taken to the appropriate committee. The report set out a proposed delegation to the Town Clerk and Chief Executive following consultation with the Chair of the relevant Committee which would otherwise make the decision.

The Deputy Leader moved, and the Leader seconded, the recommendations set out within the report.

**Summary of options rejected** that delegated responsibility should not be recommended to Council

## **DECISION**

(1) That the Executive recommends to Council that:

1. Responsibility is delegated to Development Control Committee for all matters in relation to pavement licences under the Planning and Business Act 2020 which are not otherwise delegated to Officers;
2. Authority is further delegated to the Corporate Director of Economic Development to determine applications for pavement licences, to include setting the duration of the licence and attaching such conditions as is considered reasonably necessary; and to take any necessary action in relation to the enforcement and revocation of the licence;
3. An internal review process is established where a licence has been refused or revoked or granted subject to conditions with which the applicant disagrees, using the Council's established Appeals process, giving the applicant the chance to make written and/or oral representations to one of the Council's Appeals Panels;
4. Further delegate the following decision-making power to the Town Clerk and Chief Executive:

“Power to take any decision on behalf of the Council, not otherwise delegated, which can lawfully be delegated to officers, subject to the decision taker, before taking the decision, having taken appropriate steps to consult the Chair of the committee which would, save for this delegated power, have taken the decision. The decision must be recorded in an Officer Decision Notice”.

- (2) That the fee for applications for pavement licences made under the Business and Planning Act 2020 be set at £100 (subject to Council approving the regime).

### **Reasons for Decision**

The decision enables the most efficient and effective way of dealing with the new requirements in a timely manner

[The meeting ended at 4.23 pm]