

(Approved by Council 4 March 2014)

EXECUTIVE

MONDAY 10 FEBRUARY 2014 AT 4.00 PM

PRESENT:

Councillor Glover (Leader)
Councillor Mrs Martlew (Deputy Leader; and Environment and Transport Portfolio Holder)
Councillor Mrs Riddle (Communities and Housing Portfolio Holder)
Councillor Dr Tickner (Finance, Governance and Resources Portfolio Holder)
Councillor Mrs Bradley (Economy and Enterprise Portfolio Holder)

OFFICERS:

Town Clerk and Chief Executive
Deputy Chief Executive
Director of Governance
Director of Resources
Director of Economic Development
Director of Local Environment

ALSO PRESENT:

Councillor Mrs Bowman (Chairman of the Environment and Economy Overview and Scrutiny Panel)

APOLOGY FOR ABSENCE

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

DECLARATIONS OF INTEREST

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

CALL-IN

The Chairman reported that The Mayor had, on 30 January 2014, agreed that the following items should be exempt from call-in as call-in procedures would overlap the City Council meeting on 4 March 2014:

- Local Plan Preferred Options Consultation – Stage Two
- Revenue Budget Overview and Monitoring Report – April to December 2013
- Capital Budget Overview and Monitoring Report – April to December 2013

EX.15/14 **LOCAL PLAN PREFERRED OPTIONS CONSULTATION – STAGE TWO
(Key Decision – KD.034/13)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, The Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Economy and Enterprise

Relevant Overview and Scrutiny Panel Environment and Economy

Subject Matter

Pursuant to Minute EX.09/14, the Economy and Enterprise Portfolio Holder submitted report ED.06/14 presenting the Local Plan Preferred Options – Stage Two which had been updated in response to the consultation exercise held over the summer.

The Portfolio Holder reminded Members that one of the key outcomes from the previous consultation was the opinion that the housing target for the District should be raised to 665 dwellings per annum over the Plan period, matching the growth projections from the Housing Needs and Demand Study, (the main evidence used to inform the housing policies in the Plan).

Suitable new housing sites submitted through the consultation process had been assessed and included in the CDLP Preferred Options – Stage Two along with existing sites allocated for a range of development including housing, employment and community uses. The allocations would help to meet the objectives of the strategic housing and employment policies.

Members' attention was drawn to Appendix 1 detailing the preferred locations for a range of housing to meet the needs of current and future population. The sites had all been assessed against a range of factors including location, landscape, biodiversity, heritage, access, flooding etc. Those allocations would be shown on the Local Plan Policies Map, which would also show existing established land uses such as areas of housing, employment, retail etc, and areas of land which were protected such as parks, playing fields, other protected landscapes and sites which are important for nature conservation.

Work was also currently being undertaken on a City Centre Masterplan following the findings in the retail study that by 2018 Carlisle could accommodate an additional 16 900sq m of retail floorspace. The Masterplan was subject to a period of public consultation in November – December 2013 and the responses had helped inform the masterplan development which would inform the Local Plan. The Masterplan and retail study would be important pieces of evidence to help inform the Local Plan and policies may well be further developed as the Masterplan was finalised and new information became available. Members would be kept informed of progress.

Drawing on the findings of the County wide Gypsy and Traveller Study a further allocation of Gypsy and Traveller sites had been proposed in the Local Plan. The Preferred Options Site Allocations had been identified through a variety of sources, details of which were provided. Further work on updating the evidence base had been commissioned to test the viability of the Local Plan. That work was crucial to determine whether the policies in the

Local Plan would support sustainable development rather than constraining it. That work would be finalised in the New Year and its findings incorporated in the CDLP.

In terms of housing, the Portfolio Holder reported that all of the Preferred Options site allocations put forward in the report were required in order for the Council to meet its proposed annual housing target of 665 per year, with an urban/rural split of 70/30%. The effect of removing a site would be the need to allocate an equivalent alternative elsewhere. Also set out within the report were details of the changes to site allocations.

There had been a number of other updates to the CDLP based on the consultation responses and other information officers had been made aware of. The highlighted text showed the additional text, whilst the text that had been struck out had been removed.

Alongside the public consultation of the CDLP a number of other assessments would be published at the same time, including a Sustainability Appraisal, a Habitats Regulations Assessment, and Equalities Impact Assessment, a Health Impact Assessment, a Gypsy and Traveller Accommodation Assessment, a Viability Assessment and an updated Rural Proofing Report.

The Portfolio Holder acknowledged the amount of work involved in the in the preparation of the Local Plan and the assessment of the 1138 responses received and paid tribute to all the staff involved. She also thanked the Members of the Local Plan Working Group and the Environment and Economy Overview and Scrutiny Panel for their input into the document.

The Environment and Economy Overview and Scrutiny Panel had, on 16 January 2014, considered the matter and resolved:

“1) That Report ED.04/14 – Local Plan Preferred Options Consultation – Stage Two be noted.

2) That the Director of Economic Development circulates copies of the Gypsy and Travellers Accommodation Needs Assessment.

3) That the Director of Economic Development circulates copies of the City Centre Masterplan and Carlisle South Masterplan when available.”

A copy of Minute Excerpt EEOSP.07/14 had been circulated.

The Chairman of the Panel stated that considerable time had been spent scrutinising the Local Plan to gain a better understanding of the changes that had been made. The Panel had made various suggestions to improve the text and had requested that they scrutinise the City Centre Masterplan and the Carlisle South Masterplan at the appropriate time.

The Chairman also paid tribute to the excellent work carried out by the Local Plan team and felt that the high number of responses demonstrated how important the document was to local residents.

In conclusion, Economy and Enterprise Portfolio Holder moved the recommendation, which was seconded by the Leader.

Summary of options rejected None

DECISION

That Executive:

1. Approved the amendments proposed by the Environment and Economy Overview and Scrutiny Panel as set out in paragraphs 2.6, 2.7 and Table 1 (Amendments to Policies/Supporting Text), of the following report.
2. Referred the draft Local Plan Preferred Options Stage 2 to Council on 4 March 2014 for approval for public consultation.

Reasons for Decision

Approval for the Preferred Options – Stage Two would enable the Local Plan to meet the timescale set out in the Planning Service Project Plan. Having an up to date Local Plan was a central requirement of Government Planning policy, and provided an effective policy framework to guide development over the plan period, and on which to make decisions on planning applications. It also gave certainty and confidence to developers and the community

EX.16/14 NOTICE OF EXECUTIVE KEY DECISIONS (Non Key Decision)

Portfolio Cross-Cutting

Relevant Overview and Scrutiny Panel Community; Environment and Economy; and Resources

Subject Matter

The Notice of Executive Key Decisions dated 10 January 2014 was submitted for information.

Summary of options rejected None

DECISION

That the Notice of Executive Key Decisions dated 10 January 2014 be noted.

Reasons for Decision Not applicable

EX.17/14 **REVENUE BUDGET OVERVIEW AND MONITORING REPORT – APRIL TO DECEMBER 2013 (Non Key Decision)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, The Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Finance, Governance and Resources Portfolio Holder submitted the Revenue Budget Overview and Monitoring Report for April to December 2013 (RD.83/13). He outlined the overall budgetary position and the monitoring and control of expenditure against budget allocations, together with the exercise of virement. He further provided an explanation of balance sheet management issues; a number of high risk budgets; external factors (including the general effect of the economic climate 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); Section 106 Commuted Sums and action taken to write off bad debts. The Council's overall position would be closely monitored as the year progressed.

The Portfolio Holder highlighted that of the £424,796 in Business Rates write-offs, £213,196.07 were in respect of The Public Safety Charitable Trust (PSCT). The PCST engaged in taking leases on empty properties to relieve the liability on the landlords. This was known as Empty Rate avoidance. They were charged a nominal rent of £1.00. Such action was deemed illegal by the High Court resulting in the significant write off. Nationally 150 Councils wrote off £15.3million.

The Portfolio Holder reported on a number of key issues together with their budgetary implications, including the corporate Salary Turnover Savings Budget; the Savings Strategy (which would focus on three areas to deliver savings, including the Asset Review, Service Delivery Models and, as part of the transformation programme, a review of those services that were neither core priorities nor statutory requirements). Details of the main variances in the Directorates' budgets were also set out in the report.

Members' attention was, in particular, drawn to the fact that additional savings were required in order to bring reserves up to minimum levels, and the requirement for 2014/15 had been identified on a non-recurring basis from the first call on 2013/14 underspends, first call on any business rate growth in 2013/14 and first call on the 2014/15 allocation of New Homes Bonus. The Executive was therefore asked to recommend to Council the funding of the £1m non-recurring savings as detailed at Section 4.3 of the report.

In conclusion, the Finance, Governance and Resources Portfolio Holder moved the recommendations 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 December 2013, as set out in Report RD.83/13;
2. Noted the potential forecast year end position;
3. Made recommendations to Council to transfer £250,000 from overachieved Salary Turnover Savings to General Fund Reserves as detailed in paragraph 4.3;
4. Approved for recommendation to Council, the funding of the non-recurring £1m savings in 2014/15 as detailed in paragraph 4.3; and

5. Noted the action by the Director of Resources to write-off bad debts as detailed in paragraph 9.

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.18/14 **CAPITAL BUDGET OVERVIEW AND MONITORING REPORT – APRIL TO DECEMBER 2013
(Non Key Decision)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, The Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Finance, Governance and Resources Portfolio Holder submitted report RD.82/13 providing an overview of the budgetary position of the City Council's capital programme for the period April to December 2013. He outlined for Members the overall budget position of the various Directorates and the financing of the 2013/14 Capital Programme, details of which were set out in the report.

The Portfolio Holder stated that a review of the 2013/14 capital programme had been undertaken to identify accurate project profiles. To date, £785,000 had been identified as needing profiled into future years. £710,000 of those had been put forward to Council for approval as part of the 2014/15 budget process and the Executive was asked to recommend to Council a further £75,000 to be carried forward in relation to Public Realm Improvement Works.

He further commented upon performance against the 2013/14 programme, informing Members that the Senior Management Team would provide a strategic overview and monitor the effectiveness of the overall programme of work in delivering the Council's priorities and objectives. Technical project support and quality assurance of business cases and associated project management activities would be managed by a Corporate Programme Board chaired by the Chief Executive. Decisions to proceed or otherwise with proposed projects would be made in the usual way in accordance with the Council's decision making framework.

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

Summary of options rejected None

DECISION

That the Executive:

1. Noted and commented on the budgetary position and performance aspects of the capital programme for the period April to December 2013; and
2. Made recommendations to Council to approve reprofiling of £75,000 in relation to Public Realm Improvement Works from 2013/14 into 2014/15.

Reasons for Decision

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

EX.19/14 TREASURY MANAGEMENT JULY – DECEMBER 2013 (Non Key Decision)

Portfolio Finance, Governance and Resources

Relevant Overview and Scrutiny Panel Resources

Subject Matter

The Finance, Governance and Resources Portfolio Holder submitted report RD.84/13 providing the regular quarterly report on Treasury Transactions, including the requirements of the Prudential Code.

The Portfolio Holder drew Members' attention to Appendix 1 to the report, commenting that Interest receivable was falling behind budgeted projections due to average investment returns being lower than those anticipated when the budget was set. Although bank base rates had remained at 0.50%, investment rates fell significantly over the first six months of 2013 due to banks being able to access capital from the Bank of England that had meant they did not need to offer higher rates to attract investment from the financial markets. That had meant, for example, that a twelve month investment made now would only attract a yield of less than 1%, whereas at this point twelve months ago, the same investment could have achieved a return of 3%.

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

Summary of options rejected None

DECISION

That Report RD.84/13 be received and the Prudential Indicators noted as at 31 December 2013.

Reasons for Decision

To advise Members of the Council's Treasury Transactions

EX.20/14 JOINT MEETING BETWEEN THE EXECUTIVE AND REPRESENTATIVES OF THE PARISH COUNCILS
(Non Key Decision)

Portfolio Cross-cutting

Relevant Overview and Scrutiny Panel Community; Environment and Economy; and Resources

Subject Matter

The Minutes of the joint meeting between the Executive and representatives of the Parish Councils held on 2 December 2013 were submitted for information.

Summary of options rejected None

DECISION

That the Minutes of the joint meeting between the Executive and representatives of the Parish Councils held on 2 December 2013, attached as Appendix A, be noted.

Reasons for Decision Not applicable

EX. 21/14 JOINT MANAGEMENT TEAM
(Non Key Decision)

Portfolio Various

Relevant Overview and Scrutiny Panel Community; Environment and Economy; and Resources

Subject Matter

The Minutes of the meeting of the Joint Management Team held on 16 December 2013 were submitted for information.

Summary of options rejected None

DECISION

That the Minutes of the meeting of the Joint Management Team held on 16 December 2013, attached as Appendix B, be received.

Reasons for Decision Not applicable

(The meeting ended at 4.10pm)