

EXECUTIVE

MONDAY 9 MARCH 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 Higgs (Culture, Heritage and Leisure 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
Deputy 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.

APOLOGIES FOR ABSENCE

There were no apologies for absence.

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.

MINUTES OF PREVIOUS MEETINGS

The Minutes of the meetings of the Executive held on 9 and 16 December 2019; and 15 January 2020 were signed by the Chairman as a true record of the meetings.

CALL-IN PROCEDURES

The Leader reported that the Mayor had, on 2 March 2020, agreed that Agenda item B.3 (Citadels Project) should be exempt from call-in as call-in procedures would delay the decision to take this work forward putting at risk the deliverability of the project programme which must be concluded by March. Delay in this phase of the project would have implications on the delivery of the wider programme for the Citadels Project, thereby prejudicing the Council's interests.

PROCEDURES PRIOR TO PRIVATE MEETINGS

The Leader further reported that Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 prescribed that, at least 28 clear days before a private meeting, the decision-making body must make available / publish a notice of its intention to hold the meeting in private.

It was necessary to submit the following urgent private reports to this meeting:

- **Civic Centre Reinstatement and Development Project** – private report of the Deputy Chief Executive (Agenda item B.1)

Since compliance with the above regulation was impracticable, the Chair of the Business and Transformation Scrutiny Panel had agreed that the decision was urgent and could not reasonably be deferred, and that the matter could be dealt with today.

- **Citadels Project** – a private report of the Corporate Director of Economic Development (Agenda item B.3)

Since compliance with the above regulation was impracticable, the Chair of the Economic Growth Scrutiny Panel had agreed that the decision was urgent and could not reasonably be deferred, and that the matter could be dealt with today.

Notices setting out the reasons for urgency had also been published in compliance with the Regulation.

EX.29/20 DISCRETIONARY RATE RELIEF POLICY AMENDMENT: RETAIL DISCOUNT TOP-UP SCHEME (Key Decision – KD.03/20)

Portfolio Finance, Governance and Resources; Economy, Enterprise and Housing

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Economy, Enterprise and Housing Portfolio Holder reported (CE.02/20) that the Council had allocated £40,000 for a City Centre Business Support Package, to fund measures such as small business grants and discretionary rate relief; details of the package being outlined in report ED.05/20 considered by the Executive on 15 January 2020.

The Council's Discretionary Rate Relief Policy required to be amended in order to enact the rate relief proposed as part of the City Centre Business Support Package.

The Portfolio Holder drew Members' attention to the proposal which was to provide a top up of Retail Discount by 17% for vacant hereditaments with a rateable value under £51,000 in Castle Street, Victoria Viaduct and Lowther Street, with the Council funding the 17% top up through a new discretionary rate relief scheme. This rate relief aimed to support new businesses to trade in the city centre, noting that business rates were often

seen as a barrier for new start-up businesses to secure premises and begin a physical presence from which to trade.

Those streets had been selected due to the high number of vacant units; the rate relief offered would incentivise businesses to move to those locations and improve vitality and viability.

Eligible businesses would be expected to complete an application form for the Retail Discount top-up. The Regeneration Team would use that to assess the merits of granting relief and make a recommendation to the Portfolio Holder for Economy, Enterprise and Housing, who would be responsible for approving the grant of the Retail Discount Top-up. Prior to allocating the relief the Council must be satisfied that the benefits to local council taxpayers and value for money were demonstrated.

Eligible businesses included retail, cafes, bars and restaurants (excluding hot food takeaways) – essentially A1, A3 and A4 uses. In order to qualify for this new discretionary scheme, the premises would need to be one of the vacant properties identified by Carlisle City Council. Draft eligibility criteria outlining proposed criteria that would be used to assess applications to the scheme were also appended.

The scheme was budget limited and therefore the discount would be allocated on a 'first come first serve' basis; once the funding had been committed, applications for the top-up scheme would no longer be accepted for 2020/21.

In a Written Ministerial Statement on 27 January 2020, the Government announced that it would extend the retail business rate discount from one third to 50%, extending that discount to cinemas and music venues, extending the duration of the local newspapers discount and introducing an additional discount for pubs. The Government will fully fund those discounts through a S31 grant. In circumstances where that policy is enacted, the 17% local top-up scheme would remain in place - taking the total rates discount from 50% to 67%.

The Economy, Enterprise and Housing Portfolio Holder stated that the proposal demonstrated that the City Council was supportive of business and the high street. He then moved the recommendations which were duly agreed.

Summary of options rejected that approval should not be granted

DECISION

That the Executive is minded to:

1. Approve the principle of the proposed Retail Discount Top-up scheme and recommend to the Council for adoption. This will provide a 17% top up of rate relief for eligible hereditaments in receipt of Retail Discount, subject to an appraisal process. This 17% will take the total rate relief provided to these properties to 50%, or, in the instance that the Government's proposals to increase Retail Discount to 50% are enacted, to 67%. The discount will be available time limited, available only within the financial year 2020/21.

2. Approve the principle of an application-based approach to the proposed Retail Discount Top-up scheme, consider the eligibility and application forms appended to the report at Appendix A and, in accordance with the Budget and Policy Framework Procedure Rules consult, upon the said proposals.

Reasons for Decision

Amendment of the Discretionary Rate Relief Policy is necessary to facilitate business rate relief as proposed in the City Centre Business Support Fund. The Fund aimed to incentivise businesses to trade in the city centre, supporting vitality and viability, whilst also supporting business growth in Carlisle

EX.30/20 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 7 February 2020 was submitted for information.

It was noted that the Corporate Director of Economic Development was scheduled to submit a report concerning the Housing Infrastructure Fund grant funding agreement for the Carlisle Southern Link Road (KD.02/20) to this meeting. The matter was, however, delayed pending the receipt of an updated draft of the funding agreement upon which Homes England were leading on behalf of the Government.

Summary of options rejected None

DECISION

That, subject to the above, the Notice of Executive Key Decisions dated 7 February 2020 be received.

Reasons for Decision

Not applicable

EX.31/20 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.

Summary of options rejected None

DECISION

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

Reasons for Decision

Not applicable

EX.32/20 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 10 February 2020 were submitted for information.

Summary of options rejected None

DECISION

That the Minutes of the meeting of the Joint Management Team held on 10 February 2020, attached as Appendix B, be received.

Reasons for Decision

Not applicable

**EX.33/20 REPRESENTATIVES ON OUTSIDE BODIES – MARY HANNAH
ALMSHOUSES**
(Non Key Decision)

Portfolio Cross-Cutting

Relevant Scrutiny Panel Health and Wellbeing

Subject Matter

The Leader reported (GD.10/20) that the Executive appointed three representatives to serve on the Board of Trustees of the Mary Hannah Almshouses for a four-year term of office in accordance with the Mary Hannah Charity Commission Scheme. The current representatives were Councillors Ellis, Morton and Dr Davison.

As Councillor Ellis' term of office was due to expire in March 2020, the Executive was asked to appoint one representative to serve for a further four-year term of office.

The Communities, Health and Wellbeing Portfolio Holder moved that Councillor Ellis be re-appointed to serve for a four-year period.

Summary of options rejected none

DECISION

That Councillor Ellis be appointed to serve on the Board of Trustees of the Mary Hannah Almshouses for a four-year period.

Reasons for Decision

To make an appointment to the above mentioned outside body

EX.34/20 PERFORMANCE REPORT QUARTER 3 2019/20
(Non Key Decision)

Portfolio Finance, Governance and Resources

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

Subject Matter

The Deputy Leader submitted report PC.07/20 containing the Quarter 3 2019/20 performance against the current Service Standards, together with a summary of the Carlisle Plan 2015-18 actions as defined in the 'plan on a page'. Performance against the 2019/20 Key Performance Indicators was also included.

A summary of exceptions shown as red was also recorded at Section 1.

The performance had been scrutinised by the Business and Transformation; Health and Wellbeing; and Economic Growth Scrutiny Panels at meetings held on 13, 20 and 27 February 2020 respectively. Excerpts from the Minutes of those meetings were also submitted.

The Deputy Leader concluded by moving the recommendations detailed within the report which were agreed.

Summary of options rejected none

DECISION

That the Executive:

1. Had considered the performance of the City Council as presented in Report PC.07/20 with a view to seeking continuous improvement in how the Council delivered its priorities.
2. Agreed to the proposed Key Performance Indicator changes.

Reasons for Decision

To note the Quarter 3 Performance Report and agree to the Key Performance Indicator changes listed.

EX.35/20 FUTURE HIGH STREET FUND (Non Key Decision)

Portfolio Leader's Portfolio

Relevant Scrutiny Panel Economic Growth

Subject Matter

The Leader submitted report ED.13/20 providing an overview of the draft business case and proposed projects for Carlisle's Future High Street Fund outlined in report ED.06/20 considered by the Executive at their 15 January 2020 meeting. Introductory information and funding details were set out at Sections 1 and 2.

In terms of project development, the report recorded that Carlisle city centre along with other towns and cities was having to rise to the challenge of the changing use and the diminishing of the retail comparative sector. The strategic narrative, identification of the development areas and specific projects to be included in the Business Case were identified through focus group meetings with city centre stakeholders and key officers from the City Council and Cumbria County Council including Highways. Mott MacDonald had worked with partners to develop a robust business case that was compliant with the HM Treasury Green Book.

A summary of the strategic case and summary of the projects were appended to this report (Appendix 1). The Leader referred Members to the list of proposed projects identified at paragraph 3.3, advising that item e. (reconfiguring Lowther Street and gyratory) had been removed since it was considered that could be dealt with by the Town Investment Plan.

The business case requested a rough order of magnitude funding request from the FHSF of £18.5 million. That funding request was under refinement as more detailed projects were developed that would form the final business case; as such that figure would be updated. Although co-funding was not required by the FHSF, it was expected that the Fund would lever in public sector funding and that authorities would make some form of contribution.

The key milestones for the FHSF programme were:

- Submission of draft business case - 15 March 2020
- Submission of final business case - 30 June 2020.

The Leader acknowledged the hard work undertaken to tight timescales, before moving the recommendations, which were duly agreed.

Summary of options rejected none

DECISION

That the Executive:

1. Noted the proposed projects and strategic business case summary for the Council's Future High Street Fund submission included in Appendix 1.
2. Authorised the submission of the draft business case to the Ministry for Housing Communities by the Corporate Director of Economic Development following consultation with the Leader of the Council and the Portfolio Holder for Economy, Enterprise and Housing.

Reasons for Decision

The timescales set by MHCLG for the submission of FHSF business cases were challenging. Consultancy support from Mott MacDonald had enabled a draft business case to be developed to RIBA Stage 2 designs, providing enough detail to determine robust financial certainty to the cost of the projects going forward. Scope remained to influence the project detail in further phases of the project development phase

It was expected that MHCLG would review the draft business case and highlight any projects that should be reconsidered or excluded that were considered weak against their aims and objectives of the FHSF

EX.36/20 CIVIC CENTRE REINSTATEMENT AND DEVELOPMENT PROJECT
(Key Decision – KD.04/20)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader submitted report CS.06/20, the purpose of which was to provide the Executive, Business and Transformation Scrutiny Panel and the City Council with an overview of the development of the Civic Centre reinstatement and development project and to seek the views of Members prior to a final set of recommendations being made to the City Council on 28 April 2020.

Covered within the report were the following elements of the project and its development:

- Background to the project and the steps completed to reach this final stage of decision making
- An update on the project development, the proposed facilities, timeline for delivery and project management arrangements
- Other important considerations concerning the use of the Civic Centre and its current condition
- Project budget development and proposals for funding
- Proposals for a scheme of delegation that would support timely decision making on key contractual arrangements and funding

Private report CS.09/20 dealt with the outcomes of the Civic Centre works procurement exercise and any other appropriate commercially sensitive information.

The Deputy Leader recognised the considerable work which had gone into the project thus far, before moving the recommendations set out within the report which were then agreed.

Summary of options rejected None

DECISION

That the Executive sought the views of the Business and Transformation Scrutiny Panel on the following set of draft recommendations before agreeing or amending these, in advance of proposing these to the City Council, 28 April 2020:

- Approval, for recommendation to Council the appointment of Story Construction as main contractor for this project in accordance with the 'Intention to Award Contract' letter issued 6 November 2019;
- Approve, for recommendation to Council, the amendment to the Capital Programme in 2020/21 and 2021/22 for this project;
- Approval, for recommendation to Council, the means of funding the capital budget (using insurance settlement, capital programme and proposed 'invest to save' initiative);
- Approve, for recommendation to Council, a supplementary estimate funded from capital resources, potentially increasing the Council's internal/external borrowing requirement if savings cannot be identified through a value engineering review or from other sources of funding such as the capital programme and/or revenue budgets;
- Note the recommendation to opt to tax for VAT purposes the Civic Centre capital project;
- Development and approval of a scheme of delegation to finalise any contract requirements.

Reasons for Decision

To seek the views of Members before a final set of recommendations is made to Council on 28 April 2020

EX.37/20 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 items of business on the grounds that they involved the likely disclosure of exempt information as defined in the paragraph number (as indicated in brackets against the minutes) of Part 1 of Schedule 12A of the 1972 Local Government Act.

EX.38/20 CIVIC CENTRE REINSTATEMENT AND DEVELOPMENT PROJECT

(Key Decision – KD.04/20)

(Public and Press excluded by virtue of Paragraph 3)

(In accordance with Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Chair of the Business and Transformation Scrutiny Panel had agreed that the decision in relation to this item of business was urgent and could not reasonably be deferred)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader submitted private report CS.09/20, the purpose of which was to present the results of the Civic Centre Reinstatement and Development project tender exercise and recommend the successful tenderer for appointment via contract.

Details of the background position; proposals; risks and consultation were provided within the report.

The Deputy Leader concluded by moving the recommendation.

Summary of options rejected other options as detailed within the report

DECISION

That the Executive sought the views of the Business and Transformation Scrutiny Panel on the recommendation set out below, in advance of proposing this to the City Council, 28 April 2020:

Approval, for recommendation to Council, of the appointment of Story Construction as main contractor for this project in accordance with the 'Intention to Award Contract' letter issued 6 November 2019.

Reasons for Decision

To provide an appropriate overview of the Civic Centre reinstatement and development procurement exercise and the carefully considered outcome

EX.39/20 DISPOSAL OF ASSET
(Key Decision – KD.06/20)
(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 submitted private report GD.11/20 providing an update on the disposal strategy of the Council's assets identified within the report and seeking approval for disposal.

Details of the background position; proposals under consideration; associated risks and consultation were provided within the report.

The Deputy Leader concluded by moving the recommendations.

Speaking in his capacity as Ward Member, the Leader indicated that he was content with the proposed disposal.

Summary of options rejected that authority should not be granted

DECISION

That the Executive:

1. Authorise the disposal of the principal property asset in this location (i.e. the disused land to the rear of English Street and Albert Street shown edged red on the plan forming Appendix 1).
2. Authorise the Corporate Director of Governance and Regulatory Services to dispose of the residual property interests that the Council holds in respect of land and property off Albert Street (i.e. the land to the rear of Albert Street shown edged yellow on the plan forming Appendix 1) provided that the Property Services Manager is satisfied that any such disposals represent best consideration. In the event that the value of an individual disposal constitutes a Key Decision, for the avoidance of doubt, this decision may be deemed as the relevant Key Decision, taken by the Executive as a whole.
3. Authorise the Corporate Director of Governance and Regulatory Services to complete all necessary legal and other relevant documentation required to progress all property asset disposals referred to in this report to completion.

Reasons for Decision

As detailed within the report

EX.40/20 **CITADELS PROJECT

(Key Decision)

(Public and Press excluded by virtue of Paragraph 3)

(With the consent of the Chair, and in accordance with Rule 15 of the Access to Information Procedure Rules; and Regulation 10 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 this item was included on the Executive Agenda as a Key decision, although not in the Notice of Executive Key Decisions)

(In accordance with Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Chair of the Economic Growth Scrutiny Panel had agreed that the decision in relation to this item of business was urgent and could not reasonably be deferred)

(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 Leader submitted private report ED.14/20 the purpose of which was to provide an overview of the project that had been developed to progress the first phase of site assembly that would enable the redevelopment of the Citadels site which was currently being progressed through the Borderlands Inclusive Growth Deal.

Details of the background position; proposals under consideration and associated risks were detailed within the report.

The Leader concluded by moving the recommendations, which were agreed.

Summary of options rejected that consent should not be granted

DECISION

That the Executive:

1. Approve the acquisition and demolition of the property identified in the report subject to signing of a Grant Funding Agreement between Carlisle City Council and Cumbria Local Enterprise Partnership, thereby ensuring the necessary funding is in place.
2. Approve the appointment of specialist support to provide the Council with specialist property advice to further progress land assembly work at the Citadels site subject to signing of a Grant Funding Agreement between Carlisle City Council and

Cumbria Local Enterprise Partnership thereby ensuring the necessary funding is in place.

3. Authorise the completion of the Grant Funding Agreement between Carlisle City Council and Cumbria Local Enterprise Partnership by the Corporate Director of Governance and Regulatory Services following consultation with the Corporate Director of Economic Development, the Leader of the Council and the Portfolio Holder for Finance, Governance and Resources as to the final terms and conditions.
4. Approve the principle of Cumbria County Council taking control of the site under a licence from the City Council and managing demolition, including the procurement and employment of contractors directly.

Reasons for Decision

As detailed within the report

[The meeting ended at 4.11 pm]