

AGENDA

Executive

Monday, 09 November 2020 AT 16:00

This meeting will be a virtual meeting and therefore will not take place in a physical location.

Register of Attendance and Declarations of Interest

A roll call of persons in attendance will be taken and, at the same time, Members are invited to declare any disclosable pecuniary interests, other registrable interests and any interests, relating to any item on the agenda at this stage.

Apologies for Absence

To receive apologies for absence.

Public and Press

To agree that the items of business within Part A of the agenda should be dealt with in public and that the items of business within Part B of the agenda should be dealt with in private.

Minutes

To confirm the Minutes of the meetings of the Executive held on 14 and 28 September 2020. The Chair will sign the Minutes at the first practicable opportunity.

[Copy Minutes in Minute Book Volume 47(3)]

PART A

To be considered when the Public and Press are present

Budget Process 2021/22 - 2025/26

The reports in respect of the items listed under Agenda item A.1 have been reproduced in a Budget Book and circulated under cover of a letter dated 30 October 2020 from the Corporate Director of Governance and Regulatory Services

A.1 BUDGET PROCESS 2021/22 - 2025/26

(Key Decision - KD.25/20)

(a) Budget Update - Revenue Estimates 2021/22 to 2025/26

The Corporate Director of Finance and Resources to submit a report providing a summary of the Council's revised revenue base estimates for 2020/21, together with base estimates for 2021/22 and forecasts up to 2025/26 for illustrative purposes. Potential new spending pressures, bids and savings are also considered.

(Report RD.32/20)

(b) Review of Charges 2021/22

The Senior Management Team to submit charges review reports as follows:

- (i) Community Services (Report CS.30/20)
- (ii) Economic Development (Report ED.38/20)
- (iii) Governance and Regulatory Services (Report GD.48/20)
- (iv) Licensing (Report GD.54/20)

(c) Revised Capital Programme 2020/21 and Provisional Capital Programme 2021/22 to 2025/26

The Corporate Director of Finance and Resources to submit a report detailing the revised Capital Programme for 2020/21, together with the proposed method of financing; and summarising the proposed Programme for 2021/22 to 2025/26 in the light of new capital proposals identified, and the estimated capital resources available to fund the programme.

(Report RD.33/20)

(d) Corporate Assets - 3 Year Repair and Maintenance Programme 2021/22 to 2023/24

The Corporate Director of Governance and Regulatory Services to submit a report setting out the repair and maintenance programme budget proposals for the Council's corporate property assets for the three-year period 2021/22 to 2023/24. A progress update on building maintenance is also provided.

(Report GD.52/20)

(e) Treasury Management Quarter 2 2020/21 and Forecasts for 2021/22 to 2025/26

The Corporate Director of Finance and Resources to submit a report providing the regular quarterly report on Treasury Transactions, together with an interim report on Treasury Management as required under the Financial Procedure Rules. The report also discusses the Council's Treasury Management Estimates for 2021/22 with projections to 2025/26; and includes information regarding the requirements of the Prudential Code on Local Authority Capital Finance.

(Report RD.34/20)

(f) Local Taxation 2021/22 - 2025/26

The Corporate Director of Finance and Resources to submit a report outlining considerations as part of the budget process that need to be made in relation to aspects of funding received by the Council from local taxation.

(Report RD.35/20)

A.2 ST CUTHBERT'S GARDEN VILLAGE LOCAL PLAN CONSULTATION

7 - 24

(Key Decision - KD.28/20)

The Corporate Director of Economic Development to submit a report seeking approval for consultation on the St Cuthbert's Garden Village Local Plan preferred option policies.

(Copy Report ED.39/20 herewith)

Background papers -

- ED.17/17 Report to Executive - St Cuthbert's Garden Village
- ED.06/19 Report to Executive - St Cuthbert's Garden Village Key Next Steps
- ED.28/19 Report to Economic Growth Scrutiny Panel - St Cuthbert's Garden Village Progress Update
- ED.17/20 Report to Leader - St Cuthbert's Garden Village Key Next Steps

are available on the Council's website - <https://carlisle.cmis.uk.com/>

A.3 NOTICE OF EXECUTIVE KEY DECISIONS

**25 -
38**

(Non Key Decision)

The Notice of Executive Key Decisions, published on 9 October 2020, is submitted for information.

Key Decision (KD.26/20) - the Deputy Chief Executive was scheduled to submit a report concerning the Bitts Park Interactive Water Feature to this meeting. The matter has, however, been deferred pending further discussion.

(Copy Notice herewith)

A.4	<u>SCHEDULE OF DECISIONS TAKEN BY OFFICERS</u>	39 - 42
	(Non Key Decision)	
	A Schedule detailing decisions taken by Officers under delegated powers is attached for information.	
	(Copy Schedule herewith)	
	Background papers - as detailed within the Schedule	
A.5	<u>JOINT MANAGEMENT TEAM</u>	43 - 44
	(Non Key Decision)	
	The Minutes of the meeting of the Joint Management Team held on 12 October 2020 are submitted for information.	
	(Copy Minutes herewith)	
A.6	<u>REVENUE BUDGET OVERVIEW AND MONITORING REPORT: APRIL TO SEPTEMBER 2020</u>	45 - 70
	(Non Key Decision)	
	The Corporate Director of Finance and Resources to submit a report providing an overview of the Council's overall budgetary position for the period April to September 2020 for revenue schemes only, and details of the impact of COVID-19 on the revenue budget.	
	(Copy Report RD.36/20 herewith)	
A.7	<u>CAPITAL BUDGET OVERVIEW AND MONITORING REPORT: APRIL TO SEPTEMBER 2020</u>	71 - 86
	(Non Key Decision)	
	The Corporate Director of Finance and Resources to submit a report providing an overview of the budgetary position of the City Council's capital programme for the period April to September 2020.	
	(Copy Report RD.37/20 herewith)	

A.8 TRIBUNE DRIVE PLAY AREA, HOUGHTON

**87 -
90**

(Non Key Decision)

The Deputy Chief Executive to submit a report seeking approval for the release of the capital funds allocated for the replacement of play equipment and safer surfacing at Tribune Drive, Houghton.

(Copy Report CS.34/20 herewith)

PART B

To be considered when the Public and Press are excluded from the meeting

- NIL -

Members of the Executive

Councillor J Mallinson (Leader's Portfolio)

Councillor G Ellis (Deputy Leader, and Finance, Governance and Resources Portfolio Holder)

Councillor N Christian (Environment and Transport Portfolio Holder)

Councillor S Higgs (Culture, Heritage and Leisure Portfolio Holder)

Councillor Mrs E Mallinson (Communities, Health and Wellbeing Portfolio Holder)

Councillor P Nedved (Economy, Enterprise and Housing Portfolio Holder)

Enquiries, requests for reports, background papers, etc to: Morag Durham, Democratic Services Officer - morag.durham@carlisle.gov.uk

Notes to Members:

Decisions made at this meeting, if not subject to call-in, will normally become live on 19 November 2020

Executive

Agenda
Item:

A.2

Meeting Date: 09 November 2020
Portfolio: Economy, Enterprise and Housing
Key Decision: Yes
Within Policy and Budget Framework No
Public / Private Public

Title: St Cuthbert's Garden Village **Local Plan** consultation
Report of: Corporate Director of Economic Development
Report Number: ED 39/20

Purpose / Summary:

To receive Executive approval for consultation on the St Cuthbert's Garden Village Local Plan preferred option policies.

Recommendations:

Executive is asked to:

1. approve stakeholder and public engagement (under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012) on the Garden Village Local Plan preferred option policies, as set out in Appendix 1.

Tracking

Executive:	
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1. BACKGROUND

- 1.1** St Cuthbert's Garden Village (SCGV) is embedded in the adopted Carlisle District Local Plan 2015 – 2030, which identifies land to the south of the City (referred to as Carlisle South via Policy SP 3) for growth for a major mixed-use development focussed on housing. The Policy commits the City Council to preparing a masterplan and a separate Development Plan Document (DPD). This DPD will be the St Cuthbert's Garden Village Local Plan.
- 1.2** Good progress has been made to date in advancing the project, underpinned by robust and ongoing public and stakeholder engagement. Whilst previous approval has been given to consult under Regulation 18, this was not for the full text of the Local Plan policies, and was instead approval to consult on the likely scope of those policies. Report ED 17/20 updated Executive on the progress of the planning and delivery of St Cuthbert's Garden Village, and secured agreement to proceed with the key next steps in advancing the project.
- 1.3** The project, including governance arrangements, continues to be consistently highlighted by Homes England as best practice who equally continue to identify it as amongst the highest performing in their wider garden communities programme. They also consistently cite Carlisle's consultation methods as some of the best in the programme, including new initiatives such as the interactive portal, and the quality of consultation material employed.

2. Masterplan / Local Plan / Supplementary Planning Document

- 2.1** The Masterplan Framework, including design guidance and an infrastructure schedule has been completed. This work forms the main evidence base and building blocks to critically inform and support the preparation of the St Cuthbert's Local Plan and a Design Supplementary Planning Document (SPD) which is currently being progressed. The Masterplan will serve as evidence to inform the emerging Local Plan and SPD. The focus of current work is therefore the St Cuthbert's Local Plan and ensuring that it progresses to adoption, together with ensuring the SPD is adopted.
- 2.2** The Garden Village project is long-term, over at least the next 30 years, and therefore only the early phases can be planned for with any certainty. Future detailed masterplans will be underpinned by the principles and guidance in the main Masterplan, whilst development proposals will be guided by the emerging policies in the Local Plan and the SPD. This reflects recognition of the need for a robust

planning framework given the scale of development and the ambitions for quality not least given garden community status.

- 2.3** The scope of the policies in the St Cuthbert's Local Plan was consulted on in Autumn 2019/20, together with three strategic objectives – social, economic and the environment. These policies have now been more fully developed, taking account of feedback, national policy direction, and input from technical stakeholders. They will represent the Council's preferred option, together with the allocations for the first phase of the Garden Village which is up to 2030.
- 2.4** Plan making is an evolving process. Feedback from this consultation will be valuable for informing the next iteration of the Plan, which is the Regulation 19 version, i.e. our publication version of the Local Plan, and the one that we intend to submit to the Secretary of State. Therefore there is considerable scope for these policies to be amended through a process of consultation.
- 2.5** The Local Plan will:
- Provide more detail on how and when the strategic requirements set out in the Masterplan will be delivered;
 - Upon adoption set the legal framework to guide the preparation and assessment of future planning applications;
 - Enable and support the timely delivery of infrastructure provision through both developer contributions and/or external funding bids;
 - Facilitate the delivery of land release to help address the imbalance of employment land between the north and south of the City.
- 2.6** This Local Plan will include site allocations to provide the right amount of homes, sufficient and appropriate land to provide a range of local and more strategic employment locations and areas designated as district and local centres where the right conditions will be created to provide retail, leisure, health and other community facilities. It will also need to ensure that 20% of the homes built across the site will be affordable, as an obligation of both the adopted Local Plan and the HIF funding for the Carlisle Southern Link Road (CSLR) given that the primary required outputs of the investment is new homes.
- 2.7** Policy will also ensure that the natural environment that will be created within and between the new communities is designed to the highest quality, delivered at the right time, and protected from future harm, together with achieving 10% biodiversity net gain.

- 2.8** The Local Plan will also have to make provision for the right infrastructure to support the proposed level of development, and safeguard any land required to support the development of this infrastructure. It will guide the phasing of all these measures, setting out what should be developed and by when in order to ensure that new homes are adequately served by community, transport and utility infrastructure.
- 2.9** As this Local Plan will be specifically for the Garden Village, it is important that it delivers against the established garden village principles drawn up by the Town and Country Planning Association (TCPA) and the nine guiding principles developed as part of the masterplanning stage one process.
- 2.10** Following adoption the Local Plan will be a statutory document and will therefore be the primary means of assessing and making decisions on all future planning applications in the Garden Village area. Preparing a Local Plan is complex and has to be in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). The following provides an overview of the envisaged key time periods:

Key Milestone	
Preferred Options Consultation	Nov/Dec 2020
Regulation 19 Consultation	Spring/summer 2021
Submission	Autumn/Winter 2021
Examination	Spring 2022
Adoption	July 2022

- 2.11** The Local Plan is also informed by a Sustainability Appraisal (SA). The SA ensures that we are taking reasonable alternatives into account for delivering the development we need in each of the proposed new villages, and that the planning policies which sit alongside the allocations ensure that we are doing this in a balanced way taking account of environmental, economic and social considerations. The scope of the SA has been established throughout the masterplanning process culminating in a Stage 2 Masterplan SA report.
- 2.12** The policies and plans will also be subject to a Habitats Regulations Assessment (HRA) to identify and likely significant effects on the River Caldey, which is part of the River Eden and Tributaries Special Area of Conservation (SAC), a designation which denotes that the site is of European importance.
- 2.13** The Local Plan will have to be consistent with Government policy and guidance as set out in the National Planning Policy Framework (NPPF) and the supporting National Planning Practice Guidance (NPPG). The St Cuthbert's Garden Village Local Plan will form part of the Development Plan for the wider area which includes

the adopted Carlisle District Local Plan 2015-2030, the Cumbria Minerals and Waste Local Plan and adopted Neighbourhood Plans.

- 2.14** As part of the legal ‘Duty to Cooperate’ we have been and continue to work alongside neighbouring local planning authorities, Cumbria County Council and other defined agencies such as the Environment Agency and Natural England to ensure that there are no cross boundary strategic issues that have not been resolved.

Strategic Design Supplementary Planning Document

- 2.15** To support the early development phases of St. Cuthbert’s and ensure quality is safeguarded from the outset, prior to the formal adoption of the dedicated St Cuthbert’s Local Plan, it is proposed that a Supplementary Planning Document (SPD) is prepared. This will be a material planning consideration for the purposes of assessing future planning applications. This is proposed to take the form of a strategic design guide which should remain in operation alongside the Local Plan, providing detailed design guidance to help articulate what is meant by ‘high quality design within the context of St Cuthbert’s’.
- 2.16** The SPD is needed to ensure that there is not a policy vacuum in advance of the St. Cuthbert’s Local Plan coming forward, particularly given market intelligence suggests some landowners and developers are likely to submit planning applications in the short term. SPDs do not make new policy, they aim to amplify existing policies, in this case the Carlisle South policy and the Strategic Design policy in the adopted Carlisle District Local Plan, together with the design evidence set out in the Masterplan. The SPD will be a non-statutory document which is not subject to the same regulatory process as the Local Plan, i.e. it will not need to go through an independent examination. However, there is a requirement to consult on the draft, and therefore the SPD will be consulted on alongside the Local Plan policies.
- 2.17** It is important that the SPD is adopted by March 2021 as it is an obligation of the Housing Infrastructure Agreement (HIF) for the CSLR.
- 2.18 Evidence base:** The Local Plan will be underpinned by a robust evidence base, together with a Sustainability Appraisal, Habitats Regulations Assessment and Viability report. To date the key elements of these are contained within the Masterplan Framework. Our wider evidence base also includes the following:
- Masterplan Infrastructure Schedule (Oct 2020);
 - Masterplan Design Guidance (Oct 2020);
 - Strategic Housing Market Assessment update – July 2019;
 - Interim Housing Market Demand and Capacity Assessment – Sept 2018;

- Self and Custom Build Understanding Demand – June 2020
- Gypsy and Traveller Accommodation Assessment being progressed jointly with other Cumbrian Districts and Public Sector Partners;
- St Cuthbert's Climate Change Strategy;
- Local Cycling and Walking Infrastructure Plan – underway County lead.

2.19 It is likely that further evidence will be needed to underpin the Local Plan as it evolves towards Publication. The main areas that this is needed to cover will be viability, strategic flood risk and the Infrastructure Delivery Plan.

3. CONSULTATION

3.1 Progress to date has been underpinned by robust, extensive and innovative engagement with this having added clear value to the emerging draft and high-level proposals for SCGV. This has included public engagement, dialogue with key stakeholders including infrastructure providers, dialogue and facilitated sessions with the local Parish Councils and with Members including via the dedicated Member Advisory Group which now also includes parish council representatives. The Council's Economic Growth Scrutiny Panel also continue to be engaged at key stages of the project including the evidence base upon which the project continues to be progressed.

3.2 Further consultation was initially planned over the summer as we were hopeful that Covid restrictions would ease sufficiently over time to include some face to face sessions. However, recent announcements mean this is now almost certainly unlikely in the short term. Therefore a digital consultation on the Garden Village Local Plan and the Strategic Design Supplementary Planning Document (SPD) is planned over November and December 2020. Communities will be given as broad an opportunity as possible to engage in these pieces of work, and we have therefore undertaken some 'pre-consultation' during October, specifically with landowners and other stakeholders to highlight the opportunity that is coming up, and in particular with the two parish councils in the garden village area.

3.3 Awareness of the consultation will be raised using a variety of means including leaflets and posters, the local media, our web site, the banner on the Civic Centre and through direct communication with those on our mailing list. In addition the Communications team has developed a virtual 360 consultation tool which allows people to access a virtual setting and access the full range of documents. The Council's Facebook and Twitter mediums will also be used.

- 3.4** The draft Local Plan policies (“the Garden Village Local Plan preferred option policies”) are appended to the Report.

4. Next Steps

- 4.1** When feedback on the planning policies has been received and analysed, together with looking at any new evidence and issues that have arisen, the Local Plan will be refined into a version which is known as the ‘Publication’ final draft that must be published under the relevant Regulations for a further round of consultation before submitting the document to the Secretary of State (Planning Inspectorate) for independent examination.

5. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 5.1** Good progress continues to be made with both the planning and delivery aspects of St Cuthbert’s Garden Village. Executive’s approval to consult on the draft policies and objectives which will form the St Cuthbert’s Local Plan is needed as the version of the plan that will go out to consultation will represent the Council’s ‘preferred option’, before the Regulation 19 Publication version of the plan is produced in Spring 2021. It is an obligation of the HIF funding agreement that the St Cuthbert’s Local Plan is adopted by July 2022, and it is therefore important that the programme of work leading to adoption remains on track

6. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 6.1** St Cuthbert’s Garden Village will have a significant influence in terms of shaping how Carlisle will grow and function long into the future. Accordingly, it will have a significant, direct and positive impact on a number of Carlisle Plan priorities including:
- *“supporting the growth of more high quality and sustainable business and employment opportunities”* – through identifying new sites for development and opportunities to better balance the local economy;
 - *“addressing Carlisle’s current and future housing needs”* – through being the single largest development site and therefore contributor to supply across the latter stages of the current Local Plan period and much of the next one, including affordable and specialist housing;
 - *“working more effectively with partners to achieve the City Council’s priorities”* – through recognition that the scale of the project requires the input, commitment and direct support of a wide array of stakeholders and partner agencies.

Contact Officer: Jillian Hale

Ext: 01228 938024

**Appendices
attached to report:**

St Cuthbert's Local Plan draft policies.

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- **ED 17/17 Report to Executive – St Cuthbert's Garden Village**
- **ED 06/19 Report to Executive – St Cuthbert's Garden Village Key Next Steps**
- **ED 28/19 Report to EGSP St Cuthbert's Garden Village Progress Update**
- **ED 17/20 Report to Leader – Key Next Steps**

CORPORATE IMPLICATIONS:

LEGAL – Ultimately, any resultant Development Plan Documents will need to be approved in accordance with Article 4 of the Constitution and the Budget and Policy Framework.

FINANCE – The Council has recognised St Cuthbert's Garden Village as a key project for the City and surrounding area. Funding has been provided within the MTFP to formally adopt an appropriate and comprehensive masterplan and delivery strategy for the SCGV.

EQUALITY – The St Cuthbert's Garden Village Local Plan will be subject to an Equality Impact Assessment process at key stages of its preparation.

PROPERTY – no comments.

INFORMATION GOVERNANCE – The consultation process must comply with Data Protection Legislation by ensuring an appropriate privacy notice is provided to all consultees who contribute and provide personal information. Appropriate governance processes must also be embedded to ensure any gathering and subsequent disclosure of information is appropriate.

Appendix 1

Draft St Cuthbert's Garden Village Policies

Delivering St Cuthbert's Policy

To meet the needs of existing and future communities, in the first phase which is up to 2030, the Plan will ensure that sufficient provision of land in sustainable locations is made available for the delivery of new homes, jobs and infrastructure within the defined Garden Village areas of Carlton, Durdar, the edge of Carlisle and Cummersdale.

Specific sites have been identified, in accordance with the phasing identified in the masterplan, to deliver the GV vision in accordance with the agreed GV principles and objectives within the Garden Village area as follows:

Housing

Land at Carleton, Durdar and Cummersdale, as shown on the Policies Map to accommodate approximately 2000 new homes between 2022 and 2030 as follows: Carlisle Edge approximately 500 homes; Carleton 1000; Cummersdale 500. In bringing forward housing development within this phase, developers will need to demonstrate that their proposals contribute to an overall mix of dwelling types, sizes, and tenures which help to meet identified local housing need, and the development of mixed and sustainable communities.

Employment

A broad location for strategic employment growth is safeguarded to the East of Junction 42. Local employment sites will be located within or close to the local or district centres at Durdar 5ha; Carleton 0.5ha; Cummersdale 0.5ha in a mixture of flexible spaces and small business park/employment hub.

Green Infrastructure and Blue Infrastructure

St Cuthbert's Greenway is identified on the Policies Map as a key piece of strategic green infrastructure. This will provide multi-modal active travel and recreational opportunities, together with providing a biodiversity corridor. Other high quality and accessible open space will be provided in accordance with the open space distribution as shown on the open space typology map. All land identified within any of the greenspace typologies will be protected from development which would harm their intended use. Green space will be delivered in accordance with the quantum set out in the Strategic Design Supplementary Planning Document.

Community Facilities

Local centres are identified in Carleton, Durdar and Cummersdale to make provision for retail, leisure facilities, healthcare, education and flexible work-space uses to serve the needs of the local communities. It is anticipated that Cummersdale and Carleton local centres would come forward in phase 1 in accordance with the phasing schedule.

Education

Primary and secondary schools will be located as follows:

Durdar 3 x 2FE primary schools and 1 x 10FE secondary school. Carleton 1 x 1FE primary school. Cummersdale 1 x 1FE primary school.

Sites coming forward outside of uses shown on the land use framework on the masterplan illustration, or outside of the identified phasing must demonstrate how they deliver against the established Garden Village principles, must not prejudice the delivery of the vision, principles and key drivers that have been identified for the Garden Village through the masterplanning process, and must contribute towards the strategic infrastructure required for the wider area.

Carlisle Southern Link Road

Land will be safeguarded for the route of the Carlisle Southern Link Road, the associated shared pedestrian and cycle way, the strategic planting required in association with the road, and for the Durdar spur road.

Planning Obligations Policy

Proposals will be required to deliver or contribute towards the timely provision of essential supporting infrastructure either directly as part of the delivery of the new communities, or through an appropriate financial contribution.

On larger applications within a new community, will require a phasing schedule based on the infrastructure requirements identified within the St Cuthbert's Infrastructure Delivery Plan, The ability to move from one phase to the next will be dependant on the infrastructure detailed in previous phase(s) having been delivered.

Proposals will be expected to provide, or contribute to, the infrastructure identified in order to make the development acceptable. The phase, scale and nature of the contribution will be proportionate to the size and type of proposal and will be based on the St Cuthbert's Infrastructure Delivery Plan and established through the development management process.

Multiple land Ownership

Where land for a new community is in multiple ownership, it will be ensured that all applicants make a proportionate contribution to any developer contributions required to enable delivery of the whole site as well as those specific to their individual proposal.

Artificial splitting of sites

Where there is evidence that a site or a proposal has been artificially split in order to avoid policy requirements by being below any relevant size/dwelling threshold, the Council will consider whether it would be appropriate to apply the policy requirements to each of the smaller sites individually irrespective of their size/number of dwellings in order to secure planning obligations in accordance with this plan. In determining whether separate sites should be aggregated to form a single site for the purposes of applying this policy, the city council will consider:

- i. Existing and previous land ownership;
- ii. Whether the areas of land could be considered to be a single site for planning purposes; and
- iii. Whether the development should be treated as a single development.

The city council will consider each application on the facts as a matter of planning judgement.

The land identified to deliver the new communities within St Cuthbert's has benefited from the early delivery of the Carlisle Southern Relief Road (CSLR) the funding of which has been provided through

the Government's Housing Infrastructure Fund and a combined £10 million from Carlisle City Council and Cumbria County Council. All development will need to make a contribution towards the repayment of the £10 million forward.

Reduced planning obligations

It is expected that development that provides full policy requirements will be granted planning permission. Consideration will only be given to a request for reduced planning obligations compared to policy requirements where:

- I. The applicant has submitted a viability appraisal that is based upon and refers back to the viability assessment that has informed this Plan, and provides evidence of what has changed since then;
- II. The value of the planning obligations has been maximised having regard to likely viability;
- III. A clawback mechanism has been incorporated into a legal agreement, where appropriate, to ensure that additional mitigation is provided if final development viability is better than anticipated in the viability assessment; and
- IV. The benefits of the development outweigh the lack of full mitigation for its impacts, having regard to other material considerations; and
- V. In exceptional circumstances consideration may be given to alternative proposals to those within the Infrastructure Delivery Plan and Phasing Schedule if it can be evidenced that the proposals offer a genuine opportunity to deliver the infrastructure required to support the new communities in a timely manner.

Where a viability appraisal is submitted by an applicant in order to justify a reduced contribution, it and any revisions to it will be published prior to the determination of the planning application unless there are exceptional circumstances. Where such exceptional circumstances exist, an executive summary that includes enough information to enable the public to fully understand the main inputs and conclusions of the appraisal must be provided and published. The costs relating to submitting such an appraisal must be borne by the applicant.

Forward Funding

It may be in order to facilitate behavioural change and modal shift; alternative sources of finance may be sourced to forward fund infrastructure to support development. In the absence of the forward funded infrastructure being in place, development would be expected to contribute towards the delivery of such infrastructure and in the absence of which, planning permission would not be granted. In these instances, an equivalent contribution will be expected to be made as the proposed development is benefitting from this early delivery.

Sustainable Transport and Movement Policy

All development within the Garden Village must accord to the key principles and parameters of the access and movement strategy outlined in the final masterplan framework and further defined in the Strategic Design Supplementary Planning Document. Applicants are required to demonstrate how:

- development will prioritise and enable active and sustainable travel, such as cycling, walking and public transport as the primary and most convenient means of transport to, from and through the Garden Village
- vehicles will access the Carlisle Southern Link Road
- the development will connect to the St Cuthbert's Greenway
- the development will create and integrate with active walkable neighbourhoods across the Garden Village that make the most of the development's attractive landscape setting and key views wherever possible
- people travelling to and from the development will access Carlisle City Centre by sustainable transport modes
- the development will integrate with and connect to local mobility hubs at local and district centres
- the development will deliver supporting infrastructure to support residents in making sustainable transport choices
- the development will work toward providing a network of high quality, convenient, safe and attractive pedestrian and cycles routes that link to wider new and existing networks
- the development will integrate with the defined hierarchy of residential roads that reflect both the final masterplan framework and Cumbria County Council's most up to date Residential Highways Design Guidance.

Applicants must, through an accompanying Design and Access Statement, show that adequate and secure space is provided for the storage and parking of bicycles. Within residential development this will need to be shown within the curtilage of every new dwelling to be provided. Within commercial, employment or community development, the amount of cycle parking to be provided should be based on the assumption that most people accessing the development will be doing so by either biking or walking.

Parking solutions, including cycle parking, should be in accordance with Building for a Healthy Life guidance and the Strategic Design SPD. On-street car parking arrangements are to be used to help slow vehicles and must be sensitively integrated into the streetscape with soft landscaping. Parking should be provided in-curtilage for most properties, set back from the main building line.

Unallocated visitor parking should be sensitively integrated into the streetscape. Any on street parking must ensure that it can in no way impede or block the free flow of pedestrian or cycle routes, or cause obstacles to emergency or other municipal service vehicles

Stewardship Policy

Development proposals of the following types must be designed to take into account, and must clearly identify how, ongoing operation, management, and maintenance arrangements will be secured:

- Leisure facilities;
- Allotments, community orchards and woodlands;
- The public realm;
- Open spaces including strategic and local and semi natural greenspace;
- Pedestrian and cycle paths;
- Community buildings;
- Development that results in biodiversity net gain;
- Sustainable Drainage Systems.

The quality of all assets that require ongoing and long-term stewardship, and are proposed to be managed on completion by a trust or other community body, must be of the highest standards, and the specific requirements will be set out in a Section 106 agreement. Alternatively, where a trust or other community body agree, the asset can be handed over before completion, provided that specific measures are in place, including financial measures, to enable the completion and operation of the community asset to the highest standards.

Smart Environments Policy

An ultrafast broadband internet connection is considered to be an essential utility within St Cuthbert's. Applicants are required to show how a development will connect to the internet. Every new development in St Cuthbert's should expect to benefit from a symmetrical internet connection of at least 1 gigabit per second (1Gb/s). Applicants are required to engage with internet providers to establish how and when this will be achieved.

A Highspeed Broadband Statement must be provided as part of any application for residential, employment, and/or any town centre use development within St Cuthbert's. The statement should include:

1. Details of engagement with broadband and network providers, including the names of providers contacted, dates of contact, and summary of feedback received;
2. The findings of any connectivity assessments from network providers, including details of any cost contributions that would be required from the developer;
3. The current connectivity options for the site and anticipated average connection speeds;
4. the potential connectivity options for the development and potential achievable internet speeds, including a consideration of Fibre to The Premises Infrastructure (FTTP) to enable ultrafast broadband; and
5. the proposed method of ensuring ultrafast broadband for the site, including measures to ensure that the development is 'high speed ready' in cases where development is likely to be completed before the implementation of the ultrafast broadband network.

Proposals for communications infrastructure, especially where this is required to enable a comprehensive 5G network across the garden village and beyond, will be approved, provided that the applicant can demonstrate that:

1. Opportunities for sharing sites that accommodate existing telecommunications equipment have been fully explored; and
2. The potential impact on visual amenity has been minimised including that any equipment has been sympathetically designed and camouflaged, where appropriate; and
3. When sites on a building, the antenna and associated structures are sited and designed in order to seek to minimise the impact to the external appearance of the host building; and
4. The development would not have an unacceptable adverse impact on a heritage asset; and
5. Evidence is submitted showing the outcome of consultations with a number of broadband providers/networks/organisations with an interest in the proposed development; and
6. The proposed installation complies with the national guidelines in respect of exposure of members of the public to electromagnetic fields.

All electric vehicle charging points, either intended for private or communal use, must be capable of a cloud based connection to the internet to facilitate remote control and to enable smarter charging functions during periods of peak demand. Additionally, all relevant elements of the public realm, such as public information boards at mobility hubs, etc. must also be capable of a cloud based connection to enable real time updates and functionality as required.

Affordable Housing Policy

Development proposals of 11 or more houses will be required to deliver 20% affordable housing on site, with a tenure split of 50% for social or affordable rent and 50% for intermediate low-cost home ownership housing.

The location of affordable housing within the layout of a site must not be concentrated in one location and must be designed to integrate with other housing or uses on the site.

A lower proportion or different tenure split may be permitted where it can be clearly demonstrated by way of a financial appraisal that the development would not be financially viable, or where the proposed mix better aligns with local needs. Early dialogue with the Council on this matter will be essential.

The opportunity to secure affordable Extra Care housing or other supported housing schemes as part of the wider affordable housing mix on development sites will be sought where it is considered to meet needs and the site is in an appropriate location.

This policy will operate within the context of national policy and will be implemented with regard to any relevant future changes including to the definition of affordable housing.

Self and Custom Build Policy

Self and Custom build housing proposals are considered an integral part of the housing mix within St Cuthbert's. Proposals that include provision for fully serviced self and custom build plots will be considered favourably. The Council expects a minimum of 100 self and custom build houses to be provided across St Cuthbert's by 2030 as part of the first phase of development.

Development proposals for 100 or more new dwellings must offer up at least 5% of plots for self and custom build development. Self and Custom build plots must be deliverable, and applicants will be expected to demonstrate that such plots satisfy the following criteria:

- a) A legal access to the public highway for pedestrians, cyclists and vehicles.
- b) Connections to all services and utilities, i.e. water, drainage, electricity, internet, etc. to the boundary of each plot
- c) Provision for suitable arrangements for surface water fallout.

Where self and custom build plots are included within a development, they should be marketed as such for a period of no less than 12 months. Should there be no interest in taking them forward within this period, the developer must first offer them to either a housing association or to the City Council to take forward for delivery before they can be considered for development as open market housing.

In order to prevent the potential blighting of an entire development site due to excessively delayed or unimplemented self/custom build plots, anyone purchasing such a plot must ensure that construction is completed within three years or the plot may revert back to the control of the original developer. This time limit must be clearly communicated to and agreed with a prospective self/custom home builder before they purchase a plot.

Design Policy

Proposals must respect and take account of the landscape setting of the area, key views as identified in the Masterplan and demonstrate a high quality and innovative approach to design, drawing on garden village principles. Development must contribute towards the creation of locally distinctive neighbourhoods, whilst setting out how they have had regard to the provisions in the Strategic Design SPD.

Proposals will be assessed against the following design principles. Proposals should:

1. respond to the local context and the form of surrounding buildings, and proposed surrounding land use parcels, having regard to the final Masterplan Framework, in relation to density, height, scale, massing and established street patterns and by making use of appropriate materials and detailing;
2. respond to the surrounding landscape, key views and topographical features and respect local landscape character;
3. reinforce local architectural features to promote and respect local character and distinctiveness;
4. take into consideration the historic environment including both designated and undesignated heritage assets and their settings;
5. ensure all components of the proposal, such as buildings, car parking, and new connections, open space and landscaping are accessible and inclusive to everyone, safe and well related to one another to ensure a scheme which is attractive and well-integrated with its surroundings;
6. seek to ensure that streets are designed, where appropriate, to encourage low vehicle speeds which allow streets to function as social spaces;
7. ensure there is no adverse effect on the residential amenity of existing areas, or adjacent land uses, or result in unacceptable conditions for future users and occupiers of the development;
8. aim to ensure the retention and enhancement of existing trees, shrubs, hedges and other wildlife habitats. If the loss of environmental features cannot be avoided, appropriate mitigation measures should be put in place and on-site replacement of those features will be sought;
9. include landscaping schemes (both hard and soft) to assist the integration of new development into existing areas and ensure that development on the edge of settlements is fully integrated into its surroundings;
10. ensure that the necessary services and infrastructure can be incorporated without causing unacceptable harm to retained features, or cause visual cluttering;
11. ensure that the layout and design incorporates adequate space for waste and recycling bin storage and collection; cycle parking provision; electric car charging points; and

Planning applications must be accompanied by a masterplan which shows the following:

- proposed approach to the interfaces with the existing and proposed surrounding land uses;
- key components including movement network, land-use parcels, green infrastructure and community facilities as appropriate;
- how the proposal aligns with the masterplan.;
- if the proposal deviates from the Masterplan, the justification for doing so.

On larger development parcels where a phased approach is necessary a delivery strategy will be required to set out the key components of the development such as movement network, green infrastructure, SUDS, utilities and digital infrastructure. The strategy should demonstrate wider alignment with the Masterplan Framework.

Low Carbon Policy

Proposals for all development in St Cuthbert's Garden village should make the fullest contribution to creating environments which enable carbon reduction and are resilient to climate change. Applicants will be required to demonstrate through their proposals a commitment to reducing carbon emissions in accordance with the Vision and Principle 7 of the St. Cuthbert's Garden Village masterplan.

Proposals should be designed in such a way to embrace a whole place approach which requires applicants to consider how the development would contribute to carbon reductions through energy conservation and efficiency in the design, layout and choice of materials as well as the operation of the building and the mobility options of the future occupants. These principles should be a key part of the design process to ensure that consideration can be given to the orientation of buildings to maximise opportunities for solar gain as well as the potential for alternative sources of energy supply.

As a minimum it will be expected that all new residential developments should demonstrate a reduction in CO₂ emissions of 20% above part L in line with the Future Homes Standard embracing high building fabric standards and low carbon heating systems such as heat pumps, triple glazing and high levels of insulation.

New non-domestic buildings will be required to be built to BREEAM Excellent sustainability standard in accordance with Carlisle City Council's Climate Change Strategy (currently draft).

In addition all development must be designed to enable the behavioural shift of its occupants towards smart and sustainable living by including the following in their design:

- Electric vehicle charging points
- Access to highspeed broadband
- Smart energy efficient heating systems
- Highly accessible and secure cycle storage – to make walking and cycling the modes of travel of choice
- Systems to allow for the efficient use of water and or grey water harvesting/usage.
- Adequate and convenient space for recycling storage
- Photovoltaic panels

Applicants will be required to demonstrate, through the submission of an energy statement, how their scheme will meet the above requirements.

Proposals must demonstrate how they have had regard to the 'Sustainability, Low Carbon and Innovation' section of the Strategic Design SPD.

Biodiversity Net Gain Policy

All new development must deliver a measurable biodiversity net gain.

Applicants for major and minor development will be required to demonstrate that a minimum 10% net gain in biodiversity will be achieved either directly on site or, where this is not achievable, through contributions to an off-site area of habitat creation and/or enhancement as shown in the final Masterplan Framework or otherwise agreed with Natural England. Favourable consideration will be given to applications that seek to achieve gains greater than 10%.

A qualified ecologist should be employed by the applicant to undertake a site assessment of potential biodiversity net gains using an agreed metric. This assessment must be done at appropriate times of year and establish a baseline pre-development score for biodiversity alongside an anticipated score that will result from the likely impacts of development. This information should be included in a dedicated section for biodiversity net gain as part of the development's accompanying ecological assessment. Reference to net gain measures to be taken on site should also be included in the development's Design and Access Statement. Where it is proposed that net gain will be achieved through off-site mitigation measures, clear justification as to why gains cannot be achieved on site will be required.

Where a site has recently suffered rapid or demonstrably deliberate deterioration to its ecological integrity, the initial baseline biodiversity score must be based on an assessment of the site prior to this deterioration.

Detailed ecological assessments will not be required for householder applications or for sites of very low ecological interest, but applicants will still be required, through an accompanying ecological appraisal or written statement, to demonstrate what measures they will be taking to achieve a degree of on-site net gain. This should be proportionate to the scale of their proposals.



NOTICE OF EXECUTIVE KEY DECISIONS

9 October 2020

Notice of Key Decisions

This document provides information on the 'key decisions' to be taken by the Executive within the next 28 days. The Notice will be updated on a monthly basis and sets out:

- Details of the key decisions which are to be taken;
- Dates of the Executive meetings at which decisions will be taken;
- Details of who will be consulted and dates for consultation;
- Reports and background papers which will be considered during the decision making process;
- Details of who to contact if further information is required
- Details of where the document can be inspected
- Details of items which the public may be excluded from the meeting under regulation 4(2) and the reason why
- Details of documents relating to the decision which need not, because of regulation 20(3) be disclosed to the public and the reason why.

The dates on which each new Notice will be published are set below:

Publication Dates

6 March 2020	14 August 2020
24 April 2020	11 September 2020
22 May 2020	9 October 2020
19 June 2020	13 November 2020
17 July 2020	14 December 2020

Key decisions are taken by the City Council's Executive and these are usually open to the public. Agendas and reports and any other documents relevant to the decision which may be submitted can be viewed in the Customer Contact Centre at the Civic Centre, Carlisle or on the City Council's website (www.carlisle.gov.uk). Agendas and reports are published one week ahead of the meeting.

A Key Decision is an Executive decision which is likely –

- (a) to result in the relevant local authority incurring expenditure which is, or the making of savings which are, significant* having regard to the local authority's budget for the service or function to which the decision relates;
- (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority.

*significant expenditure or savings to the authority in excess of £70,000

The City Council's Executive Members are:

Councillor J Mallinson (Leader / Chairman)
Councillor G Ellis (Deputy Leader, and Finance, Governance and Resources Portfolio Holder)
Councillor N Christian (Environment and Transport Portfolio Holder)
Councillor S Higgs (Culture, Heritage and Leisure Portfolio Holder)
Councillor Mrs Mallinson (Communities, Health and Wellbeing Portfolio Holder)
Councillor P Nedved (Economy, Enterprise and Housing Portfolio Holder)

Should you wish to make any representations in relation to the items being held in private or If you require further information regarding this notice please contact Democratic Services on 01228 817039 or committeeservices@carlisle.gov.uk.

Index of Active Key Decisions

		Date Decision to be considered:	Date Decision to be taken:
KD.07/20	Homelessness and Rough Sleeping Strategy 2021-2026	13 January 2021 consultation period to include Overview and Scrutiny as appropriate	8 February 2021
KD.24/20	Tullie House Business Plan	12 October 2020 consultation period to include Overview and Scrutiny as appropriate	14 December 2020
KD.25/20	Budget Process 2021/22 – 2025/26	9 November 2020, 7 December 2020, 14 December 2020, 13 January 2021	9 November 2020, 7 December 2020, 14 December 2020, 13 January 2021
KD.26/20	Bitts Park Interactive Water Feature – release of insurance settlement funds for flood damage reinstatement to the capital programme.		9 November 2020
KD.27/20	Review of Public Space Protection Orders	14 December 2020 consultation period to include Overview and Scrutiny as appropriate	8 February 2021
KD.28/20	St Cuthbert's Garden Village Local Plan – preferred option consultation	9 November 2020 consultation period to include Overview and Scrutiny as appropriate	13 January 2021

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.07/20
Type of Decision:	Executive
Decision Title:	Homelessness and Rough Sleeping Strategy 2021-2026
Decision to be taken:	The Executive will be asked to support the strategic priorities identified as part of a statutory review and consultation process; targeting Homelessness and Rough Sleeping in Carlisle from 2021 to 2026.
Date Decision to be considered:	13 January 2021 consultation period to include Overview and Scrutiny as appropriate
Date Decision to be taken:	8 February 2021
Is the Decision Public or Private?:	The decision will be taken in public
Documents submitted for consideration in relation to the Decision:	The report of the Corporate Director of Governance and Regulatory Services will be available five working days before the meeting
Contact Officer for this Decision:	Corporate Director of Governance and Regulatory Services, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Economy, Enterprise and and Housing (Councillor Nedved)
Relevant or Lead Overview and Scrutiny Panel:	Health and Wellbeing Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.24/20
Type of Decision:	Executive
Decision Title:	Tullie House Business Plan
Decision to be taken:	The Executive will be asked to consider the business plan and refer to Health & Wellbeing Scrutiny Panel prior to making recommendations to Council.
Date Decision to be considered:	12 October 2020 consultation period to include Overview and Scrutiny as appropriate
Date Decision to be taken:	14 December 2020
Is the Decision Public or Private?:	The decision will be taken in private. The report is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as the report contains exempt information relating to the financial or business affairs of any particular person (including the authority holding that information)
Documents submitted for consideration in relation to the Decision:	The report of the Deputy Chief Executive will be available five working days before the meeting
Contact Officer for this Decision:	Deputy Chief Executive, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Culture, Heritage and Leisure (Councillor Higgs)
Relevant or Lead Overview and Scrutiny Panel:	Health and Wellbeing Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.25/20
Type of Decision:	Executive
Decision Title:	Budget Process 2021/22 – 2025/26
Decision to be taken:	<p>The Executive will be asked to:</p> <p>Consider strategic financial issues arising from the budget setting process:</p> <ul style="list-style-type: none"> (a) Revenue Estimates including spending pressures, bids and savings (9th November 2020) (b) Individual Charges Reviews (9th November 2020) (c) Provisional Capital Programme including new spending proposals (9th November 2020) (d) Corporate Assets – Repair and Maintenance Programme (9th November 2020) (e) Treasury Management Base Estimates (9th November 2020) (f) Local Taxation (including CTRS) (9th November 2020) (g) Consideration of Scrutiny Consultation feedback (7th December 2020) (h) Draft Revenue Settlement Figures (if available) (14th December 2020) (i) Summary Revenue Budget (including decision on Business Rate Pooling) (14th December 2020) (j) Summary Capital Programme (if required) (14th December 2020) (k) Draft Treasury Management and Investment Strategy including MRP Strategy (14th December 2020) (l) Executive Draft Budget Proposals for consultation (14th December 2020) (m) Consideration of Final Budget Consultation (13th January 2021) (n) Draft Revenue Settlement Figures (if available) (13th January 2021) (o) Final Revenue Budget Summary (13th January 2021) (p) Provisional Capital Programme (13th January 2021) (q) Treasury Management and Investment Strategy including MRP Strategy (13th January 2021) (r) Executive's Final Budget Proposals (13th January 2021)
Date Decision to be considered:	9 November 2020, 7 December 2020, 14 December 2020, 13 January 2021
Date Decision to be taken:	9 November 2020, 7 December 2020, 14 December 2020, 13 January 2021
Is the Decision Public or Private?:	The decision will be taken in public

Documents submitted for consideration in relation to the Decision:	The report of the Corporate Director of Finance and Resources will be available five working days before the meeting
Contact Officer for this Decision:	Corporate Director of Finance and Resources, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Finance, Governance and Resources (Councillor Ellis)
Relevant or Lead Overview and Scrutiny Panel:	Business and Transformation Scrutiny Panel Economic Growth and Health & wellbeing Scrutiny Panels for New Spending Proposals, Savings and Charges pertaining to their individual areas of responsibility.

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.26/20
Type of Decision:	Executive
Decision Title:	Bitts Park Interactive Water Feature – release of insurance settlement funds for flood damage reinstatement to the capital programme.
Decision to be taken:	The Executive will be asked to approve the release of the full settlement of £73,591.50 received from the Council's insurers to the capital programme to allow progression of flood damage reinstatement works in readiness for Spring 2021.
Date Decision to be considered:	
Date Decision to be taken:	9 November 2020
Is the Decision Public or Private?:	The decision will be taken in public.
Documents submitted for consideration in relation to the Decision:	The report of the Deputy Chief Executive be available five working days before the meeting
Contact Officer for this Decision:	Deputy Chief Executive, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Communities, Health and Wellbeing (Councillor Mrs Mallinson)
Relevant or Lead Overview and Scrutiny Panel:	Health and Wellbeing Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.27/20
Type of Decision:	Executive
Decision Title:	Review of Public Space Protection Orders
Decision to be taken:	<p>Local Authorities were granted powers to introduce Public Space Protection Orders (PSPO) in 2014 through section 59 of the Anti-Social Behaviour, Crime and Policing Act 2014. PSPOs replaced previous legislation and introduced wider discretionary powers to deal with nuisances or problems which harm the local community's quality of life. A PSPO needs to be reviewed every three years and the current Public Space Protection Order expires on the 21st March 2021</p> <p>An order is intended to ensure that people can use and enjoy public spaces, living safely from anti-social behaviour. An order will specify an area where activities are taking place that are detrimental to the quality of life of those in the area and can impose conditions and restrictions on people using the specified area.</p> <p>The Executive will be asked to approve the content of a new PSPO for the next three years following consultation with partners.</p>
Date Decision to be considered:	14 December 2020 consultation period to include Overview and Scrutiny as appropriate
Date Decision to be taken:	8 February 2021
Is the Decision Public or Private?:	The decision will be taken in public.
Documents submitted for consideration in relation to the Decision:	The report of the Deputy Chief Executive will be available five working days before the meeting
Contact Officer for this Decision:	Deputy Chief Executive, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Communities, Health and Wellbeing (Councillor Mrs Mallinson)
Relevant or Lead Overview and Scrutiny	Health and Wellbeing Scrutiny Panel

Panel:	
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All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice of Key Decisions to be taken by the Executive

The following key decision is to be made on behalf of Carlisle City Council:

Key Decision Reference:	KD.28/20
Type of Decision:	Executive
Decision Title:	St Cuthbert's Garden Village Local Plan – preferred option consultation
Decision to be taken:	The Executive will be asked to approve the draft St Cuthbert's Local Plan policies for public consultation.
Date Decision to be considered:	9 November 2020 consultation period to include Overview and Scrutiny as appropriate
Date Decision to be taken:	13 January 2021
Is the Decision Public or Private?:	The decision will be taken in public.
Documents submitted for consideration in relation to the Decision:	The report of the Corporate Director of Economic Development will be available five working days before the meeting
Contact Officer for this Decision:	Corporate Director of Economic Development, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Economy, Enterprise and and Housing (Councillor Nedved)
Relevant or Lead Overview and Scrutiny Panel:	Economic Growth Scrutiny Panel

All public reports can be viewed in the Customer Contact Centre of the Civic Centre, Carlisle, the Public Library and on the Council's website www.carlisle.gov.uk.

Other documents relevant to the matter may be submitted to the decision maker. These, if available, may be obtained by contacting the named contact officer.

Notice prepared by Councillor John Mallinson,
Leader of Carlisle City Council

Date: 9 October 2020

Officer Decisions

A.4

Below is a list of decisions taken by Officers which they have classed as significant, full details and supporting background documents can be viewed on the Council's website www.carlisle.gov.uk/CMIS/

Decision Ref No	Title: Subject and Decision Taken:	Reports and Background Papers considered:	Date Decision Taken:	Decision Maker:
OD.106/20	<p>Sands Centre Redevelopment Project (Variation No.10)</p> <p>Following appropriate consultation as set out in the Scheme of Delegation (Appendix E of report CS.17/19) to vary the Sands Centre Pre-Contract Services Delivery Agreement to incorporate works taken for the main contract, which is due to be agreed early November. These works are described below:</p> <p>Site set up –</p> <ul style="list-style-type: none"> ▪ Extended hoarding delivery and installation ▪ Main site cabins install and fit out (meeting Covid-19 requirements) ▪ Temporary electrical and water supply and connections ▪ Welfare facilities consumables ▪ Access controls for the main site (turnstiles etc.) ▪ Demolition procurement ▪ Vibro-piling procurement <p>These works will bring forward costs arising from the main contract</p>	Report CS.17/19	26 October 2020	Deputy Chief Executive Pursuant to the scheme of delegation attached as Appendix E to Report CS.17/19
OD.105/20	<p>The Four Oaks, Cargo</p> <p>The decision is to de-list The Four Oaks, Cargo, Carlisle, as a community asset under the Localism Act 2011.</p>	<p>PC 15/14 – Community Right to Bid report at Executive 15/12/14</p> <p>Application form for Community Right to Bid - Private * Not for publication by virtue of paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972</p>	16 October 2020	Chief Executive

		<p>Planning permission ref 18/0127</p> <p>Building Control Register - Private * Not for publication by virtue of paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972</p>		
OD.102/20	<p>Licensing Decisions taken between 6 September and 1 October 2020</p> <p>The Licensing Manager has granted the attached licences or permissions under an express authorisation delegated to her and in accordance with the Council's policy requirements.</p>	<p>Applications for various licences. Private Not for Publication by Virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act.</p>	01 October 2020	Licensing Manager
OD.103/20	<p>Release of S106 Funds to Capital Programme 11072 15/0918 - The Coppice, Garlands</p> <ul style="list-style-type: none"> A sum of £70,468.89 was received from Taylor Wimpey UK Ltd on 03/06/2019 as part of a Section 106 (developer contribution) agreement for a residential development on land off Cumwhinton Drive, to be known as The Coppice. The agreement states that the funds are to be spent on supporting the off-site improvement of existing sports fields in the parish of St Cuthbert by 3rd June 2024. The Health and Wellbeing Team intend to use this funding to improve an existing sports field plus adjoining play area and green space located off Pennine View Close, Garlands in approximately 2022/23. Prior to any major investment taking place a full consultation exercise will be undertaken with the local community. Short-term assessment of the existing play area and amenity features has revealed a need for immediate repairs to fencing, gates and play equipment plus replacement of a litter bin. These improvements will not affect future plans for the area but will ensure that it remains safe and well maintained until the project begins. 	None	29 September 2020	Deputy Chief Executive

	<ul style="list-style-type: none"> Quotes have been received for the works required to maintain the site in good condition and therefore the sum of £1900.00 of Section 106 funds requires transferring to revenue in readiness for purchase orders to be placed. 			
OD.104/20	<p>Enforced Sale of an empty property</p> <p>To use the Enforced Sale procedure to recover debts incurred by the Council on an empty property, 18 Delagoa Street, Carlisle CA1 2LZ, as an exception to policy in that the debt does not exceed £1,000.</p>	A fuller grounds for taking action are attached	25 September 2020	Corporate Director of Governance and Regulatory Services

JOINT MANAGEMENT TEAM

MINUTES – 12th October 2020

Attendees	Leader; Deputy Leader; PH Economy, Enterprise & Housing; PH Environment & Transport; PH Communities, Health & Wellbeing; PH Culture, Heritage & Leisure; Chief Executive; Deputy Chief Executive; Corporate Director of Economic Development (joined 2.10 p.m.)
Apologies	Corporate Director of Governance & Regulatory Services; Corporate Director of Finance & Resources

Agenda Item 1 – Minutes of Meeting 14th September 2020	Action
Noted and agreed	
Agenda Item 2 – Carlisle Cultural Strategy	
The Portfolio Holder for Culture, Heritage & Leisure and the Deputy Chief Executive provided a verbal update to attendees, confirming the Strategy will be launched on 9 th November 2020	
Agenda Item 3 - Updates on Borderlands; The Sands; Civic Centre; St Cuthbert's Garden Village; Central Plaza; J44	
Members of SMT provided the Executive with their update on the current position regarding each area	

Agenda Item 4 – Future Items for Notice of Executive Key Decisions	
Noted and agreed	
Agenda Item 5 - JMT Forward Plan	
Reviewed and agreed	

Report to Executive

Agenda
Item:

A.6

Meeting Date: 9 November 2020
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework YES
Public / Private Public

Title: REVENUE BUDGET OVERVIEW & MONITORING REPORT:
APRIL TO SEPTEMBER 2020
Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES
Report Number: RD 36/20

Purpose / Summary: This report provides an overview of the Council's overall budgetary position for the period April to September 2020 for revenue schemes only and provides details of the impact of COVID-19 on the revenue budget. The report also includes details of balance sheet management issues, bad debts written off in the period and progress against the budget savings is also provided.

Recommendations:

The Executive is asked to:

- (i) Note the budgetary performance position of the Council to September 2020;
- (ii) Note the action by the Corporate Director of Finance and Resources to write-off bad debts as detailed in paragraph 6;
- (iii) Note the release of reserves as set out in the table at paragraph 2.2, and note the virements approved as detailed in Appendix A.

Tracking

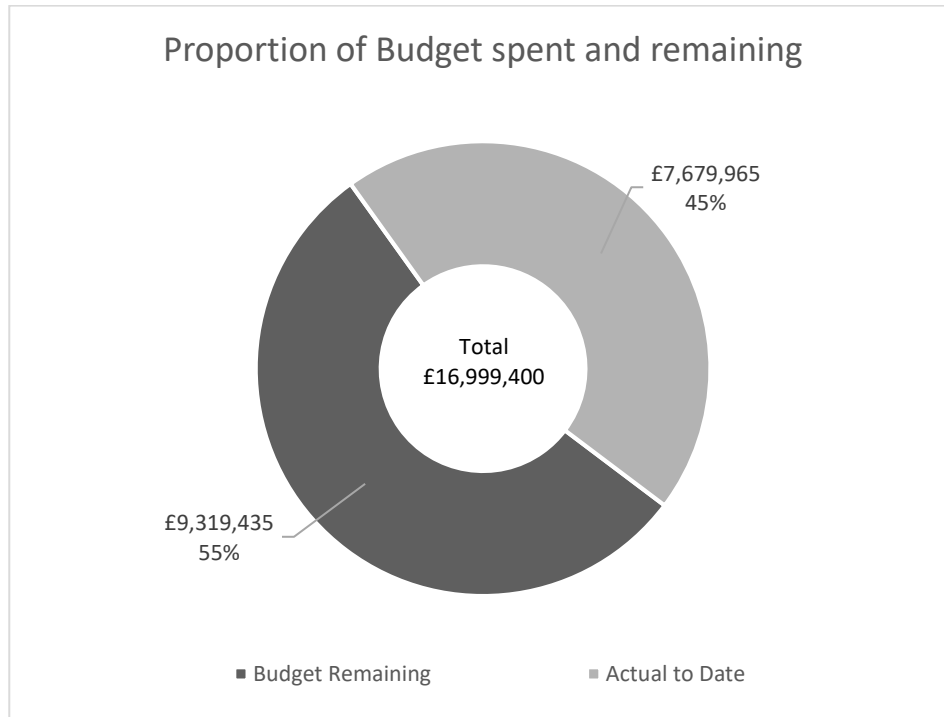
Executive:	9 November 2020
Scrutiny:	1 December 2020
Council:	n/a

1. BACKGROUND INFORMATION AND OPTIONS

- 1.1 In accordance with the City Council's Financial Procedure Rules, the Corporate Director of Finance and Resources is required to report to the Executive on the overall budget position, the monitoring and control of expenditure against budget allocations and the exercise of virement on a regular basis. Further details of virements processed can be found in **Appendix A**. It is the responsibility of individual Chief Officers to control income and expenditure within their service areas and to monitor performance, taking account of financial information provided by the Corporate Director of Finance and Resources.
- 1.2 All Managers currently receive a monthly budget monitoring report covering their areas of responsibility. Information is collated from the main accounting system and then adjusted to correct any known budget profiling trends, timing differences and commitments. The report has been developed in line with the need to provide sound financial management information to inform the decision making process.
- 1.3 Please note that throughout this report:
- (i) the use of a bracket represents a favourable position i.e. either an underspend or additional income received,
 - (ii) the term 'underspend' is taken to include both reduced expenditure and/or increased income,
 - (iii) the term 'overspend' includes both spending above budget and/or shortfall in income.

2. 2020/21 REVENUE BUDGET MONITORING

2.1 The budget position of the Council as at September 2020 is as follows:



2.2 The summarised revenue budgetary position as at September 2020 is shown in the following table:

		Original Budget £	Net Updated £	Net Budget to Date £	Net Spend to Date £	Variance £
Community Services	B1	10,263,400	10,142,200	4,068,405	4,460,896	392,491
Corporate Support	B2	1,685,100	1,619,300	542,418	553,852	11,434
Economic Development	B3	1,808,900	2,193,700	1,053,384	1,166,455	113,071
Finance & Resources	B4	1,418,300	1,378,200	1,840,460	997,746	(842,714)
Governance & Regulatory Services	B5	1,157,900	1,795,400	992,406	1,088,308	95,902
Corporate Management	B6	(2,491,600)	(129,400)	(353,141)	(587,292)	(234,151)
Service Expenditure		13,842,000	16,999,400	8,143,932	7,679,965	(463,967)
Parish Precepts		688,200	688,200	688,200	687,965	(235)
Total		14,530,200	17,687,600	8,832,132	8,367,930	(464,202)
Transfers to/(from) Reserves						
Cremator Replacement Reserve		0	55,300			
Carry Forward Reserve		0	(22,300)			
Revenue Grants Reserve		0	(729,800)			
General Fund Reserve		(456,100)	(971,700)			
Planning Services Reserve		0	8,700			
Flood Reserve		0	(1,944,200)			
Building Control Reserve		0	(9,500)			
Total Transfer to/(from) Reserves		(456,100)	(3,613,500)	(1,795,082)	(963,343)	831,739
Financed by:						
Precept from Collection Fund		(8,205,200)	(8,205,200)	(4,102,600)	(4,102,390)	210
Business Rate Retention		(5,868,900)	(5,868,900)	(2,934,450)	(3,302,197)	(367,747)
Total Grants		(14,074,100)	(14,074,100)	(7,037,050)	(7,404,587)	(367,537)
Total		(14,530,200)	(17,687,600)	(8,832,132)	(8,367,930)	464,202

2.3 Further details for each directorate can be found in **Appendices B1 – B6**. Each appendix shows a breakdown of the variances for the Directorate, with comments and a note of any performance issues. Although the net position is shown in the table above, the main variances are summarised in the table below.

Budget Area		Underspend £	Overspend £
Bereavement Services	B1	(135,714)	0
Car Parking Income	B1	0	395,303
Leisure Contract	B1	0	292,346
Recycling and Waste Management	B1	(126,027)	0
Building Control Fee Income	B3	0	51,673
Development Control Income	B3	0	59,297
Loan Interest (including new borrowing)	B4	(783,061)	0
Investment Interest Received	B4	(53,702)	0
The Lanes Income	B5	0	221,681
Homeless Accommodation	B5	0	124,718
Electoral Services	B6	(51,839)	0
Inflation Savings still to find	B6	0	66,800
Salary Turnover Savings	B6	(306,090)	0

2.4 Some of the **significant** service expenditure and income variances are set out below:

- A net underspend in Bereavement Service due to increased cremation fee income received; this may be due partly to Covid-19.
- A shortfall in car parking income from tickets, permits and penalty charge notices due to Covid-19.
- An overspend on the Leisure contract due to a variation to contract agreed as part of the approval to proceed with the Sands Centre Development project. The budget required for the variation in 2020/21 is £640,000 and a virement to fund this is being recommended to Council for approval.
- A net underspend in Recycling and Waste Services due to reduced transport costs and increased income from plastic and card recycling.
- A shortfall in Building Control fee income due to Covid-19 and a drop in applications (and associated submission fees) and work commencing on site (and associated inspection fees).
- A shortfall in Development Control fee income due to Covid-19.
- A saving from interest on borrowing due to no new borrowing entered into yet and also a budget saving against the final stock issue interest payment. A virement of £469,300 from these savings is being recommended to Council for approval to part fund the Leisure contract variation.
- Higher than expected returns to date on Investments due to higher cash balances.
- Rental income losses from the Lanes with current projections indicating a potential loss of £539,000 for 2020/21. This will be partly offset by prior year head rent reconciliations which are estimated at £108,000.
- An underspend of £18,288 on expenditure on Homeless Accommodation and a shortfall in income of £143,006. This is a direct result of Covid-19 as changes to

occupancy and the available provision have had to be made to ensure the health and wellbeing of residents and staff.

- An underspend on Election costs as a result of the cancellation of the May 2020 elections due to Covid-19 restrictions.
- Additional salary turnover achieved against the budget to date. A virement of £170,700 from these savings is being recommended to Council for approval to part fund the Leisure contract variation. The budget required for the agreed pay award of 2.75% for 2020/21 has been calculated at £92,700 over the 2% budget provision already provided in 2020/21 and this can be funded from overachieved salary turnover savings in year. The recurring pressure is being considered as part of the 2021/22 budget process.
- A balance of £66,800 of inflation savings still to be found on a recurring basis.

2.5 A subjective analysis of the summarised budgetary position excluding exceptional items as at September is shown in **Appendix C**.

2.6 The following table provides a summary position of the income and expenditure within Exceptional Items:

		Original Budget £	Net Updated £	Net Budget to Date £	Net Spend to Date £	Variance £
Flood Related	B7	0	0	0	46,479	46,479
Covid-19 Related	B7	0	533,000	261,110	(840,114)	(1,101,224)
Covid-19 Grants	B7	0	0	0	(2,054,075)	(2,054,075)
Total Exceptional Items		0	533,000	261,110	(2,847,710)	(3,108,820)
Transfer to/(from) Reserves						
General Fund Reserve		0	(533,000)			
Total Transfer to/(from Reserves)		0	(533,000)			

2.7 Further details for this directorate can be found in **Appendix B7** which shows a breakdown of the variances for the Directorate, with comments and a note of any performance issues. The main variances are also summarised below.

- An overspend in relation to uninsured and reinstatement costs as a result of flooding caused by Storm Ciara. Potential insurance settlements are still being negotiated.
- A net underspend position on Council related expenditure as a result of Covid-19. The balance will be required to support other pressures/shortfalls in income

(reported above) that are currently reported against individual service areas but are a direct result of Covid-19 e.g. car parking income.

- A net underspend on the Covid-19 grants that are still being paid out. All grants paid will be subject to a reconciliation process and any remaining balance of the grant income received will be required to be returned to Central Government.

2.8 The following table shows the position as at September 2020 of savings achieved against the budget savings targets to date.

Savings Target	Target (£)	Achieved (£)	(Overachieved) /Outstanding (£)
Inflation savings	100,000	33,200	66,800
Net Recurring position 2020/21	100,000	33,200	66,800
To be found from 2021/22 onwards	1,000,000	0	1,000,000
Total Net Recurring position 2021/22	1,100,000	33,200	1,066,800

The recurring savings targets approved above will need to be achieved in accordance with the three current strands contained within the approved Savings Strategy i.e. Asset Strategy; Service Reviews; Core Budgets. The recent Peer Review also reinforced the need for a robust savings strategy to close the anticipated £1million funding gap, and to undertake and implement a base budget review, both of which have already been recognised by Council; however, a further recommendation has been made which could be considered as part of this Savings Strategy:

- Develop a commercial strategy which defines what commercialisation means in Carlisle, risk appetite and potential scope of commercial activity.

3. FORECAST OUTTURN POSITION 2020/21

3.1 The Council's financial position is affected by a number of external factors that have a financial impact during the course of the year and ultimately at the year end. These include:

- The general effect of local economic activity on the Council's income streams e.g. car parking, tourism and leisure activities, and property rentals especially in relation to the retail sector and especially economic recovery following Covid-19.
- Fuel prices, energy costs and other inflationary issues.
- The effects of the housing market and property prices, especially with regard to income from land charges, rents and building and development control.

- The impact of the delay to the Spending Review, the Fair Funding Review and Business Rates Retention Review.
- The impact of Covid-19 on Council's budgetary position. Government emergency funding and the co-payment funding mechanism for loss of income on sales, fees and charges are discussed in more detail at paragraph 4.

3.2 The Council's financial position will continue to be closely monitored and likely year end position will be reported more fully in a future monitoring report. It will be important to maintain a prudent approach to ensure a sustainable position for future years to avoid any significant variance at year end.

3.3 The areas of significant variance noted in this report will also be scrutinised fully and incorporated into the 2021/22 budget process if the position is deemed to be recurring in nature.

4. IMPACT OF COVID-19

4.1 Emergency Funding

4.1.1 The MHCLG has allocated emergency funding of approximately £4.7bn to local authorities to meet pressures across council services, as a result of reduced income, rising costs or increased demand.

4.1.2 The Council received £58,738 on 27th March from tranche 1 (£1.6bn), £1,073,801 on 14th May from tranche 2 (£1.6bn), £196,335 on 3rd August from tranche 3 (£0.5bn) and has recently announced the tranche 4 allocations (22nd October 2020) with the Council being allocated £478,254. This amounts to **£1,807,128** in total, which will be allocated across affected services.

4.1.3 A separate co-payment mechanism is also in place in respect of irrecoverable Sales, Fees and Charges (SFC) income, with the Government covering 75% of losses beyond 5% of planned income. The Council has recently submitted the first claim for compensation for the loss of Sales Fees and Charges which will result in a payment of approximately £225,000 covering the period to the end of July (this compensation payment is not included in the figures presented in this report).

However, the guidance only refers to compensation for lost sales, fees and charges income and is currently silent on the reimbursement for any losses of commercial income which could also have a significant impact on our budget position.

4.1.4 Monthly returns are provided through DELTA to the MHCLG, with the latest return being submitted on 2nd October 2020. An assessment of the annual impact is very

difficult to predict but as more data is collected each month, the position will become clearer and therefore the estimates of lost income and additional costs incurred may change. The returns that have been submitted monthly show an overall position for the 6 months April to September 2020 as a total potential gross cost to the Council of £2,574,334; however, once additional income and cost savings in those affected areas are taken into account, the actual losses reduce to £2,343,951, some of which are explained in the table at 2.3 above. This cost will be partially funded by the emergency funding received from Central Government, sales fees and charges compensation as outlined above, and general fund reserves released to support the costs associated with the pandemic.

- 4.1.5 The full-year impact for 2020/21 is continuously monitored with initial estimates indicating a potential annual cost of up to £3.9million. When compared to the emergency funding received to date, the estimated SFC compensation and use of our General Fund Reserve, there may still be a shortfall of between £500,000 and £900,000. This does not reflect the impact on the Collection Fund for which the Government is providing a 3-year deficit recovery period.

4.2 Collection Fund

- 4.2.1 As a result of the 100% business rate relief provided to the retail, leisure and hospitality sector, the net business rates payable for 2020/21 has reduced by approximately £21million from £44million to £23million.
- 4.2.2 The Council will be recompensed during the year for the 100% relief so there will no cash flow or budget issues; however, the main risk relates to the receipt of the £23million payable from businesses and how these are affected by COVID-19 and economic recovery following lockdown. Collection rates are reported elsewhere on the agenda (RD34/20) and these will continue to be monitored to assess the financial impact on cash flow, bad debts and the potential for year-end deficits.
- 4.2.3 The £500million Hardship Fund will provide support to economically vulnerable people and households by providing relief to council taxpayers. The Council's allocation was £989,736 and our agreed scheme will provide a £300 reduction in council tax liability to working age recipients of the Council Tax Reduction Scheme (CTRS); with the balance of our allocation being used to support further applications for council tax support on a case by case basis.

- 4.2.4 The main risk relates to how the expected overall increase in CTRS claimants, and the associated cost of CTRS relief, will be funded and be provided to the Council. An increase in claimants directly impacts on the council tax base and ultimately the yield from council tax. The cost of the current CTRS scheme is shared between the main preceptors but there has been no government support announced as yet to provide funding for any increase in additional claimants. Similar to business rates, the collection rates for council tax are reported elsewhere on the agenda and will be closely monitored for cash flow, bad debts and increases in CTRS claimants.
- 4.2.5 The main risk for both business rates and council tax is the potential loss of income with the resulting impact on cash flow for the main precepts on the Collection Fund. The technical nature of this fund means that any 2020/21 deficit will be reflected in the following years budget; however, the recent Government announcement means that any deficit can be recovered over a three-year period – this will be considered as part of the 2021/22 budget process.
- 4.2.6 Further funding has been allocated to the Council to provide support to those individuals who have been advised by NHS Test and Trace to self-isolate. A £500 payment will be made to those individuals who are self-isolating either because they have tested positive for coronavirus or they have been in close contact with someone who has tested positive. Certain eligibility criteria must be met to qualify for the payment and there is also a discretionary fund for cases where not all the criteria have been fulfilled. The Council has been allocated approximately £100,000 to fund the main scheme, the discretionary scheme and any associated administration costs.
- 4.2.7 New burdens funding will be provided for all of the schemes administered by the Council and to date £170,000 has been received in respect of the small business, and retail, leisure and hospitality grant schemes.

5. FUNDING

- 5.1 The main sources of funding for the Council are Council Tax Income and Business Rates income. Council Tax income does not vary in year from the amounts set at the budget, as any variation in Council Tax income received is usually adjusted in the Collection Fund Surplus/Deficit calculation for the following year's budget. However, the MHCLG has announced a 3-year deficit recovery period (see 4.2.5 above).

- 5.2 Business Rates Income is largely prescribed by the amounts submitted to MHCLG on the NNDR1 form which estimates Business Rate Income for the year when calculated in January, however, there are two elements of this income that can vary throughout the year, namely, section 31 grants paid by government for business rates reliefs granted, and the levy and pooling calculations to the Cumbria Pool.
- 5.3 The current estimates of Business Rates income for the quarter to the end of June compared to the initial estimates submitted in January are shown in **Appendix D**. The figures to the end of September have not yet been completed.

The figures show that based on the position at the end of June, the Council may receive an extra £367,747 in business rates income over and above what it has budgeted for. However, it is anticipated that this position could change significantly throughout the year depending upon the performance of other authorities in the Cumbria Pool, the implications of Covid-19 and the amount of reliefs granted during the year that are subject to Section 31 Grant reimbursement and an updated position will be reported later in the year. A 3-year deficit period is now permitted for any Collection Fund deficits in accordance with new funding package announced recently by MHCLG.

6. BALANCE SHEET MANAGEMENT

- 6.1 In line with CIPFA guidance and good practice, information relating to significant items on the Council's balance sheet is shown below. The information concentrates on those items that may have a material impact on the Council if not reviewed on a regular basis.

Balance Sheet item	Balance at 31/03/2020	Balance at Sep 2020	Note
Investments	£29.71m	£20.18m	(i)
Loans	£28.78m	£13.54m	(ii)
Debtors System	£1.67m	£1.98m	(iii)
Creditors System	£0.00m	£0.24m	

- (i) The anticipated annual return on these investments is estimated at £265,200 for 2020/21 with current forecasts anticipated to be in line with these projections. Further details on the overall Treasury Management performance can be found elsewhere on the agenda.
- (ii) The cost of managing this debt (including any new debt budgeted for from 2020/21 onwards), in terms of interest payable, is budgeted at £1,506,700 in 2020/21 with costs currently showing a saving against budget due to new

borrowing not entered into yet and also a budget saving against the final stock issue interest payment.

- (iii) There may be a significant impact on the cash flow of the Council if outstanding debts are not received. Any debts deemed to be irrecoverable are written off against a bad debt provision set up specifically for this purpose. Other significant debts relate to Council Tax, NNDR, and Housing Benefit overpayments.
- (iv) The Council's VAT partial exemption calculation for the period ending September 2020 is currently 2.30%, well below the 5% limit.

7. BAD DEBT WRITE-OFFS

- 7.1 The Corporate Director of Finance and Resources has delegated authority for the write-off of outstanding debts for NNDR, Council Tax and Debtors (including Penalty Charge Notices). In accordance with this, the Executive is asked to note that debts totalling £193,583.86 have been written off during Quarter 2 to the end of September 2020. A summary of bad debts is given in Table 1 in **Appendix E** of this report and these costs will fall against the following:

	£
General Fund	2,086.44
Council Tax (Collection Fund)	24,955.08
NNDR	166,542.34
Total Write-offs	193,583.86

- 7.2 The "write-ons" itemised in Table 2 in **Appendix E**, totalling £4,141.07, are in respect of balances originally written off that have since been paid. The write-ons will be credited as follows:

	£
General Fund	0.00
Council Tax (Collection Fund)	3,895.63
NNDR	245.44
Total Write-ons	4,141.07

- 7.3 In the case of the General Fund, the write-offs will be charged against provisions for bad debts. However, VAT, which has been identified separately, will be recouped in future VAT returns. Any write-off/write-on of Council Tax/NNDR will fall against the provisions within the Collection Fund. Any Council Tax court costs written off will be charged against the Bad Debt Provision within the General Fund.

- 7.4 The level of outstanding debt has increased during the pandemic and a 'soft' debt recovery process has now been agreed whereby letters are being issued asking debtors to contact the Council to discuss flexible repayment terms, and a sign post to the CTRS scheme for council tax payers.

8. RISKS

- 8.1 The ongoing impact of issues identified will be monitored carefully in budget monitoring reports and appropriate action taken.
- 8.2 The main risk to the Council is the overall cost of COVID-19 in terms of additional costs and shortfalls of income and how this compares to the level of emergency funded provided to date, and any future funding package. The economic recovery of the city and surrounding areas is part of the Recovery Strategy and any financial impact will need to be closely monitored.

9. CONSULTATION

- 9.1 Consultation to date.
SMT and JMT have considered the issues raised in this report.
- 9.2 Consultation Proposed
Business and Transformation Scrutiny Panel will consider the report on 1 December 2020.

10. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 10.1 The Executive is asked to:
- (i) Note the budgetary performance position of the Council to September 2020;
 - (ii) Note the action by the Corporate Director of Finance and Resources to write-off bad debts as detailed in paragraph 6;
 - (iii) Note the release of reserves as set out in the table at paragraph 2.2, and note the virements approved as detailed in Appendix A.

11. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 11.1 The Council's revenue budget is set in accordance with the priorities of the Carlisle Plan and the position for the second quarter of 2020/21 shows the delivery of these priorities within budget.

Contact Officer: Emma Gillespie

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Appendices A, B1 to B7, C to E.
attached to report:

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS:

LEGAL – The Council has a fiduciary duty to manage its finances properly and the proper reporting of the budget monitoring is part of this process.

PROPERTY SERVICES – Property asset implications are contained within the main body of the report.

FINANCE – Financial implications are contained within the main body of the report.

EQUALITY – This report raises no explicit issues relating to the public sector Equality Duty.

INFORMATION GOVERNANCE – There are no information governance implications.

REVENUE BUDGET MONITORING 2020/21

VIREMENTS PROCESSED FOR PERIOD APRIL TO SEPTEMBER 2020

Date	Virement Details	Recurring/ Non-recurring	Value	Authorised By
Requested by Officers (under £35,000 or delegated authority)				
22/09/2020	Release of funding from Revenue Grant Reserve for Supporting People	Non-recurring	2,900	Corporate Director of Finance and Resources
06/08/2020 & 22/09/2020 & 08/10/2020	Release of funding from Revenue Grant Reserve for Rapid Rehousing Pathway	Non-recurring	34,200	Corporate Director of Finance and Resources
06/08/2020 & 04/09/2020 & 08/10/2020	Release of funding from Revenue Grant Reserve for Flexible Homelessness Support & Prevention	Non-recurring	13,300	Corporate Director of Finance and Resources
06/08/2020 & 04/09/2020	Release of funding from Revenue Grant Reserve for Gas Safe	Non-recurring	1,800	Corporate Director of Finance and Resources
04/09/2020 & 08/10/2020	Release of funding from Revenue Grant Reserve for Community Neighbours	Non-recurring	2,400	Corporate Director of Finance and Resources
06/08/2020 & 04/09/2020 & 08/10/2020	Release of funding from Revenue Grant Reserve for St Cuthbert's Garden Village	Non-recurring	104,800	Corporate Director of Finance and Resources
04/09/2020	Release of funding from Revenue Grant Reserve for Future High Streets Fund	Non-recurring	54,000	Corporate Director of Finance and Resources
04/09/2020 & 08/10/2020	Release of funding from Revenue Grant Reserve for Town's Deal	Non-recurring	23,000	Corporate Director of Finance and Resources
08/10/2020	Release of funding from Revenue Grant Reserve from New Burdens Grants	Non-recurring	8,000	Corporate Director of Finance and Resources
08/10/2020	Release of funding from Revenue Grant Reserve for Self Build Grants	Non-recurring	40,000	Corporate Director of Finance and Resources
Approved by Executive (£35,000 to £70,000 or delegated authority)				
Approved by Council (over £70,000)				

REVENUE BUDGET MONITORING 2020/21

COMMUNITY SERVICES	Gross Expenditure	Gross Income	Recharges	Total
Position as at 30 September 2020	£	£	£	£
Annual Budget	18,360,700	(5,399,200)	(2,819,300)	10,142,200
Budget to date	8,381,186	(2,684,457)	(1,628,324)	4,068,405
Total Actual	8,291,613	(2,280,102)	(1,550,615)	4,460,896
Variance	(89,573)	404,355	77,709	392,491
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(89,573)	404,355	77,709	392,491

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Car Parking	1	(41,823)	413,221	40	371,439
Bereavement Services	2	(16,708)	(119,062)	56	(135,714)
Destination Management	3	(46,965)	72,887	16	25,938
Garage Services	4	(48,426)	1,912	88,577	42,064
Healthy Cities	5	202,264	37,070	0	239,334
Other Green Spaces	6	(41,157)	57,694	54	16,591
Recycling and Waste Services	7	(31,827)	(89,434)	(4,765)	(126,027)
Miscellaneous	8	(64,932)	30,067	(6,269)	(41,134)
Total Variance to date		(89,573)	404,355	77,709	392,491

Note	Community Services - Comments
1.	Various minor underspends including premises related costs; Shortfall in ticket income, contract income and penalty charge notice income.
2.	Various minor underspends; increased cremation fee income.
3.	Underspend on purchase of tickets and goods for resale; shortfall in income from ticket sales and sale of goods.
4.	Various minor underspends including employee related expenses; shortfall in trading income.
5.	An overspend on the Leisure contract due to a variation to contract; underspend on supplies and services and Artist fees at the Art centre, offset by shortfall in income due to site being closed as a result of Covid-19 restrictions.
6.	Savings on supplies and services offset by shortfall in income received due to sites being closed as a result of the Covid-19 restrictions.
7.	Underspends on transport costs; surplus income from Plastic and Card recycling.
8.	Minor underspends, shortfall in income and increased trading income (recharges) across other services within the Directorate.

REVENUE BUDGET MONITORING 2020/21

CORPORATE SUPPORT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 September 2020	£	£	£	£
Annual Budget	6,622,200	(1,451,000)	(3,551,900)	1,619,300
Budget to date	3,422,242	(1,103,162)	(1,776,662)	542,418
Total Actual	3,283,324	(953,347)	(1,776,125)	553,852
Variance	(138,918)	149,815	537	11,434
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(138,918)	149,815	537	11,434

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Revenues and Benefits	1	(116,845)	117,063	79	298
Miscellaneous	2	(22,073)	32,752	458	11,136
Total Variance to date		(138,918)	149,815	537	11,434

Note	Corporate Support - Comments
1.	Underspends on employee related and supplies and services; additional grants received offset by shortfall in income from recovery.
2.	Minor underspends and shortfall in income across other services within the Directorate.

REVENUE BUDGET MONITORING 2020/21

ECONOMIC DEVELOPMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 September 2020	£	£	£	£
Annual Budget	3,715,100	(1,027,600)	(493,800)	2,193,700
Budget to date	1,851,731	(551,345)	(247,002)	1,053,384
Total Actual	1,872,232	(458,877)	(246,900)	1,166,455
Variance	20,501	92,468	102	113,071
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	20,501	92,468	102	113,071

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Regeneration	1	58,436	(14,538)	0	43,898
Development Control	2	(7,037)	59,297	0	52,260
Building Control	3	(15,947)	51,673	0	35,725
Miscellaneous	4	(14,951)	(3,964)	102	(18,812)
Total Variance to date		20,501	92,468	102	113,071

Note	Economic Development - Comments
1.	Overspend on monthly running costs of Business Interaction Centre which do not have budgets identified; increase in income.
2.	Underspend on advertising; shortfall in fee income received.
3.	Underspend on employee related salary expenditure; shortfall in fee income received.
4.	Minor underspends and increased income across other services within the Directorate.

REVENUE BUDGET MONITORING 2020/21

FINANCE AND RESOURCES	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 September 2020	£	£	£	£
Annual Budget	26,309,300	(21,607,300)	(3,323,800)	1,378,200
Budget to date	12,844,202	(8,994,337)	(2,009,405)	1,840,460
Total Actual	12,054,312	(9,047,664)	(2,008,902)	997,746
Variance	(789,890)	(53,327)	503	(842,714)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(789,890)	(53,327)	503	(842,714)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Treasury and Debt Management	1	(782,178)	(53,702)	0	(835,880)
Miscellaneous	2	(7,712)	375	503	(6,834)
Total Variance to date		(789,890)	(53,327)	503	(842,714)

Note	Finance and Resources - Comments
1.	Saving on borrowing costs due to no new borrowing arrangements entered into yet and a budget saving against the final stock issue interest payment; higher than expected returns to date on investments due to higher cash balances.
2.	Minor underspends and shortfall in income across other services within the Directorate.

REVENUE BUDGET MONITORING 2020/21

GOVERNANCE AND REGULATORY	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 September 2020	£	£	£	£
Annual Budget	11,287,600	(5,872,200)	(3,620,000)	1,795,400
Budget to date	5,957,243	(3,154,154)	(1,810,683)	992,406
Total Actual	5,680,088	(2,846,621)	(1,745,159)	1,088,308
Variance	(277,155)	307,533	65,524	95,902
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(277,155)	307,533	65,524	95,902

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Buildings & Facilities Services	1	(97,469)	(27,931)	65,354	(60,046)
Other Rental Properties	2	12,228	182,594	0	194,822
Homeless Accommodation	3	(18,288)	143,006	0	124,718
Electoral Services	4	(52,601)	752	11	(51,839)
Regulatory Services	5	(43,088)	(14,540)	(194)	(57,823)
Miscellaneous	6	(77,937)	23,654	353	(53,930)
Total Variance to date		(277,155)	307,533	65,524	95,902

Note	Governance & Regulatory Services - Comments
1.	Underspend on premises expenditure (including Civic Centre); additional rental income received; shortfall in trading income.
2.	Overspend on premises & supplies & services; shortfall in rental income offset by additional reimbursement income.
3.	Shortfall in income as a direct result of Covid-19 as changed to occupancy levels and the available provision have had to be made to ensure the health and wellbeing of residents and staff.
4.	Underspend on election costs as a result of the cancellation of the May 2020 elections due to Covid-19 restrictions.
5.	Underspends on supplies and services; Additional licence income and agency fee income received.
6.	Minor underspends and shortfalls in income across other services within the Directorate.

REVENUE BUDGET MONITORING 2020/21

CORPORATE MANAGEMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 September 2020	£	£	£	£
Annual Budget	1,546,600	(1,676,000)	0	(129,400)
Budget to date	484,859	(838,000)	0	(353,141)
Total Actual	252,234	(839,526)	0	(587,292)
Variance	(232,625)	(1,526)	0	(234,151)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(232,625)	(1,526)	0	(234,151)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Other Financial Costs	1	(240,040)	(1,526)	0	(241,566)
Miscellaneous	2	7,415	0	0	7,415
Total Variance to date		(232,625)	(1,526)	0	(234,151)

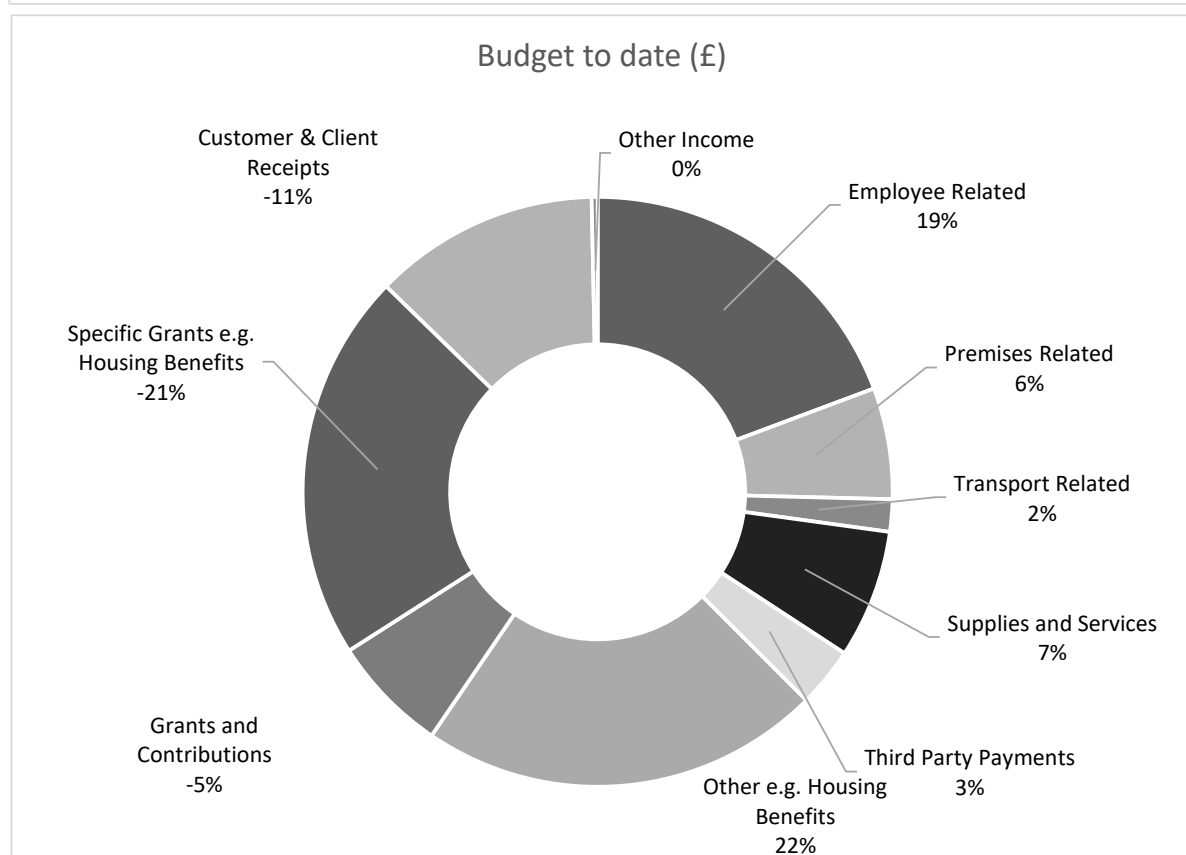
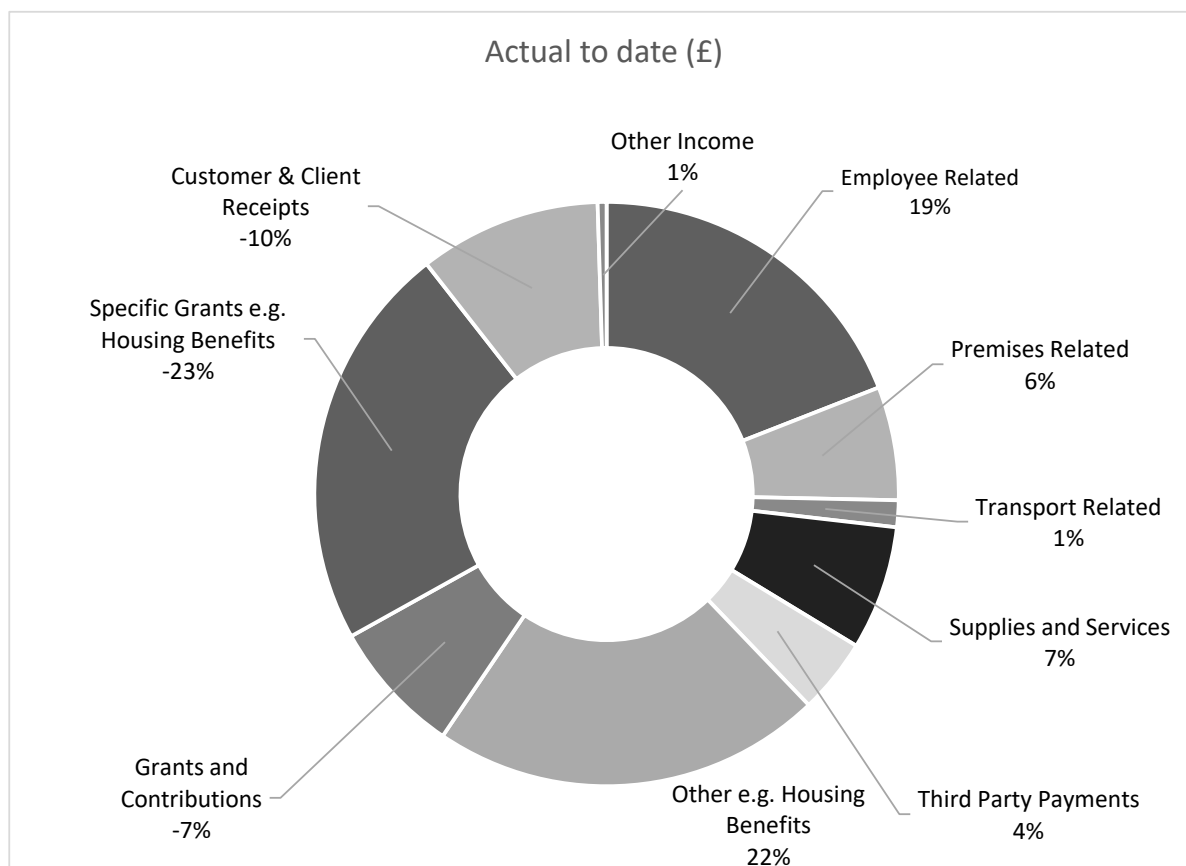
Note	Corporate Management - Comments
1.	Improvements in savings for Salary Turnover (£306,090) and shortfall in inflation savings to be found (£66,800).
2.	Minor overspends across other services within the Directorate.

REVENUE BUDGET MONITORING 2020/21

EXCEPTIONAL ITEMS	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 September 2020	£	£	£	£
Annual Budget	30,576,000	(30,043,000)	0	533,000
Budget to date	30,304,110	(30,043,000)	0	261,110
Total Actual	28,624,426	(31,472,136)	0	(2,847,710)
Variance	(1,679,684)	(1,429,136)	0	(3,108,820)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(1,679,684)	(1,429,136)	0	(3,108,820)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Corona Virus	1	327,912	(1,429,136)	0	(1,101,224)
Corona Virus - Grants	2	(2,054,075)	0	0	(2,054,075)
Flood Recovery	3	46,479	0	0	46,479
Total Variance to date		(1,679,684)	(1,429,136)	0	(3,108,820)

Note	Exceptional Items - Comments
1.	Overspend of expenditure to date against profiled budget; Government grant income received. Net underspend position but balance will be required to support other pressures/shortfalls in income as a result of Covid-19 that are currently reported against individual service areas e.g. car parking income.
2.	Balance of government grant income received (£30,032,000) which is subject to a reconciliation process and repayment.
3.	Overspend in relation to uninsured and reinstatement costs as a result of flooding caused by Storm Ciara. Potential insurance settlements are still being negotiated.

SUBJECTIVE ANALYSIS

BUSINESS RATES INCOME

	2019/20 Outturn	2020/21 NNDR1	2020/21 NNDR1 (Updated)	2020/21 Q1
Local Share of Income (Per NNDR1)	(16,465,732)	(17,018,157)	(8,319,260)	(8,119,691)
Renewables (Per NNDR1)	(355,377)	(376,067)	(376,067)	(370,555)
Renewables Bfwd (NNDR3 Previous Year)	(54,492)	4,686	4,686	4,686
Enterprise Zone (Per NNDR1)	(163,714)	(297,594)	(297,594)	(297,594)
Tariff (Per Final Settlement)	12,367,342	12,568,847	12,568,847	12,568,847
Section 31 Grants (reimbursement of funded reliefs)	(1,898,342)	(1,986,378)	(11,209,834)	(10,847,378)
Section 31 Grants (Flooding)	15,318	0	0	
Estimated Collection Fund Deficit per NNDR1	(180,188)	216,038	216,038	216,038
Levy Account Surplus	(11,118)	0	0	
Levy Payable to Pool	1,043,367	1,346,178	1,287,081	1,407,000
Pool Redistribution	(616,000)	(732,000)	(732,000)	(798,000)
Total Income	(6,318,936)	(6,274,447)	(6,858,103)	(6,236,647)
Budget				
Baseline Funding	(3,388,600)	(3,468,900)	(3,468,900)	(3,468,900)
Additional Rates Income - Pooling/Growth	(2,484,300)	(2,400,000)	(2,400,000)	(2,400,000)
Total Budget	(5,872,900)	(5,868,900)	(5,868,900)	(5,868,900)
Additional Income retained	(446,036)	(405,547)	(989,203)	(367,747)

BAD DEBT PROVISION

TABLE 1		Write-Offs September 2020		Comments
Type of Debt	No.	£		
NNDR (General)	52	166,542.34	01/07/20 to 30/09/20	
Council Tax	41	24,955.08	01/07/20 to 30/09/20	
Debtors:				
Private Tenants	0	0.00	01/07/20 to 30/09/20	
Housing Benefit Overpayments	4	1,997.56	01/07/20 to 30/09/20	
General Fund	7	13.88	01/07/20 to 30/09/20	
Penalty Charge Notices:				
On Street	0	0.00	01/07/20 to 30/09/20	
Off Street	1	75.00	01/07/20 to 30/09/20	
TOTAL	105	193,583.86		

TABLE 2		Write-Ons September 2020		Comments
Type of Debt		£		
NNDR (General)	6	245.44	01/07/20 to 30/09/20	
Council Tax	18	3,895.63	01/07/20 to 30/09/20	
Debtors:				
Private Tenants	0	0.00	01/07/20 to 30/09/20	
Housing Benefit Overpayments	0	0.00	01/07/20 to 30/09/20	
General Fund	0	0.00	01/07/20 to 30/09/20	
TOTAL	24	4,141.07		

Report to Executive

Agenda
Item:

A.7

Meeting Date: 9 November 2020
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework YES
Public / Private Public

Title: CAPITAL BUDGET OVERVIEW AND MONITORING REPORT:
APRIL TO SEPTEMBER 2020
Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES
Report Number: RD 37/20

Purpose / Summary:

This report provides an overview of the budgetary position of the City Council's capital programme for the period April to September 2020.

Recommendations:

The Executive is asked to:

- (i) Note and comment on the budgetary position and performance aspects of the capital programme for the period April to September 2020;
- (ii) Note adjustments to the 2020/21 capital programme as detailed in paragraph 2.1.

Tracking

Executive:	9 November 2020
Scrutiny:	1 December 2020
Council:	n/a

1. BACKGROUND

- 1.1 In accordance with the City Council's Financial Procedure Rules, the Corporate Director of Finance and Resources is required to report to the Executive on the overall budget position, the monitoring and control of expenditure against budget allocations and the exercise of virement on a regular basis. It is the responsibility of individual Chief Officers to control income and expenditure within their areas of responsibility and to monitor performance, taking account of financial information provided by the Corporate Director of Finance and Resources.
- 1.2 All Managers receive a monthly budget monitoring report covering their areas of responsibility. Information is collated from the main accounting system and then adjusted to correct any known budget profiling trends, timing differences and commitments. The report has been developed in line with the need to provide sound financial management information to inform the decision making process.
- 1.3 Throughout the report, the use of brackets indicates a credit or income budget, and the term underspend also relates to additional income generated.
- 1.4 It is important to understand the distinction between capital and revenue expenditure.

The general rule is that all expenditure must be treated as revenue expenditure unless it meets strict criteria allowing it to be treated as capital expenditure.

Capital expenditure is for fixed assets such as acquisition of land and buildings, construction, conversion or enhancement of existing buildings, or the purchase of new technology, vehicles, plant, machinery or equipment that yields benefits to the Council and the services it provides for more than one year.

Revenue expenditure is for the day to day running costs of providing Council services such as staff costs, premises, transport, and goods and services used in the delivery of services.

2. CAPITAL BUDGET OVERVIEW

- 2.1 The following statement shows the annual capital programme for 2020/21:

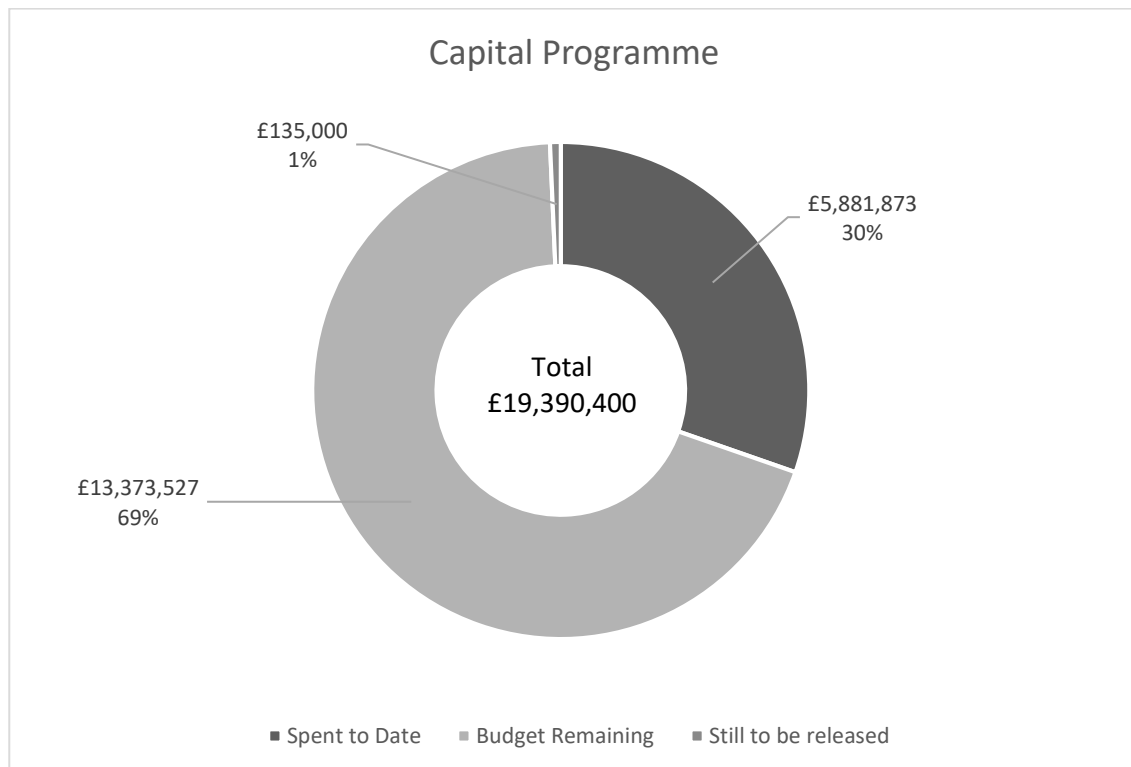
2020/21 Capital Budget	£
2020/21 Capital Programme (RD14/20 Council 14/07/20)	29,915,800
Virement from Planned Improvements of Council Properties to Civic	(20,000)
Grant received for Rough Sleeping Initiative (OD.65/20)	50,000
Reprofiling of Budget for Sands Centre (CS28/20 Council 13/10/2020)	(10,644,100)
S106 contribution towards Affordable Housing (OD.90/20)	50,700
S106 contribution towards Play Area Improvements (OD.84/20)	8,000
External Grant towards Play Area Improvements (OD.84/20)	30,000
Revised 2020/21 Capital Programme (at Sep 2020)	19,390,400
Less Capital Reserves to be released by Executive (see para 3.9)	(135,000)
Revised 2020/21 Capital Programme (released)	19,255,400

2.2 A breakdown of the revised capital programme can be found in **Appendix A**.

3. 2020/21 BUDGET MONITORING

3.1 The position statement as at September 2020 can be summarised as follows:

Directorate	Revised Annual Budget £	Budget to Date £	Spend to date £	Variance to date £	Para. Ref.
Community Services	10,569,900	2,105,847	2,105,767	(80)	3.3
Corporate Support	311,000	69,356	69,354	(2)	3.4
Economic Development	213,000	12,300	14,940	2,640	3.5
Governance & Regulatory Services	8,139,600	4,393,920	3,679,692	(714,228)	3.6
Total	19,233,500	6,581,423	5,869,753	(711,670)	
Exceptional Items	21,900	14,700	12,120	(2,580)	3.7
Total	19,255,400	6,596,123	5,881,873	(714,250)	
Reserves to be released	135,000	0	0	0	3.9
Total	19,390,400	6,596,123	5,881,873	(714,250)	



Schemes still to be released by the Executive are outwith the budget monitoring process until the budgets have been released.

A detailed analysis of the schemes within each directorate can be found in **Appendices B to F** with the main issues being summarised in the paragraphs below.

- 3.2 As at the end of September, expenditure of £5,881,873 has been incurred on the Council's core capital programme. When considered against the profiled budget of £6,596,123 this equates to an underspend of £714,250.
- 3.3 There are no significant variances to report in Community Services.
- 3.4 There are no significant variances to report in Corporate Support.
- 3.5 There are no significant variances to report in Economic Development.
- 3.6 The variance in Governance & Regulatory Services is attributable to an underspend of £702,295 on Disabled Facilities Grants. Spend to the end of the second quarter of 2020/21 was £730,582 which is less than the expenditure for the same period in 2019/20 (£1,098,488). The expenditure is less due to only essential grants being offered over the lock down period and contractors being furloughed at this time.

Grant work is now picking up and the DFG teams in Housing and Pollution and Homelife are very busy. It is anticipated that there will be some carry forward into a future year but it is expected that the full annual allocation of £1.8m funding will be spent by the year end. The position is being closely monitored.

- 3.7 There are no significant variances to report in Exceptional Items (Flood Recovery capital expenditure).
- 3.8 The unspent balance remaining of the revised annual budget of £19,255,400 is £13,373,527. A review of the 2020/21 capital programme will be undertaken to identify accurate project profiles for the remainder of the financial year, any potential slippage into future years and any financial impact COVID-19 may have on the capital budget in terms of spend and completion dates.
- 3.9 A number of schemes are included in the capital programme for 2020/21 that require a report to be presented to the Executive for the release of funding before the project can go ahead.

Scheme	Budget £
Play Area Improvements	35,000
Cemetery Infrastructure	30,000
Skew Bridge Deck	70,000
Total	135,000

4. FINANCING

- 4.1 The 2020/21 capital programme can be financed as follows:

	Annual Budget £	Current Programme £
Total Programme to be financed (para 2.1)	19,390,400	19,255,400
<u>Financed by:</u>		
Capital Receipts / Borrowing	11,727,200	11,592,200
Capital Grants		
• Disabled Facilities Grant	1,899,800	1,899,800
• General	2,336,900	2,336,900
Direct Revenue Financing	3,223,100	3,223,100
Other Contributions	203,400	203,400
Earmarked Reserves	0	0
Total Financing	19,390,400	19,255,400

5. CAPITAL RESOURCES

5.1 The following table shows the position as at September 2020 of the capital resources due to be received during 2020/21:

	2020/21 Annual Budget £	2020/21 Revised Budget £	2020/21 Actual £	2020/21 Not yet received £	Note
Capital Receipts					
· General	(180,000)	(180,000)	(180,000)	0	1
· Asset Review	(1,898,000)	(1,208,000)	(5,000)	1,203,000	1
· Vehicle Sales	0	0	(27,850)	(27,850)	2
Capital Grants					3
· Disabled Facilities Grant	(1,899,800)	(1,899,800)	(1,899,764)	36	
· Sands Centre	(2,000,000)	(2,134,000)	0	2,134,000	
· On Street Charging	(203,700)	(203,700)	(7,747)	195,953	
· General	(110,000)	(110,000)	(80,000)	30,000	
Capital Contributions					4
· Section 106	(155,400)	(155,400)	(87,730)	67,670	
· Disabled Facilities Grants	0	0	(10,989)	(10,989)	
· Sands Centre	(48,000)	(48,000)	(48,047)	(47)	
Total	(6,494,900)	(5,938,900)	(2,347,127)	3,591,773	

Notes:

1. Receipts for 2020/21 are anticipated to be received from asset review sales (£1,208,000) and general sales (£180,000). The asset review receipts have been revised downwards and reprofiled into future years in line with the current Asset Disposal Plan receipts which are considered as part of the budget reports elsewhere on this agenda (RD33/20). Included within general sales are receipts of £5,000 that are below the de minimis for capital receipts and will be transferred to revenue.
2. Included within vehicle sales are receipts of £27,850 for individual vehicle sales that are below the de minimis for capital receipts. These will be transferred to revenue at the year end and will be used to fund the capital programme in line with the capital strategy.
3. Capital grants are received once associated capital expenditure has been incurred and the amounts then reclaimed from the sponsoring body. The anticipated grant for the Sands Centre has been updated based on the revised capital programme considered elsewhere on this agenda (RD33/20).
4. Contributions from Section 106 agreements to Open Space Improvements (£80,700), Play Area Developments (£24,000) and Affordable Homes (£50,700).

6. BALANCE SHEET MANAGEMENT

- 6.1 In line with CIPFA guidance and best practice, information relating to significant capital items on the Council's balance sheet is provided in this section. The information concentrates on those items that may have a material impact on the Council if not reviewed on a regular basis and will ensure that the Council is using its resources effectively and that appropriate governance arrangements are in place around the use of Council assets and liabilities.
- 6.2 Fixed assets are revalued annually to ensure that an up to date value is held in the balance sheet. The revaluation programme is the responsibility of Property Services. It should be noted that some expenditure will be incurred during the course of the year which can be correctly classified as capital expenditure, but which will not increase the value of any of the Council's assets. This expenditure is written off to the revaluation reserve or through the Comprehensive Income and Expenditure Account as appropriate.
- 6.3 The value of fixed assets is a significant part of the balance sheet. In the 2019/20 accounts, fixed assets totalled £156million (2018/19 £157million). This represents 94% of the net current assets of the City Council.
- 6.4 Debtors
This relates to the amount of income due to the Council that has not yet been received. For capital items, this mainly relates to grants and contributions that the Council is able to claim towards funding capital expenditure. Generally capital debtors arise due to timing differences where a cut off point occurs (e.g. the financial year-end) and/or expenditure has been incurred in advance of making the grant claim. As at September 2020 debtors of £180,000 (£2,013,685 at 31 March 2020) were outstanding for capital grants, contributions and receipts.
- 6.5 Creditors
This is the amount of money due to be paid by the Council for goods and services received from its external customers and contractors. For capital schemes this also includes retentions i.e. the amount due to the contractor after a specified period (normally one year) following the completion of a project; this time is used to assess and correct any defects outstanding on the scheme. Amounts earmarked for retention as at September 2020 totalled £208,319.34 (£1,054,384 at 31 March 2020).

7. PERFORMANCE

- 7.1 The 2020/21 programme has been kept to a level that takes account of the Council's ability to deliver schemes with regard to capacity and available resources. Work is ongoing to continue to monitor the profiling of budgets, and these are adjusted to reflect progress in current capital schemes. It is likely that there will still be a requirement for some carry forwards at the year end due to further slippage and delays on projects. Members are reminded that budgets now totalling £135,000 are being held in reserves until approved by Executive for release.
- 7.2 The Senior Management Team will provide 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 will be managed by a Transformation Sub-Group chaired by the Chief Executive. Decisions to proceed or otherwise with proposed projects will be made in the usual way in accordance with the Council decision making framework.
- 7.3 A review of all capital expenditure incurred is ongoing to ensure that the expenditure has been correctly allocated between revenue and capital schemes. This will facilitate the year end classification of assets.

8. RISKS

- 8.1 Individual capital schemes have different risks involved. A risk assessment of the overall capital programme is included in **Appendix G**.

9. CONSULTATION

- 9.1 Consultation to Date
SMT & JMT have considered the issues raised in this report.
- 9.2 Consultation Proposed
Business & Transformation Scrutiny Panel will consider the report on 1 December 2020.

10. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 10.1 The Executive is asked to:
- (i) Note and comment on the budgetary position and performance aspects of the capital programme for the period April to September 2020;
 - (ii) Note adjustments to the 2020/21 capital programme as detailed in paragraph 2.1.

11. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

11.1 The Council's capital programme supports the current priorities in the Carlisle Plan.

Contact Officer: Emma Gillespie

Ext: 7289

Appendices A to G
attached to report:

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS:

LEGAL – The Council has a fiduciary duty to manage its finances properly and the proper reporting of the budget monitoring is part of this process.

PROPERTY SERVICES – Property asset implications are contained in the main body of the report.

FINANCE – Financial implications are contained in the main body of the report.

EQUALITY – This report raises no explicit issues relating to the public sector Equality Duty.

INFORMATION GOVERNANCE – There are no information governance implications.

Scheme	Original Capital Programme 2020/21 £	Carry Forwards from 2019/20 £	Carry Forwards from 2019/20 £	Other Adjustments £	Revised Capital Programme 2020/21 £
<u>Current non-recurring commitments</u>					
Sands Centre Redevelopment	10,962,200	5,037,800	679,300	(10,644,100)	6,035,200
On Street Charging Points Infrastructure	203,700	0	0	0	203,700
Gateway 44	0	5,000,000	21,900	(400,000)	4,621,900
Civic Centre Development	0	0	0	2,581,400	2,581,400
Funding carry forward to 2021/22 for Civic	0	0	0	0	0
Play Area Improvements	0	0	47,800	38,000	85,800
Open Space Improvements	0	0	80,700	0	80,700
Cemetery Infrastructure	0	0	5,700	0	5,700
Central Plaza	0	0	12,300	0	12,300
Planning Software	0	0	150,000	0	150,000
Bitts Park Flood Reinstatement	0	0	21,900	0	21,900
LED Footway Lighting Installation	203,100	0	0	11,700	214,800
Rough Sleeping Initiative	0	0	0	50,000	50,000
Affordable Housing	0	0	0	50,700	50,700
	11,369,000	10,037,800	1,019,600	(8,312,300)	14,114,100
<u>Recurring commitments</u>					
Planned Enhancements to Council Property	250,000	0	146,800	(31,700)	365,100
Vehicles, Plant & Equipment	648,000	0	884,400	0	1,532,400
Recycling Containers	45,000	0	0	0	45,000
ICT Infrastructure	281,300	0	29,700	0	311,000
	1,224,300	0	1,060,900	(31,700)	2,253,500
<u>Disabled Facilities Grants</u>					
Private Sector Grants	1,467,300	500,000	464,800	432,500	2,864,600
Empty Property Grants	0	0	23,200	0	23,200
	1,467,300	500,000	488,000	432,500	2,887,800
TOTAL	14,060,600	10,537,800	2,568,500	(7,911,500)	19,255,400
<u>Capital Reserves to be released</u>					
Cemetery Infrastructure	30,000	0	0	0	30,000
Skew Bridge Deck	70,000	0	0	0	70,000
Play Area Improvements	0	35,000	0	0	35,000
Public Realm Improvements	0	380,000	0	(380,000)	0
	100,000	415,000	0	(380,000)	135,000
REVISED TOTAL	14,160,600	10,952,800	2,568,500	(8,291,500)	19,390,400

COMMUNITY SERVICES

Scheme	Revised Annual Budget £	Budget to date £	Expenditure to date £	Variance to date £	Details of major variance
Vehicles & Plant	1,532,400	337,900	328,124	(9,776)	Replacement of vehicles to date is within the allocated budgets.
Cemetery Infrastructure	5,700	1,902	0	(1,902)	Further improvements to Fairy Beck due to be carried out in 2020/21.
On Street Charging Infrastructure	203,700	0	0	0	To install Electric Vehicle charge points at locations within Carlisle where residents have no access to off-street parking to encourage the uptake of electric vehicles. This project is fully funded by external grant.
Civic Centre Development	2,581,400	78,913	73,713	(5,200)	Project progressing as planned with advanced works currently underway.
Play Area Developments	85,800	47,800	47,750	(50)	Works complete at Carlisle Drive Play Area which were delayed due to Covid-19 restrictions.
Open Space Improvements	80,700	75,252	71,774	(3,478)	Fully funded by Section 106 monies.
Sands Centre Redevelopment	6,035,200	1,541,569	1,545,526	3,957	Capital expenditure for the enhancement work to Leisure Facilities. Progress is being monitored and a revised expenditure profile has been implemented to take account of delays as a result of Covid-19 restrictions.
Waste Minimisation	45,000	22,511	37,380	14,869	Purchase of waste receptacles are underspent against the profiled budget to date.
Skew Bridge Deck	0	0	1,500	1,500	Budget earmarked towards this scheme as part of the 2020/21 budget process subject to further reports to the Executive pending release of the funding.
Grand Total	10,569,900	2,105,847	2,105,767	(80)	

SEPTEMBER 2020 - CAPITAL BUDGET MONITORING**APPENDIX C****CORPORATE SUPPORT**

Scheme	Revised Annual Budget £	Budget to date £	Expenditure to date £	Variance to date £	Details of major variance
ICT Infrastructure	311,000	69,356	69,354	(2)	Part of ICT Strategy Business Case.
Grand Total	311,000	69,356	69,354	(2)	

ECONOMIC DEVELOPMENT

Scheme	Revised Annual Budget £	Budget to date £	Expenditure to date £	Variance to date £	Details of major variance
Central Plaza	12,300	12,300	14,940	2,640	Budget required to fund remaining costs of emergency works at Central Plaza.
Planning Software	150,000	0	0	0	Project yet to start.
Affordable Housing	50,700	0	0	0	S106 funding towards provision of Affordable Homes.
Grand Total	213,000	12,300	14,940	2,640	

GOVERNANCE & REGULATORY SERVICES

Scheme	Revised Annual Budget £	Budget to date £	Expenditure to date £	Variance to date £	Details of major variance
Planned Enhancements to Council Property	365,100	42,612	43,598	986	Individual projects progressing as planned.
Rough Sleeping Initiative	50,000	18,100	7,500	(10,600)	Capital grant received from MHCLG for the development of the Rough Sleeping Initiative.
Gateway 44	4,621,900	2,877,130	2,877,811	681	Development and Improvement costs associated with the Junction 44 development.
Disabled Facilities Grants	2,864,600	1,432,878	730,583	(702,295)	Mandatory Grants. Only essential grants were offered over the lock down period. Grant work is now picking up and the position is being closely monitored.
Empty Property Grants	23,200	23,200	20,200	(3,000)	Discretionary grants to assist getting empty properties back into use.
LED Footway Lighting Installation	214,800	0	0	0	To install Electric Vehicle charge points at locations within Carlisle where residents have no access to off-street parking to encourage the uptake of electric vehicles. This project is fully funded by external grant.
Grand Total	8,139,600	4,393,920	3,679,692	(714,228)	

SEPTEMBER 2020 - CAPITAL BUDGET MONITORING**APPENDIX F****EXCEPTIONAL ITEMS CAPITAL EXPENDITURE**

Scheme	Revised Annual Budget £	Budget to date £	Expenditure to date £	Variance to date £	Details of major variance
IC Buildings Flood Capital	21,900	14,700	12,120	(2,580)	Budget carried forward in relation to approved expenditure on the reinstatement of Bitts Park.
Grand Total	21,900	14,700	12,120	(2,580)	

Capital Programme – Risk Assessment

Risk	Likelihood	Impact	Mitigation
Capital projects are approved without a full appraisal of the project and associated business case.	Remote	High	Strengthen the role of Transformation Sub-Group when considering capital project appraisals, to include consideration of business cases
Full capital and revenue costs of a project not identified.	Remote	High	Capital spending must meet statutory definitions. Financial Services to regularly review spending charged to capital. Appraisals to identify revenue costs, including whole life costs to improve financial planning.
VAT partial exemption rules are not considered.	Remote	High	Reduced impact following the decision to elect to tax land and property. To be considered as part of Project Appraisals and assessed by Financial Services.
Capital projects are not monitored nor reviewed (post contract) to ensure that the original business case assumptions have been achieved	Reasonably probable	Marginal	Better project management skills (including contract monitoring) have been introduced through PRINCE 2. Project managers to take more ownership and responsibility for the delivery of projects, including post contract reviews.
Capital projects are not delivered to time	Reasonably Probable	High	Significant slippage in the current capital programme. Better project management skills to be introduced through PRINCE 2. Project managers to take more ownership and responsibility for the delivery of projects. The review of the capital programme currently underway will address some of these issues.
Capital projects are not delivered to budget. Major variations in spending impact on the resources of the Council.	Reasonably Probable	High	Improved capital programme monitoring through PRINCE 2 and monthly financial monitoring. Corrective action to be put in place where necessary.
Assumptions on external funding for capital projects are unrealistic	Remote	High	Potential shortfalls arising from changes to external funding have to be met from other Council resources, so assumptions need to be backed by firm offers of funding before projects are submitted for appraisal. Risk increased due to uncertainty around funding, e.g. MHCLG grants
Spending subject to specific grant approvals e.g. housing improvement grants, disabled persons adaptations varies from budget	Remote	Marginal	Specific grants are generally cash limited so variations in projects supported by funding of this nature will be monitored closely to ensure target spend is achieved to avoid loss of grant or restrictions on subsequent years grant funding.
Shortfall in level of capital resources generated from Capital Receipts	Probable	High	Economic downturn will impact - early warning so as not to over commit capital resources.

Report to Executive

Agenda
Item:

A.8

Meeting Date: 9th November 2020
Portfolio: Environment and Transport
Key Decision: No
Within Policy and
Budget Framework Yes
Public / Private Public

Title: TRIBUNE DRIVE PLAY AREA, HOUGHTON
Report of: Deputy Chief Executive
Report Number: CS 34/20

Purpose / Summary

The purpose of the report is to seek Executive approval for the release of the capital funds allocated for the replacement of play equipment and safer surfacing at Tribune Drive, Houghton.

Recommendations

That the Executive approves the release of £35,000 contained within the capital programme to allow progression with the installation of new equipment and safer surfacing, for which the preparatory works have already been undertaken.

Tracking

Executive:	
Scrutiny:	
Council:	

1. BACKGROUND

- 1.1** Tribune Drive play area was installed by the developer of the estate, Hassal Homes, in the early 1990's and was subsequently adopted by the City Council, who continue to maintain the play area and the wider green space in which it is sited.
- 1.2** Recent years have seen a gradual deterioration in the quality of the equipment on the site, primarily due to age-related wear, with several items having been completely removed following their failure.
- 1.3** The City Council's budget resolution from 2019/20 contained a capital allocation of £35,000, subsequently carried forward into 2020/21, for improvements to Council owned play areas. These funds have been earmarked for the Tribune Drive site to carry out a complete replacement of play equipment and surfacing on the site with the original intention of commencing works in late summer/autumn 2019. The extremely wet conditions experienced at that time resulted in a decision to delay the project to spring 2020, at which point it was further delayed to autumn 2020 by the Coronavirus crisis.

2. PROPOSALS

- 2.1** To release the allocated sum of £35,000 contained within the capital programme to allow progression of the scheme, specifically the installation of new equipment and associated safer surfacing.
- 2.2** The authority will coordinate the play equipment upgrades with the installation of a new land drainage scheme within the play area and adjacent access points, with expected completion in November 2020.

3. RISKS

- 3.1** The reputational risk to the authority for not upgrading the facility was noted, particularly when considering the physical risk to which young people and their parents or carers would be exposed during use of equipment which is known to be near the end of its lifespan.
- 3.2** The risk of public opposition to replacement of the scheme or rejection of its contents was considered and counteracted with a thorough public consultation exercise, heavily involving the local school and parish council. All comments were considered when finalising the detail of the project.

- 3.3** The risk to the mental and physical health and wellbeing of the local community should the play area not be upgraded (and therefore require removal) is significant, particularly at a time when access to good quality green spaces has been identified as a priority by members of the public.

4. CONSULTATION

- 4.1** Full public consultation, using methods adhering to the UK Government's Coronavirus restrictions at the time, was undertaken in June 2020, receiving an exceptionally high response rate.
- 4.2** City Councillors for Stanwix and Houghton Ward, Stanwix Rural Parish Councillors and staff at Houghton Primary School were engaged with and actively contributed towards the consultation. The opportunity to provide feedback on the proposed project was advertised heavily in the local area.

5. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 5.1** The play area at Tribune Drive is a valuable community resource, the popularity of the site and residents' desire to contribute towards planning its refurbishment was demonstrated through the consultation.
- 5.2** The required funding of £35,000 is already earmarked within the current capital programme and the project has been planned in order to maximise the use of this budget for users of the site.
- 5.3** With the release of the capital funds, as per the recommendation of this report, the authority may progress the installation of new equipment and safer surfacing, with completion expected during winter 2020.

6. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 6.1** This action directly contributes to the Council's priority to 'improve the quality of our local environment and green spaces so that everyone can enjoy living, working in and visiting Carlisle' by providing access to high quality play facilities.
- 6.2** Access to free to use play facilities for children of a wide range of abilities, ages and backgrounds assists with the improvement of physical health and social skills within the local community.

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Appendices

attached to report:

- **None**

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS:

LEGAL – The proposal in the Report applies the Council's Financial Procedure Rules.

PROPERTY SERVICES –

FINANCE – There is £35,000 within the current Capital Programme in 2020/21 to support improvements to Council owned play areas. This report provides an update on the project and requests release of funding to progress the works.

EQUALITY –

INFORMATION GOVERNANCE –