



## Economic Growth Scrutiny Panel

**Date:** Thursday, 02 December 2021

**Time:** 16:00

**Venue:** Cathedral Room

**Present:** Councillor Mrs Marilyn Bowman, Councillor Mrs Anne Glendinning, Councillor Mrs Ann McKerrrell, Councillor Keith Meller, Councillor Michael Mitchelson  
Councillor Colin Glover (for Councillor Lisa Brown)

**Also Present:** Councillor J Mallinson, Leader  
Councillor Ellis, Finance, Governance and Resources Portfolio Holder  
Councillor Nedved, Economy, Enterprise and Housing Portfolio Holder  
Councillor Christian, Environment and Transport Portfolio Holder  
Mr Mounsey, Area Flood Risk Manager, Environment Agency  
Mr Lawton, Partnership & Strategic Overview Flood and Coastal  
Management, Environment Agency  
Mr Coyle, Manager of Flood and Development Management, Cumbria County  
Council

**Officers:** Corporate Director of Finance and Resources  
Corporate Director of Economic Development  
Neighbourhood Services Manager  
Head of Planning Policy  
Health and Wellbeing Manager  
Regeneration Manager  
Policy and Performance Officer  
Overview and Scrutiny Officer

*Councillor Meller (Vice Chair) chaired the meeting in Councillor Brown's absence.*

### **EGSP.67/21 APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillor Lisa Brown and the Deputy Chief Executive.

### **EGSP.68/21 DECLARATIONS OF INTEREST**

There were no declarations of interest submitted.

### **EGSP.69/21 PUBLIC AND PRESS**

It was agreed that the items of business in Part A be dealt with in public and Part B be dealt with in private.

## **EGSP.70/21 MINUTES OF PREVIOUS MEETINGS**

RESOLVED - It was noted that Council, at its meeting on 9 November 2021, received and adopted the minutes of the meetings held on 9 September and 21 October 2021. The Vice Chair signed the minutes.

## **EGSP.71/21 CALL-IN OF DECISIONS**

There were no items which had been subject of call-in.

## **EGSP.72/21 FLOOD RISK MANAGEMENT UPDATE**

The Vice Chair welcomed Mr Mounsey and Mr Lawton from the Environment Agency, and Mr Coyle from Cumbria County Council to the meeting.

Mr Mounsey gave a presentation to the Panel which gave a recap of the Carlisle phases of flood defences; a progress update on Phase 1 and 2 and set out the proposals for Phase 3. He highlighted recent floods and the performance of the flood defences and set out the future programme.

In considering the presentation Members raised the following comments and questions:

- The Panel raised concerns regarding Phase 3. There were no timescales or funding for the phase and Members felt strongly that those living in the area needed reassurances that the phase would progress.

Mr Mounsey highlighted the Caldew River defences which were in place and that the biggest event had taken place in 2012. The original proposal for phase 3 would not have provided the appropriate long term protection that was required for the area and therefore it had not been feasible at that time. The previous options were now being revisited as they had become more viable. He drew the Panel's attention to the updated funding calculator for flood risk management projects which applied to projects after April 2021. As a result of this the Environment Agency had applied for funding for a feasibility study to identify a wider range of options for managing flood resilience in the Caldew Corridor. Phase 3 would require stakeholder and partner engagement across a more significant scale than required for phases 1 and 2.

He added that the Environment Agency wanted to establish a group to support engagement between local communities and key stakeholders.

- A Member reminded the Panel of the history of issues in the Willowholme area and felt that the residents and businesses in that area would require clarity on where they were in the process and they would need reassurance about the future safety of their homes and properties.

- The Panel discussed the process of preparing a feasibility study to secure funding and how this could be better articulated to residents.

The Corporate Director of Economic Development suggested that a meeting be set up between key Members, Ward Members and the Environment Agency to explain the technical details and establish a community group.

- A Member also commented on Phase 3 and the major concerns that residents and business owners had, it was felt that the situation had not progressed in the last 6 years. Some of the businesses in the Shaddongate area had flooded twice and there was a real risk to the economy that a further flood would mean that those business did not return to the area. He felt strongly that there needed to be some real action and timescales established.

Mr Mounsey explained that some of the previous options had not been sustainable in terms of climate change predictions. He agreed there needed to be strong community engagement in the business case. Once the business case had been signed off by the Environment Agency the funding process would begin. The timescales that were available were only tentative at this stage.

-A Member commented that resident at Etterby Terrace had felt abandoned.

Mr Lawton explained that the Environment Agency were constrained by the small number of properties and options were being considered for the area and the impact of those options.

- The Panel asked for clarity with regard to the line in the presentation which highlighted adaptation in the city questioning the need to move certain forms of development.

Mr Mounsey assured the Panel that the Environment Agency advised on proposed developments. The Corporate Director of Economic Development added that the Environment Agency were consulted on developments, she explained that some developments also included flood resilience measures where appropriate.

-The presentation stated that there was no community emergency responses groups, however there were groups in the rural areas.

The Corporate Director of Economic Development acknowledged that there was resilience in the rural area however this had broken down in the city. A lot of people had been involved in higher plans rather than community resilience. This would be a new group established to engage with local people. She asked that any proposals for the group to be sent to her.

- Had any upstream management taken place?

Mr Mounsey responded that upstream management was part of the long term adaptation plan. He commented that the River Eden presented a challenge, however, there were several community examples that worked well but Carlisle required a much greater scale and it was a major challenge.

- The Panel asked for Members and Parishes to receive regular updates on how the existing defences provided protection in times of severe weather.

The Economy, Enterprise and Housing Portfolio Holder commented that he had thought that the original funding which had been in place for 2015 - 21 had covered all three phases of Carlisle. He asked if this had changed?

Mr Mounsey responded that he was happy to discuss the funding with Members.

RESOLVED - That the presentation from the Environment Agency be noted.

**EGSP.73/21 BUDGET 2022/23**

The Corporate Director of Finance and Resources submitted the annual budget reports, noting that the Panel's consideration marked the beginning of the process for setting and approving the Council's Budget.

## **EGSP.74/21 BUDGET UPDATE - REVENUE ESTIMATES 2022/23 to 2026/27**

The Corporate Director of Finance and Resources submitted report RD.46/21 providing a summary of the Council's revised revenue base estimates for 2021/22, together with base estimates for 2022/23 and forecasts up to 2026/27 for illustrative purposes. Potential new spending pressures, bids and savings had also been considered in the report. The Panel's agenda set out the matters which fell within the remit of the Panel.

The report set out known revisions to the MTFP projections, although there were a number of significant factors affecting the budget that were currently unresolved and which would be considered as the budget process progressed (paragraph 1.3 referred).

Details of the outstanding key issues and resource assumptions were set out at Section 4 and details of the income and budget monitoring shortfalls were documented at paragraph 5.7. Section 8 of the report set out the funding requirements for the Local Government Reorganisation.

The Executive had on 22 November 2021 (EX.128/21) received the report and resolved:

"That the Executive:

1. Noted the revised base estimates for 2021/22 and base estimates for 2022/23.
2. Noted the current Medium Term Financial Plan projections, which would continue to be updated throughout the budget process as key issues became clearer and decisions were taken.
3. Noted the initial budget pressures, bids and savings which needed to be taken into account as part of the 2022/23 budget process.
4. Noted the review of the earmarked reserves as outlined in paragraph 9 and Appendix F to Report RD.46/21."

In considering the report, Members raised the following questions and comments:

- A Member highlighted the review of the reserves and felt that it was very important that any reserves within the Carlisle City Council budget were used for the Carlisle District area as Local Government Reform moved forward.

The Corporate Director of Finance and Resources explained that any reserves that were earmarked for specific purposes were set out in the Medium Term Financial Plan. From 2023 the use of the reserves would be a decision for the new authority but the MTFP would show the new authority how the City Council had planned to use the money. She reminded the Panel that the Planning and Building Control Reserves were statutory and could only be used in those services.

- Would it be possible to use the planning services reserve to boost enforcement of planning and tree preservation matters?

The Corporate Director of Finance and Resources responded that planning service income had to be spent within specific guidelines and this would have to be taken into account before proposals were put forward.

The Corporate Director of Economic Development explained that there was a planned review of recruitment and services and this would include the enforcement role.

- A Member asked for clarity with regard to the conservation reserve which was zero.

The Corporate Director of Finance and Resources informed the Panel that the Conservation Reserve had been established to be used when necessary but it had not been possible to top it up. However, there was funding in the General Fund Reserve of £1m for emergencies.

- A Member asked for clarity with regard to the Economic Recovery Reserve (ERR) and the District Centre Business Support Fund (DCBSF).

The Corporate Director of Finance and Resources reported that the ERR of £50,000 had been released and spent in the 2021/22 budget. The £40,000 for the DCBSF was proposed additional funding.

The Corporate Director of Economic Development added that the DCBSF would provide grants, through the Economic Development team, for new businesses who wanted to set up in the City.

- How confident was the Council in the car parking figures moving forward, given the current economic climate?

The Corporate Director of Finance and Resources gave a brief reminder of the funds that were made available from government to cover fees, charges and income shortfall during the pandemic. She explained that the figures within the report were based on the information available and the situation would be constantly monitored.

- Was the Future High Streets Fund protected so it was spent in the City or was there a risk that the allocated money could be diverted.

The Corporate Director of Finance and Resources stated that the Future High Street Funds allocation had been included in the five year plan and this would be used to show the new authority the plans for investment in an open transparent manner to inform future decisions.

The Corporate Director of Economic Development added that a detailed business case had been prepared and signed off and the Council was working hard to ensure the funding for Carlisle was used in Carlisle within the two year window in which the projects had to be delivered.

The Economy, Enterprise and Housing Portfolio Holder supported the District Centre Business Support Fund which was available for the whole district not just the city centre. He highlighted how critical it was to support and encourage new businesses.

RESOLVED - 1) That report RD.46/21 Budget Update - Revenue Estimates 2022/23 to 2026/27 had been scrutinised by the Panel.

2) The Panel asks that the Executive consider using part of the Planning Services Reserve to support and increase the enforcement role within the Council.

## **EGSP.75/21 INDIVIDUAL CHARGES REVIEW - COMMUNITY SERVICES**

The Community Services Individual Charges Review report (CS.37/21) was submitted setting out the proposed fees and charges for 2022/23 relating to those services falling within the Community Services Directorate. The report proposed a varied approach to the charges for the use of the city centre. To encourage the use of commercial pitches, pavement cafes and

Farmers Markets it was proposed to maintain the rates at the current rate and the remainder of charges would increase by 3%. It was also proposed that 10p be added to all tariffs across all car parks and an increase of 10p per day to permit prices.

Details of the other proposed charges in relation to City Centre usage by external organisations; events; digital banner; Old Fire Station; allotments; use of parks; sports pitches; Talkin Tarn; Bereavement Services; Waste Services and Garage charges were also provided.

The original 2021/22 budgets and 2022/23 forecast income levels based upon the current charge structure and forecast volume were as detailed in the table in section 11 of the report. The charges highlighted within the report would result in an anticipated level of income of £2,810,500 against the MTFP target of £3,196,200. That represented a shortfall of £385,700 against the MTFP target.

The Executive had considered the report at their meeting on 22 November 2021 (EX.129/21 referred) and resolved:

"That the Executive:

1. Had reviewed the proposed charges as set out in the body of Report CS.37/21 and relevant appendices with effect from 1 April 2022, noting the impact those would have on income generation as detailed within the report.
2. Made the report of proposed charges available to relevant Scrutiny Panels for their review and comment."

In considering the report Members raised the following comments and questions:

- A Member understood the difficulty in setting car parking charges and asked that the charge for the first hour of car parking, across all Council car parks (including Talkin Tarn), be frozen and that the proposed increase be added to the charges after the first hour.

The Neighbourhood Services Manger set out the background of the charges increase which equated to 10p added to each tariff.

- The issue of a limited number car parking permits at Talkin Tarn was raised and the Executive was asked to carry out a review of the permit policy to make it less restricted and available to more people.

RESOLVED - 1) That the Individual Charges Review - Community Services report (CS.37/21) had been scrutinised by the Panel.

2) That the Executive consider:

- Freezing the car parking charges for the first hour of use across all Carlisle City Council car parks and introduce the proposed increase from the second hour;
- That a review of the car park permit policy for Talkin Tarn car park be undertaken with the goal of increasing flexibility and the number of permits available.

## **EGSP.76/21 INDIVIDUAL CHARGES REVIEW - ECONOMIC DEVELOPMENT**

The Corporate Director of Economic Development submitted report ED.39/21 setting out the proposed fees and charges for areas falling within the responsibility of the Economic Development Directorate.

The proposed charges in relation to Planning Services included Development Control income; Building Control income; Building Control Discretionary Charges; Shop Mobility and Investment and Policy Income.

Acceptance of the charges highlighted within the report would result in an anticipated level of income of £656,000 against the Medium Term Financial Plan target of £656,000.

The Executive had considered the matter at their meeting on 22 November 2021 (EX.131/21) and resolved:

"That the Executive agreed the charges, for consultation, as set out in Report ED.39/21 and accompanying Appendices, with effect from 1 April 2022; noting the impact those would have on income generation as detailed within the report."

RESOLVED - That the Individual Charges Review - Economic Development report (ED.39/21) be noted.

### **EGSP.77/21 REVISED CAPITAL PROGRAMME 2021/22 AND PROVISIONAL CAPITAL PROGRAMME 2022/23 TO 2026/27**

The Corporate Director of Finance and Resources submitted report RD.47/21 detailing the revised Capital Programme for 2021/22, now totalling £29,917,200, together with the proposed method of financing. The summary of the revised programme for 2021/22 showed a potential borrowing requirement in the sum of £28,794,905.

Also summarised was the proposed programme for 2022/23 to 2026/27 in the light of the new capital proposals identified, together with the estimated capital resources available to fund the programme.

The Executive had considered the matter at their meeting on 22 November 2021 (EX.133/21 referred) and resolved:

"That the Executive:

1. Noted the revised capital programme and relevant financing for 2021/22 as set out in Appendices A and B to Report RD.47/21 including approval of the reduction of £1,894,800 to the 2021/22 capital programme;
2. Had given initial consideration and views on the proposed capital spending for 2022/23 to 2026/27 given in the report in the light of the estimated available resources;
3. Noted that any capital scheme for which funding had been approved by Council may only proceed after a full report, including business case and financial appraisal, had been approved."

The Panel asked for an update on the capital programme schemes for Bitts Park and the Corporate Director of Finance and Resources agreed to provide a written response.

A Member highlighted that Tullie House had not been successful in achieving the levelling up monies, she asked how this would impact the Council's budget.

The Corporate Director of Finance and Resources explained that had the application been successful the Council would have undertaken borrowing of £1.5m to support the scheme. The Council funding was not required so the additional borrowing had been removed from the budget.

RESOLVED - 1) That the Revised Capital Programme 2021/22 and Provisional Capital Programme 2022/23 to 2026/27 (RD.47/21) had been scrutinised;

2) That the Corporate Director of Finance and Resources provide the Panel with an update on the Bitts Park Capital Programme Schemes.

## **EGSP.78/21 ST CUTHBERT'S GARDEN VILLAGE - DEVELOPMENT CORPORATION BUSINESS CASE PROGRESS REPORT**

The Head of Planning Policy presented an update on the progress made to date in preparing the Business Case for a development corporation style delivery vehicle over the next two years (ED.32/21).

The Head of Planning Policy gave a brief overview of the background to the St Cuthbert's Garden Village (SCGV). He highlighted a report which had been considered by the Executive in October 2021 which reported that the Council's Expression of Interest to government had been successful and had been awarded £750,000 to fund the preparation of a Business Case over the next two years.

The Business Case would explore a suitable, public / private partnership delivery vehicle for SCGV and allow the Council to:

- Investigate the business case for a new Parks Trust to implement the strategic green infrastructure, including a healthy capital assessment;
- Procure appropriate support to develop a governance and finance structure, based on public/private partnership;
- Further landowner engagement, to create formal partnerships where required and identify areas for intervention as necessary;
- Detail financial viability and infrastructure work to assess delivery costs and understand where intervention is necessary and the benefits that could result;
- Promote St Cuthbert's as a location for investment;
- Investigate the potential for an energy company and other climate change initiatives;
- Secure additional project management and design support.

To deliver greater efficiencies, monies from separate 2021/22 Housing Capacity Funding had been 'pooled' where there were clear overlapping outputs that would inform both the emerging Local Plan and Business Case.

The Head of Planning Policy set out how Development Corporate Business Case was progressing and the emerging draft objectives.

In considering the report Members raised the following comments and questions:

- A Member felt strongly that it was important that the City Council remained involved in the programme to ensure there was an holistic approach to the development.

The Corporate Director of Economic Development agreed that it was important for the Council to remain involved in the Village to ensure that the aspirations were achieved. This development corporation had not been established in the traditional manner and was a hybrid development corporation which engaged with developers and stakeholders.

- The report set out a lot of groups who were involved, how would they all work together and what was the reporting structure?

The Corporate Director of Economic Development responded that the Head of Planning Policy had prepared a diagram of the overall structure which would be circulated to the Panel. She had hoped to keep the number of groups to a minimum, however, government needed assurance that the governance arrangements were in place and the diagram set the arrangements out.

- The Panel asked for the notes of the Members Advisory Group (MAG) to be circulated to them.

The Economy, Enterprise and Housing Portfolio Holder acknowledged the vast amount work that the team had undertaken and highlighted the importance of the MAG to the work.

- How would the Local Government Reorganisation (LGR) affect the work?

The Corporate Director of Economic Development informed the Panel of her role in the LGR work and that the Garden Village had been established as a key work stream. Each authority involved in the LGR would be kept updated on the progress made.

In response to a question the Head of Planning Policy stated that the Development Corporation Business Case had to be completed by June 2023, the corporation would then need to be passed by parliament depending on the model implemented.

RESOLVED - 1) That the Panel noted progress made to date in preparing the Development Corporation Business Case and the programme for taking it forward over the next 2 years (ED.32/21);

2) The Corporate Director of Economic Development circulate the following information to the Panel:

- a diagram of the overall structure of the Development Corporation;
- the notes of the Members Advisory Group

## **EGSP.79/21 CARLISLE TRANSPORT AND MOVEMENT PLAN**

The Regeneration Manager provided an overview of the Carlisle Transport and Movement Plan (ED.40/21).

The Regeneration Manager reported that the Carlisle Transport and Movement Plan (T&M Plan) had been commissioned to define and plan recommended investment in the future transport network and co-ordinate connectivity. The T&M Plan would support the successful delivery of the recently adopted Carlisle Economic Strategy and inform the development and implementation of regeneration projects that were being funded through the Borderlands Growth Deal, Town Deal and Future High Streets Fund programmes.

In considering the report Members raised the following comments and questions:

- How would the changes to the HS2 route affect Carlisle?

The Corporate Director of Economic Development explained that the HS2 trains would stop in Carlisle to split for Edinburgh and Glasgow. This meant that the station had to have an extra long platform and this was included in the Station redevelopment.

- It was important that the routes throughout Carlisle were safe for pedestrians and cyclists.

The Corporate Director of Economic Development responded that the safe movement of pedestrians and cyclists within the city was a very important part of the Plan.

- A Member commented that she felt there should be no more crossings added to Castle Way or Georgian Way. A discussion ensued and it was felt that there should be some focus on how people travelling to schools were accommodated and how routes could be changed so school children did not have to come into the city centre. A Member added that the routes from the city to the college were difficult for pedestrians and highlighted the underpass routes.

-It was felt that the bus station should be moved to create a transport interchange at the railway station where the car park and taxi rank would be.

The Corporate Director of Economic Development agreed that an interchange was desirable. Engagement had taken place with Stagecoach and Cumbria County Council to look at the feasibility of this.

- It was admirable that the Plan emphasised walking and cycling, however, there needed to be a degree of realism about the local area. Carlisle was a rural district with poor bus services and many people relied on cars. There needed to be some focus on alternative public transportation such as electric buses and how public transportation moved throughout the city.

The Corporate Director of Economic Development acknowledged that there needed to be choices for people moving around the city including public transport. The Plan looked at getting people where they needed to be in the most sustainable way.

The Economy, Enterprise and Housing Portfolio Holder stated that the Plan was critical to the City infrastructure and future developments.

The Regeneration Manager added that the aim of the Plan was to provide a balanced network for all users in a synchronised way, it was a strategic plan to look at everything holistically.

- A Member noted that the Health and Wellbeing Scrutiny Panel had scrutinised the Local Cycling and Walking Infrastructure Plan at their meeting and had an interesting discussion. He asked how the School Sustainable Travel Strategy could be built into the infrastructure to move forward. There were several safety issues around schools and it was important that every child was protected.

The Corporate Director of Economic Development responded that there needed to be a range of options for people to safely reach their destination.

The Environment and Transport Portfolio Holder agreed that public transport was often missed in discussions and it was vital that it was included in this work. The Station development was a huge opportunity to develop a hub for all transport.

RESOLVED - That the Panel had considered the contents of the Carlisle Transport and Movement Plan and had provided feedback on the strategy, vision and objectives set out therein (ED.40/21).

The Policy and Performance Officer submitted the Quarter 2 2021/22 performance against the current Service Standards and a baseline position for the Carlisle Plan 2021-23 actions as defined in the Plan (PC.39/21). Performance against the Panel's 2021/22 Key Performance Indicators (KPIs) were included as a dashboard.

The Policy and Performance Officer highlighted the summary of exceptions and the reason for the performance.

In response to a question the Policy and Performance Officer reported that the most recent quarterly performance showed a reduction in demand for building control services and an improvement in performance.

RESOLVED - That the Panel had scrutinised the performance of the City Council with a view to seeking continuous improvement in how the Council delivers its priorities (PC.39/21).

### **EGSP.81/21 OVERVIEW REPORT**

The Overview and Scrutiny Officer presented report OS.28/21 providing an overview of matters relating to the work of the Economic Growth Scrutiny Panel.

The Panel asked that the Citadels Project be brought to a future meeting of the Panel.

RESOLVED - 1) That the Overview Report incorporating Key Decision items relevant to the Economic Growth Scrutiny Panel be noted (OS.28/21).

2) That the Citadels Project be added to the Panel's work programme.

The Meeting ended at: 18:27