



## SUMMONS

To the Mayor and Members of Carlisle City Council

You are summoned to attend the Meeting of Carlisle City Council which will be held on **Tuesday, 20 July 2021** at **18:45**, in the **Council Chamber, Civic Centre, Carlisle, CA3 8QG**

Corporate Director of Governance and Regulatory Services

## AGENDA

1. The Mayor will invite the Chaplain to say prayers.
2. The Town Clerk and Chief Executive will open the meeting by calling the roll.

3. **Minutes**

The Council will be asked to receive the Minutes of the meeting of the City Council held on 27 April; 24 May and 15 June 2021.

4. **Public and Press**

To determine whether any of the items of business within Part A of the Agenda should be dealt with when the public and press are excluded from the meeting.

To determine whether any of the items of business within Part B of the Agenda should be dealt with when the public and press are present.

**5. Declarations of Interest**

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.

**6. Announcements**

- (i) To receive any announcements from the Mayor
- (ii) To receive any announcements from the Leader of the Council
- (iii) To receive any announcements from Members of the Executive
- (iv) To receive any announcements from the Town Clerk and Chief Executive

**7. Questions by Members of the Public**

Any views or opinions expressed in the question set out in this Agenda paper are those of the person submitting the question and do not necessarily reflect the position, views or opinions of the Council.

**Children's Play Area on new Estates**

Pursuant to Procedure Rule 10.1, the Corporate Director of Governance and Regulatory Services to report the receipt of the following questions submitted on notice by a member of the public:

Question 1:

“Persimmon Homes are the Parent Company of the House Builder Charles Church who have been responsible for the development of the Cloverfields and Fairybeck Gardens Housing complexes at Cummersdale Road end on Dalston Road, Carlisle. Cloverfields, built first, comprises more than 100 private dwellings yet when completed there was no facility on the site for children to play. Apparently this item was for consideration upon the completion of the 2nd phase of Build at Fairybeck Gardens. That phase now being complete, there remains no Play Area for Children in an area covered by some 200 family homes, yet according to an email I received over 2 years ago from the Managing Director of

Persimmon Homes, handed money over to and at the request of Carlisle City Council for the future erection of such a facility.

As there is still no play areas on either of these sites, the nearest is a small park in Cummersdale. In order to get to this play park from these Estates, children have to cross over a very busy Dalston Road and then walk up another busy narrow access roadway with limited, narrow pavements. Given these dangers, parents are having to either accompany their children to this park or transport them to larger, better facilities in other parts of the city thereby increasing the already congested, heavy traffic flow.

Given that we constantly hear from Government Ministers that "children are the future" and that there are big N.H.S. concerns about obesity, physical and mental health well being of the young, when will Carlisle City Council do the right thing and provide a suitable Play Area for the children of these two Estates with the monies they have already received from Persimmon and if they have no intention of doing such, what are they intending to do with those monies that they themselves requested from Persimmon in lieu of such facility?"

Question 2:

"Specklewood, is a new housing complex at the southern fringe of the city, it was erected at the same time as Cloverfield and by the same Housing Development Company (Persimmon). It has been provided with a 'Children's Play Area' when there are already several similar facilities within that vicinity (Pennine View, Waterman's Walk and London Road).

Considering the physical, psychological, educational and social developmental advantages we are told there are in children's play, the desire for play outside in fresh air, in a child friendly safe environment rather than on the streets with their parked cars as well as moving traffic and all the dangers they create, to be away from their TV's, Tablets & X Boxes and of course the current National trend to eradicate childhood obesity, can you tell me and the citizens of this city, what criteria are Carlisle City Council adhering to in order to make their decision as to who gets and who does not get a 'Children's Play Area' ?"

**8. Presentation of Petitions and Deputations**

Pursuant to Procedure Rule 10.11, the Corporate Director of Governance and Regulatory Services to report that no petitions or deputations have been submitted by members of the public.

## 9. **Questions from Members of the Council**

Any views or opinions expressed in the questions set out in this Agenda paper are those of the persons submitting the questions and do not necessarily reflect the position, views or opinions of the Council.

### (i) **Carlisle Fire Show**

Pursuant to Procedure Rule 11.2, the Corporate Director of Governance and Regulatory Services to report the receipt of the following question submitted on notice by Councillor Bomford:

“Can the Leader or Portfolio Holder tell me if there will be Fireworks or a Bonfire this year and if it will be a future event?  
I would like to see this Council take the opportunity to change this type of event in light of the Climate Change Policy and also create a new trend or event that can be enjoyed by everyone.”

### (ii) **New Council House Provision in Carlisle and its Districts**

Pursuant to Procedure Rule 11.2, the Corporate Director of Governance and Regulatory Services to report the receipt of the following question submitted on notice by Councillor Brown:

“On the 5<sup>th</sup> of November 2019 a motion was passed and resolved that Carlisle City Councils Executive look into the benefits, social value and business case for new council house provision in Carlisle and its districts and report back its conclusions to Full Council.

Minutes from the Executive on the 16<sup>th</sup> of December 2019 state:

“The Leader moved that Officers be requested to prepare a paper on the matter for submission to a future meeting of the Executive; which course of action was agreed.

### DECISION

That Officers be requested to report back to a future meeting of the Executive.”

Can the Portfolio holder update us on how this report has progressed over the last 18 months?”

### (iii) **Hawker Festival**

Pursuant to Procedure Rule 11.2, the Corporate Director of Governance and Regulatory Services to report the receipt of the

following question submitted on notice by Councillor Brown:

“The recently held Hawker Festival, in Carlisle City Centre was claimed a success by the Council. What was the exact criteria a local business had to meet in order to be allowed a free stall at the event and how many expressions of interest were received.”

**10. Minutes of the Executive**

The Council will be requested to receive the Minutes of the meetings of the Executive held on 2 June and 5 July 2021 and ask questions of the Leader and Portfolio Holders on those Minutes.

**11. Executive - Portfolio Holder Reports**

The Council will be asked to receive reports from the following Portfolio Holders:

- |  |                |
|--|----------------|
| <b>(i) <u>Culture, Heritage and Leisure</u></b>      | <b>11 - 14</b> |
| <b>(ii) <u>Communities, Health and Wellbeing</u></b> | <b>15 - 20</b> |
| <b>(iii) <u>Environment and Transport</u></b>        | <b>21 - 24</b> |
| <b>(iv) <u>Economy, Enterprise and Housing</u></b>   | <b>25 - 28</b> |
| <b>(v) <u>Finance, Governance and Resources</u></b>  | <b>29 - 30</b> |
| <b>(vi) <u>Leader's Portfolio</u></b>                | <b>31 - 34</b> |

and ask questions of the Leader and Portfolio Holder on those reports.  
(Copy Reports herewith)

**12. Minutes**

The Council will be asked to receive the Minutes of the meetings as detailed within the Minute Book Volume 48 (1); and ask questions of the Leader, Portfolio Holders and Committee Chairs.

For ease of reference the Minutes are:

<b>Committee</b>	<b>Meeting Date</b>
Health and Wellbeing Scrutiny Panel	8 April and 10 June 2021
Business and Transformation Scrutiny Panel	1 April and 3 June 2021
Economic Growth Scrutiny Panel	12 April and 17 June 2021
Regulatory Panel	28 April and 4 May 2021
Licensing Committee	28 April 2021
Development Control Committee	24 March; 26 March; 28 April; 30 April; 9 June; 9 June; and 11 June 2021
Audit Committee	20 May 2021
Appeals Panel	21 April 2021

### 13. **Scrutiny**

The Council will be asked to receive reports from the following:

- (i) **Chair of the Health and Wellbeing Scrutiny Panel** **35 - 36**
  
- (ii) **Chair of the Business and Transformation Scrutiny Panel** **37 - 38**
  
- (iii) **Chair of the Economic Growth Scrutiny Panel** **39 - 40**

(Copy Reports herewith)

### 14. **Notice of Motions**

Pursuant to Procedure Rule 12, the Corporate Director of Governance and Regulatory Services to report the receipt of the following motion submitted on notice by Councillor Bomford:

#### **(i) Special Event**

“I would like to propose that this Council create or have a special event in town at the most suitable time in regard to COVID-19 and lockdown.

I ask for this special event to allow the people of Carlisle an opportunity to grieve as one and celebrate the lives of those lost during the last year and a bit.

I would like this Council to create a Members Advisory Group, to help steer the event planning.

I feel that this event will help create solidarity and allow closure for those that have lost loved ones - friends or family members but were unable to attend any form of funeral or even a family gathering.

I would like to see, if possible an area within the event that would allow people to place photographs or a small item that reminds them of their loved one, that we may be able to collect together as a keepsake to remind us all of what was lost during COVID-19. It would be nice to be able to store these and maybe even show them as a part of Carlisle history within the likes of Tullie house.

The Members Advisory Group would scope the funding and to see if its viable to do. But I would like to see it funded by project funding with the chance of applying for further grants and partnerships.

Thank you for considering this proposal.”

**(ii) Carlisle's Turkish Baths**

Pursuant to Procedure Rule 12, the Corporate Director of Governance and Regulatory Services to report the receipt of the following motion submitted on notice by Councillor Ms Ellis-Williams:

"This council is proud of Carlisle's people and places both past and present and believes that every effort should be made to preserve, enhance and promote the city's living heritage, in particular the Victorian and Edwardian Baths on James Street.

Council notes that:

1. Carlisle's Turkish Baths are one of only 11 original Turkish Baths still in operation in the UK
2. That the original 1884 Public Baths building is to remain after demolition of the 1970s pool & reception, and houses two fully functioning pools, a gym and changing facilities
3. Carlisle's Turkish Baths provide the only publicly available steam, sauna & relaxation facilities in the city, and that the continued provision of these facilities will play an important role in the wellbeing and mental health of local residents as we emerge from the COVID pandemic.

This Council pledges that:

- Through the scrutiny process, it will examine and assess the findings of the Mott Macdonald feasibility study into the Victoria and

Edwardian Baths.

- It will retain the building for the health and well-being purposes as it was originally intended and look at future potential and sustainability of the development."

**(iii) RVA Surveyors**

Pursuant to Procedure Rule 12, the Corporate Director of Governance and Regulatory Services to report the receipt of the following motion submitted on notice by Councillor Bainbridge:

"This Council notes the recent publicity surrounding the actions of RVA Surveyors with concern. The Council firmly believes that Small Business Rates Relief (SBRR) provided by Government, should in its entirety be received solely by the Small and Medium Enterprises (SME's) for whom it is intended. In support of efforts to close this practice, the Council agrees to:-

1. Write to The Insolvency Service outlining our concern that practices by RVA Surveyors potentially prevent some SME's in Carlisle from receiving their full entitlement of Small Business Rates Relief and that the Insolvency Service should use their powers to close down this practice. The Department of Business, Energy and Industrial Strategy will also be copied into the correspondence.
2. Given that RVA Surveyors obtain much of their information from Freedom of Information (FOI's) requests to Local Authorities, Carlisle City Council will write to the Information Commissioner to request clarification as to whether FOI's from RVA Surveyors can be denied given their behaviour.
3. Carlisle City Council will seek to include a sufficient warning on our webpage relating to SBRR over this practice, highlighting that the process can be undertaken for free without the need for agents requiring an annual commission or fee.  
(<https://www.carlisle.gov.uk/Business/Business-Rates-Information/Small-Business-Relief>)

**(iv) Planning**

Pursuant to Procedure Rule 12, the Corporate Director of Governance and Regulatory Services to report the receipt of the following motion submitted on notice by Councillor Mrs Glendinning:

"That this Council believes planning works best when developers and the local community work together to shape local areas and deliver necessary new homes; therefore this Council calls on the Government to protect the right of communities to object to individual planning applications."



- 15. Proposals from the Executive in relation to the Council's Budget and Policy Framework**
- (i) Provisional General Fund Revenue Outturn 2020/21 - Carry Forwards** **41 - 56**
- Pursuant to Minute EX.46/21 and EX.49/21, to consider recommendations from the Executive concerning the Provisional General Fund Revenue Outturn 2020/21 (including Council Tax and Business Rates Outturn 2020/21) as set out in Report RD.15/21. (Copy Report RD.15/21 and Minute Extracts herewith)
- (ii) Provisional Capital Outturn 2020/21 - Carry Forwards** **57 - 64**
- Pursuant to Minute EX.47/21, to consider recommendations from the Executive concerning the Provisional Capital Outturn 2020/21 and revised Capital Programme 2021/22 as set out in Report RD.16/21. (Copy Report RD.16/21 and Minute Extract herewith)
- (iii) Treasury Management Outturn 2020/21** **65 - 84**
- Pursuant to Minute EX.48/21, to consider the recommendation of the Executive that the City Council approve the Treasury Management Outturn for 2020/21 as required under both the Financial Procedure Rules and the CIPFA Code of Practice on Treasury Management. (Copy Report RD.07/21 and Minute Extract herewith)
- (iv) Regeneration Programme Update and Economic Development Programme Management Office** **85 - 136**
- Pursuant to Minute EX.58/21, to consider the recommendation of the Executive to approve additional funding to the Council's Capital Programme for the FHS Programme Delivery and additional revenue to fund the Programme Management Office. (Copy Report ED.22/21 and Minute Extract herewith)
- 16. Operation of the Provisions relating to call-in and Urgency** **137 - 140**
- Pursuant to Overview and Scrutiny Procedure Rule 15 (i) and Access to Information Procedure Rule 17.3, the Corporate Director of Governance and Regulatory Services to report on the operation of call-in and urgency procedures over the past year. (Copy Report GD.41/21 herewith)

**17. Communications**

To receive and consider communications and to deal with such other business as may be brought forward by the Mayor as a matter of urgency, in accordance with Procedure Rule 2.1(xv) to pass such resolution or resolutions thereon as may be considered expedient or desirable.

**PART 'B'**  
**To be considered in private**

- NIL -

Meeting Date: 20<sup>th</sup> July 2021

Public/Private\*: Public

Title: **Culture, Heritage & Leisure Portfolio Holder's Report –  
Councillor Stephen Higgs**

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### **TOURISM / DISCOVER CARLISLE**

On 5<sup>th</sup> May Carlisle City Council's Destination Management Team along with colleagues from Chester and Lancaster delivered an online travel trade presentation to Abbey Ireland, a collection of travel companies based in Dublin, London and Edinburgh as part of the England Originals project. Carlisle also featured in The Guardian (22<sup>nd</sup> May) as one of eight great City breaks for culture and outdoor fun. The Destination Management Team supported a crew from BBC2 who are producing a documentary 'The Lakes with Simon Reeve'.

### **BITTS PARK CULTURAL AND CREATIVE COURTYARD**

Preparations for the opening of the Courtyard are well underway following the arrival of the specially converted shipping containers in May and the appointment of a site operator in mid-June. There has already been a lot of interest with regards to the take-up of occupancy of units, with 40 people taking advantage of an open day on 1<sup>st</sup> July. As part of the operating model, all tenants will be required to reinvest back into local disadvantaged communities. This could be donating a share of profits, sharing time and expertise, or creating job opportunities. There are also no shareholders, so all profits are reinvested into the site and Bitts Park area, with an independent advisory group formed to support decision making and distribution.

### **OLD FIRE STATION**

We recently hosted the work of University media students at the Old Fire Station with 130 people visiting. We also hosted two days of filming with Carlisle College who used the OFS to make a Zombie film! Work continues on appointing a new operator to start in September.

## CUMBRIA'S MUSEUM OF MILITARY LIFE

Cumbria's Museum of Military Life, working in partnership with Carlisle Castle, have had a steady flow of visitors after reopening in May. CMoML are re-introducing their Veterans Lunches in July and their Wednesday workshops for families during the school holidays, working within the current guidance.

## TULLIE HOUSE

Tullie House re-opened its doors on 18<sup>th</sup> May 2021, operating on a five day week until the start of the Summer Holidays in July. Between opening and the end of June, we have seen around 64% of our 2019/20 footfall, 53% of our 2019/20 paid admissions rates and 63% of 2019/20 retail income. This is broadly in line with the sector average, but we are hoping to increase admissions significantly with the opening of the Costume Collection at Tullie House – two major new galleries that should have opened in Spring 2020 but were delayed due to Covid-19. We are also working on a refresh to our popular Wildlife Dome gallery, which (subject to no further delays) will be open at the start of the school summer holidays.

Our family-friendly summer exhibition 'Driggsby, A Whale's Tale' has been a huge hit with family audiences and school pupils. Almost 500 pupils have visited the exhibition, and over 300 people took part in craft activities inspired by the exhibition over May Half Term. We have re-started a limited programme of Covid-safe in-person activities, including the Bubble & ME project, in which we are working with a group of young Syrian and Sudanese refugees to develop their creative skills and boost their confidence, wellbeing and integration. Work has started on our City's Thriving Communities project, with a pilot programme 'Inside Out' being planned for August 2021 which will see arts, culture and nature inspired activities being delivered in outdoor settings around the City and District.

## VICTORIAN HEALTH SUITE

The VHS is due to re-open on 19<sup>th</sup> July, after significant internal improvements carried out by Better Leisure. A feasibility study will soon be completed to assess how the site can be managed as a standalone facility once The Pools have been demolished. Through the Borderlands Inclusive Growth Deal, £400,000 has been identified for refurbishment of the Turkish Baths. New boilers would also be required to replace those currently supplying both The Pools and the Turkish Baths and there is a budget identified to fund this work too.

## CARLISLE EVENTS (July 2021 – September 2021)

Date	Event	Location
Monday 14/06/2021 – Thursday 05/08/2021 (Daily)	Archaeological Excavation Tours	Birdoswald Roman Fort, Hadrian's Wall
First Saturday of every month	Carlisle Farmers Market	In the grounds of Carlisle Cathedral
Tuesday 18/05/2021 – Sunday 05/09/2021	Driggsby, A Whale's Tale	Tullie House Museum and Art Gallery

Sunday 04/07/2021	Cumbria Autoshow	Borderway Exhibition Hall and Mart, Carlisle
Every Monday 05/07/2021 – 13/09/2021	The Secret City Walking Tour	Carlisle City Centre
Every Thursday 01/07/2021 – 30/09/2021	Historic Carlisle Walking Tour	Carlisle City Centre
Thursday 08/07/2021	The Pantaloons Theatre Company: The Tempest	Talkin Tarn Country Park
Thursday 08/07/2021	The Great Community Race Day	Carlisle Racecourse
Thursday 08/07/2021	Carlisle Music Society: The Exquisite Heart and Mind	The Fraternity Hall at Carlisle Cathedral
Friday 09/07/2021 – Sunday 11/07/2021	The Feel Good Festival	Kirklington Hall, Carlisle
Wednesday 21/07/2021	The Pantaloons Theatre Company: Pride and Prejudice	Talkin Tarn Country Park
Saturday 24/07/2021	The Brickyard: Anything Goes Silent Disco	The Brickyard, Fisher Street, Carlisle
Monday 02/08/2021	VL Aesthetics Ladies Night	Carlisle Racecourse
Friday 06/08/2021- Saturday 07/08/2021	Wild On The Wall Festival	Dan Russell's Field, Walton Brampton
Saturday 07/08/2021	The Unravelling Wilburys	Harraby Community Centre
Tuesday 10/08/2021 – Tuesday 14/09/2021	Discover Hadrian's Wall by Guided Coach Tour	Meeting Point: Tullie House Museum
Thursday 12/08/2021	The Pantaloons Theatre Company: The Wind in the Willows	Talkin Tarn Country Park
Saturday 14/08/2021	Fake Festival	Bitts Park
Tuesday 17/08/2021	Steak Night Race Evening	Carlisle Racecourse
Wednesday 18/08/2021	Summer Family Fun Day	Carlisle Racecourse
Friday 20/08/2021 – Saturday 21/08/2021	Rockmantic Weekender	The Brickyard, Fisher Street, Carlisle
Thursday 26/08/2021	Come Racing	Carlisle Racecourse
Thursday 26/08/2021 – Monday 30/08/2021	Carlisle Summer International Market	Carlisle City Centre
Saturday 28/08/2021	Definitely Oasis	The Brickyard, Fisher Street, Carlisle
Sunday 05/09/2021	Race For Life	Bitts Park
Sunday 05/09/2021	Cross Border Sportive	Lanercost Priory
Tuesday 07/09/2021	Cumbria Opera Festival presents An Evening of Opera	Tithe Barn
Wednesday 08/09/2021	Afternoon Racing	Carlisle Racecourse
Friday 10/09/2021	The Jam'd	The Brickyard, Fisher Street, Carlisle
Friday 10/09/2021	Cumbria Opera Festival presents Joan Rodgers in Conversation and Young Artists' Masterclass	St. Cuthbert's Church
Saturday 11/09/2021	Blackwater Conspiracy	The Brickyard, Fisher Street, Carlisle
Saturday 11/09/2021	The Lovely Eggs	Old Fire Station, Carlisle
Sunday 12/09/2021	Bird On The Wire: The Songs Of Leonard Cohen	Old Fire Station, Carlisle
Thursday 16/09/2021	George Egg: Moveable Feast	Old Fire Station, Carlisle
Thursday 16/09/2021 – Friday 17/09/2021	StagedRight: Westside Story	The Sands Centre
Friday 17/09/2021	Blaze Bayley	The Brickyard, Fisher Street, Carlisle
Saturday 18/09/2021	Dirty/DC	The Brickyard, Fisher Street, Carlisle
Saturday 18/09/2021	Lady Bird	Old Fire Station, Carlisle
Saturday 18/09/2021	A Celebration of Simon and Garfunkel	Harraby Community Theatre
Saturday 18/09/2021 – Saturday 06/11/2021	New Light Prize Exhibition	Tullie House Museum and Art Gallery

Saturday 18/09/2021 – Sunday 19/09/2021	Gelt Gladiator 2021: Junior 3K, 10 Mile, 10K, 6K.	Walton, Brampton
Wednesday 22/09/2021	The Drag Ball	The Sands Centre
Thursday 23/09/2021	Thundermother	The Brickyard, Fisher Street, Carlisle
Thursday 23/09/2021	Imagine: The John Lennon Songbook	The Sands Centre
Saturday 25/09/2021	Don't go into the Cellar: Strictly Sherlock	Old Fire Station, Carlisle
Saturday 25/09/2021	Gary Delaney: 'Gary in Punderland'	Harraby Community Theatre
Saturday 25/09/2021	Cumbria Pride	Carlisle Castle
Sunday 26/09/2021	The Futureheads	The Brickyard, Fisher Street, Carlisle
Sunday 26/09/2021	Carlisle Dance Academy	The Sands Centre
Wednesday 29/09/2021 – Saturday 02/10/2021	Horrible Histories: Gorgeous Georgians and Vile Victorians	The Sands Centre

Meeting Date: 20<sup>th</sup> July 2021

Public/Private\*: Public

Title: **Communities, Health and Wellbeing Portfolio Holder's Report –  
Councillor Elizabeth Mallinson**

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### **CUSTOMER SERVICES**

Customer Services have been working from home since 1<sup>st</sup> April 2020. As reported in the April Portfolio Holder's Report, demand increased last year by 73% telephone contact and 81% for email contact. Whilst demand is slightly decreasing, mainly due to Business Grants drawing to a conclusion, demand is still significantly higher than normal service levels.

From 1<sup>st</sup> April 2021 to 22<sup>nd</sup> June we have handled:

- 40,257 Calls
- 7,931 Emails

We are continuing with Supervisor Call Backs, which allows us to process claims for Housing Benefit and Council Tax Reduction for the less digitally aware. This appointment systems allows these residents to book an appointment and gather the appropriate evidence, before a Supervisor completes an online claim on their behalf, whilst the customer is on the line. Our approach has two distinct advantages:

- Claims are completed accurately first time as it is a guided process, avoiding delays in gathering additional evidence if a form is completed incorrectly
- Once submitted, the claim goes directly for assessment. There is no delay for postage or the additional administration in entering the claim onto our assessment systems

Throughout the pandemic, we have completed 94 call back appointments.

### **DOMESTIC ABUSE ACT 2021**

On 29<sup>th</sup> April 2021, the Domestic Abuse Act 2021 was enacted and new duties on Carlisle City Council came into force. The Act introduced a new category of priority need which effectively removes the 'vulnerability' test for those who are homeless as a result of being

a victim of / or at risk of domestic abuse; requiring the Council to secure suitable accommodation for occupation for the applicant together with any person who may be reasonably expected to reside with them as a member of the family.

A Domestic Abuse Local Strategic Partnership Board is already established, which reports to Safer Cumbria, and will provide advice in performing certain specified functions including: to assess the need for support for all victims of domestic abuse and their children within safe accommodation and prepare and publish strategy based on the needs assessment; deciding what support services are required and commissioning these accordingly. The Homeless Prevention and Accommodation Services Manager has ensured the draft homelessness prevention priorities contained within the strategy for 2021 - 2026 are aligned with local and national Domestic Abuse strategies where relevant and is represented on the Local Partnership Board.

## **HEALTHY CITY TEAM**

### **Walking for Health**

The Health Walks Programme has restarted with eight walks scheduled over the summer. The first walks were held on the 23<sup>rd</sup> June at Hammonds Pond with 19 people joining the walk in the morning and 13 in the afternoon. To ensure that the walks are COVID secure places on each walk need to be pre-booked and places are limited to 30 people on each walk, in line with Government and Ramblers' guidance.

### **Carlisle Holidays and Activity Partnership (CHAP)**

The Communities and Participation Officer within the Healthy City Team has taken on the interim chair of the CHAP group. Through the CHAP Carlisle City Council are supporting local community groups and third sector organisations to develop a coordinated and strategic approach to holiday provision across the City and District, both for summer 2021 and in the longer term. The group is currently focussing on school holiday provision during the upcoming summer holidays and will produce a brochure of summer activities to be circulated to all schools in the Carlisle and District area.

### **Holiday Activity Fund**

The City Council is supporting the Carlisle Holiday Activity Fund (HAF) (for summer activities for children and young people within the City and District during the summer of 2021) through attendance on the steering group and decision panel meetings. This funding is being coordinated by Cumbria County Council and has been made available to every local authority in England to coordinate free holiday provision, including healthy food and enriching activities. The programme will cover the Summer and Christmas holidays in 2021, however the initial focus is for summer 2021. The HAF is targeted at anyone of school age who is eligible for free school meals or who is classed as vulnerable and will enable these children and young people to access free activities during the school holidays.



**Play Areas and Active Spaces** Hammonds Pond. A full refurbishment of the infants (0-6 years old) play facilities has been completed. The juniors play area (6+ years old) refurbishment is starting in July. The total investment of £115,000 was fully funded from S106 contributions from a nearby development.

A partial upgrade to the play facilities at Hunters Crescent, Garlands, was completed in June. S106 funding was used to replace several end of life items of play equipment and completely resurface the whole site with new wet pour safer surfacing.

Work to construct a new tarmac cycling “Pump Track” at Dale End Field, Harraby, will be completed in early July. A pump track is similar to a conventional BMX track but physically smaller and suitable for younger users and beginners. The track is being funded by a grant from Cumbria Waste Management Environment Trust raised by Carlisle South Community Association.

### **Food Carlisle**

A successful Plant, Food and Wellbeing Fair was held in Bitts Park last month. There was something for everyone at the event, regardless of their income or background. There was the offer of free fruit plus free pizza which was cooked on site. A variety of wellbeing and health information was available alongside gardening advice from local experts.

### **Community Centres**

From July onwards various Community Centres will be having open days to celebrate the re-opening of the Centres and to promote the services they provide:

- Morton – Sunday, July 25<sup>th</sup>
- Harraby – Friday, August 27<sup>th</sup>
- Brampton – Sunday, August 29<sup>th</sup>
- Longtown – Sunday, September 11<sup>th</sup>

### **CARLISLE COMMUNITY RESILIENCE GROUP**

The Carlisle Community Resilience Group and 4 subgroups continue to meet to support resilience, recovery, problem solving, and in ensuring communication between agencies. We are grateful to our partners for their ongoing support, commitment and work over the past 16 months.

### **WHO CARLISLE HEALTH FORUM**

WHO Carlisle Health Forum and partners continue to meet despite the ongoing pandemic.

The last meetings focused on the following areas:

- An update on the current situation – including key Covid Public Health, Community and the latest data updates (and the impact in Carlisle)
- Healthy Aging
- Health Impact Assessment (St Cuthbert’s Garden Village)

- Healthy Weight – a paper was shared around the current provision and position of the healthy weight agenda with support from partners
- Space to talk
- Online Carlisle Health Mela
- Sharing of the latest guidance, funding and policy information with Partners

### **ARMED FORCES WEEK**

A Flag-Raising Ceremony on Monday 21<sup>st</sup> June 2021 and Flag Lowering Ceremony on Saturday 26<sup>th</sup> June 2021 was held in front of the Old Town Hall, to mark Armed Forces Week at which The Mayor presented RAF Spadeadam with a Citation of Appreciation.

#### Armed Forces Covenant Partnership

The Partnership met via Teams on 29th June where an update on the Carlisle and Eden Armed Forces Link Project was provided by Cumbria CVS. Excellent contacts have been made and networking has already taken place. The online veteran's hub call continues to take place weekly. The City Council continue to support this project.

An update on the Council's activities including working towards the Gold Award under the Ministry of Defence Employer Recognition Scheme, 'Space to Talk', RAF Spadeadam receiving the Citation of Appreciation during Armed Forces Week which the City supported the various stalls show casing the Armed Forces on 26<sup>th</sup> June in city centre.

### **CONNECTING HEALTH COMMUNITIES 2021-2022**

An Expression of Interest bid was submitted to the Connecting Health Communities 2021 - 2022 programme for an 18-month facilitation support package –

- To enable cross-sector partnerships to address health inequalities in Integrated Care Systems and Primary Care Networks. If successful the focus will be to build on the priority areas of need which have come from resilience work, WHO and older people discussions

### **CUMBRIA Local Resilience (LRF) Funding Pilot Expression of Interest (EOI) CARLISLE AND EDEN**

Carlisle City Council have supported Cumbria CVS to submit a EOI to the Local Resilience Funding pilot. Building on previous local community response work, and the learning that has come from the community groups involved in this work, it has been highlighted that there is a need to look again at coordination between groups, and a collective local approach to regular and long term planning, prioritising and being prepared for future shocks. The project aims are the development of a clear, connected, community centered network of organizations who are resourced, prepared and practiced in preparation for future emergency responses across Carlisle and Eden District.

A Community Coordinator role will put in place a framework for community groups, Carlisle and Eden Resilience Groups, Carlisle Partnership, Cumbria CVS and Local Authorities to

continue to work together across the District. The project will also identify and support meeting the needs for any additional resources. For example, community wardens, future training, and will work with partners to ensure these are in place if needed.

### **DISABLED FACILITIES GRANT UPDATE**

In 2020/21 Carlisle City Council delivered a total of 403 home improvements through the Disabled Facilities Grant (DFG) with a total spend of £1.9 m. Housing and Pollution delivered 152 mandatory grants with stairlifts, level access showers and building works being the most common works. Homelife delivered 251 discretionary grants with heating improvements, electrical improvement and house clearances being the most common works approved.

### **Disabled Adaptation Trusted Assessor Update**

The City Council's Disabled Adaptation Trusted Assessor role continues to develop and has far exceeded expectations. The Officer in the post has spent the last 12 months working across multiple agencies to promote the service offer available for the most vulnerable members of our community, they have been able to carry out most of the assessment required for any stairlift adaptations, these would previously have been undertaken by Adult Social Care. From April 2020 to March 2021, 37 stairlifts needing assessments were completed and the adaptation installed. From July 2021 the Trusted Assessor will be able to start to carry out assessments for those who have single bathing needs in their home, we haven't been able to include this in our offer previously as vital training was delayed due to the ongoing impact of Covid on some agencies who carry out face to face health professional training. Level Access shower adaptations, which follow the needs assessment, account for around 60% of the disabled adaptation undertaken by the team. The post, by streamlining the assessment process, is being very successful in speeding up the delivery of essential works.

### **Hospital Discharge Grants**

Our Homelife Liaison Officer has been working to promote the non-means-tested Hospital Discharge Grants with various health teams to help facilitate quicker hospital discharges. As a result, the number of referrals are increasing, running at about two referrals a day for hospital discharge grants, including for measures such as supply and fit of key-safes, deep-cleans and heating repairs. The Homelife Liaison Officer is able to offer a follow up home visit once patients are discharged. As well as checking whether people require our Discretionary Housing Grants to help with safety, improving health and keeping independent we also carry out holistic home assessments, including assessing for gas safety checks, boiler services, draught-proofing and energy advice and whether a referral for a DFG is required.



Meeting Date: 20<sup>th</sup> July 2021

Public/Private\*: Public

Title: **Environment & Transport Portfolio Holder's Report –  
Councillor Nigel Christian**

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### **EV CHARGEPOINTS**

Eleven new electric vehicle chargepoints are now available in Carlisle, as Carlisle City Council works to make the city more accessible for electric vehicle drivers.

The chargepoints are the result of a partnership between the Council and local Community Benefit Society Charge My Street, who are partners in an innovative project funded by the Office for Zero Emission Vehicles to install electric vehicle chargepoints in community settings.

We are in a good place already with 22 locations across Carlisle, providing capacity to charge up to 44 electric vehicles at the same time.

### **NEIGHBOURHOOD SERVICES**

In addition to the electric vehicle charge points installed under the project with Charge My Street, I am pleased to report that we are now moving forward with a project to install further charge points across our pay and display car parks, at our fleet depot to support the shift to electric for our own vehicles and at the Civic Centre as part of the ground floor refurbishment. Carlisle attracted a lot of interest from potential suppliers, very keen to talk to us at two virtual supplier days held on 8<sup>th</sup> and 10<sup>th</sup> June 2021. This was shortlisted down to a mix of five suppliers with representatives giving very interesting presentations to a panel of Officers and two members from Executive. The information and advice received has been very valuable and Officers are now taking this work forward to the next stage to initiate a formal procurement exercise as we support the shift to electric vehicles as part of our climate change plan. Further information to follow.

### **CAR PARKING AND ENFORCEMENT**

The Enforcement Team have been delighted to be able to work alongside the 1<sup>st</sup> Wetheral Brownies following their fantastic effort and action to raise the profile of dog fouling, displaying posters on Wrea Lonning as they were working towards their 'Speak Out'

badge. The Brownies received a letter of thanks from the outgoing Mayor, Cllr Bowman, and I would like to take this opportunity to add my special thanks to the Brownies and the Leader in Charge, Janice Brown, for their efforts. The Brownies received a visit from our Civil Enforcement Officers who handed out goody bags and spoke to them about their work. The Brownies have now signed-up to our Community Litter Champion Scheme and we will be using the posters designed by the girls in social media and in a press release.

The camera enforcement van has been out and about in a number of areas including the City Centre, Brampton and Currock area. We continue to promote this through social media.

Since April 2021 we have issued 38 fixed penalties. We have seen a number of successful prosecutions in Court with fines totalling over £5,000 being imposed, this included littering and failing to turn up for an interview into the investigation of fly-tipping. There are still 25 outstanding cases awaiting consideration by the Courts, with a further seven being submitted in recent weeks.

Although, not back to pre-pandemic levels, it is good to see our car parks busy again as the lockdown restrictions ease.

## **REFUSE AND RECYCLING**

Due to a number of external factors beyond the control or influence of the Council, the value of the recycling we collect remains volatile. This continues to create a pressure on income targets although it is positive to see values rising again in recent months. Officers are monitoring the impact of this and working with our contractor and through targeted intervention to ensure we present high quality, low contamination material that will achieve best price when presented to market.

The demands on our collection teams remain high with the tonnages collected across all our activities when compared against 2019/20:

Recycling: Kerbside	+20%
Recycling: Bring sites	+8%
Garden waste	+4%
Refuse	+13%

Well done to our two Apprentice Technical Clerks who have passed their Business and Administration Course with Distinction overall and secured permanent roles within the Council as part of the Neighbourhood Services Team.

## **FLEET**

The Fleet Team have welcomed the delivery of two electric pool bikes. Cycling Competency Training is being sourced and risk assessments developed to ensure their safe use. Staff will be encouraged to use the e-bikes as an alternative to travel by vehicle

where this is a safe and practical alternative. This is a positive step towards further reducing our local carbon emissions and improving employee physical and mental wellbeing.

### **COVID: WORKPLACE TESTING**

Thanks to the ongoing support of a small group of Council staff volunteering to help out with the workplace test site at Bousteads Grassing depot, we are still continuing to offer weekly testing at work for operational staff. The test site has been in operation since March this year where at the peak week, we tested over 100 staff from Neighbourhood Services and Green Spaces. This number has now dropped to about 40 or so in recent weeks as staff have been encouraged to test at home. Fortunately, and without tempting fate, I am pleased to report that not a single positive test result has been returned from those testing at work.

### **GREEN SPACES AND GROUNDS MAINTENANCE**

#### **Managing Green Space For Biodiversity**

The work of the two teams to manage green spaces for biodiversity is already paying dividends; a local naturalist spotting his first ever Grasshopper warbler at The Swifts last month and a previously regularly mown bank was covered in wild flowers at the entrance to Brampton. The teams are assessing sites for further opportunities, mindful of the need to balance amenity with environmental improvements. Cumbria Wildlife Trust are supporting the City Council with this work.

#### **Green Spaces Volunteers**

The Green Spaces Volunteer team are back up and running after Covid-19 restrictions with sessions, consisting of small conservation tasks, every other week during the summer and weekly sessions over autumn and winter.

#### **Fellfoot Forward at Talkin Tarn**

Funding was obtained through Fellfoot Forward to bring environmental education back to the Tarn. Various education packs have been written linking into the key stages of the national curriculum. The Tarn has recently had visits from various school groups from across North Cumbria to trial the packs and provide feedback prior to the packs going 'live' in September. The intention is for them to then be available on the Talkin Tarn website and therefore accessible for all schools to download whilst visiting the Tarn. As part of the grant scheme there will also be free training available to teaching staff to allow them to lead environmental education sessions independently.

### **BEREAVEMENT SERVICES**

The Bereavement Services Team will continue to follow Government guidance on funerals at Carlisle Crematorium following changes on the 19<sup>th</sup> July.

## **CARBON FARM SCHEME**

Carlisle City Council is exploring potential support for farmers to access grant funding to insensitive farmers to undertake a carbon audit, undertake training and implement recommended changes once an audit has been completed.

## **CUMBRIA LRF FUNDING PILOT EOI CARLISLE AND EDEN**

Carlisle City Council have supported Cumbria CVS to submit an EOI to the Local Resilience Funding pilot. Building on previous local community response work, and the learning that has come from the community groups involved in this work, it has been highlighted that there is a need to look again at coordination between groups, and a collective local approach to regular and long term planning, prioritising and being prepared for future shocks. The project aims are the development of a clear, connected, community centered network of organisations who are resourced, prepared and practiced in preparation for future emergency responses across Carlisle and Eden District.

A Community Coordinator role will put in place a framework for community groups, Carlisle and Eden Resilience Groups, Carlisle Partnership, Cumbria CVS and Local Authorities to continue to work with across the District. The project will also identify and support meeting the needs for any additional resources. For example, community wardens, future training, and will work with partners to ensure these are in place (Local Funders, Local Training e.g. ACT)

## **REGULATORY SERVICES**

### **New Restrictions On Sale Of Coal And Wet Wood**

New restrictions on the sale of house coal and wet wood have come into force with the intended outcome being to cut air pollution. Stoves and open fires can still be used but people will be required to burn cleaner fuels. While just 8% of households now use log burners, they are the biggest source of the tiny pollution particles that are most damaging to health, with domestic wood burning responsible for 38% of particularly dangerous pollutant particles under 2.5 microns in size, three times as much as road traffic.

There are five smoke control areas in Carlisle. Although the precise number of wood burning stoves in the District are unknown a considerable amount of time was spent by Regulatory Services investigating the 63 smoke complaints received in 2020/21.

### **Food Safety**

The Food Standards Agency have issued a COVID Recovery Plan for the City Council's delivery of official food controls (for example food safety inspections and sampling), which have been significantly impacted by the pandemic. The plan begins on 1<sup>st</sup> July 2021 and sets out guidance and advice to the City Council for the period from July 2021 to 2023/24. The Plan provides a framework for re-starting the inspection system in line with the Food Law Code of Practice for new food establishments and for high-risk and/or non-compliant food establishments, while providing flexibility for programming inspections of lower risk establishments.



Meeting Date: 20<sup>th</sup> July 2021

Public/Private\*: Public

Title: **Economy, Enterprise & Housing Portfolio Holder's Report –  
Councillor Paul Nedved**

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## **PROJECTS**

### **Business Support / Mentor Programme**

This project has been funded under the Reopening the High Street Fund. After the successful first phase was delivered between January and March 2021 which supported 60 businesses, a second phase was launched in April and has successfully supported 46 businesses which had already exceeded the target of 40 before the end of June 2021.

### **St Cuthbert's Garden Village**

Once adopted, the St Cuthbert's Local Plan will be the primary document by which future planning applications will be assessed. Following the close of the consultation into the Preferred Options Draft, we have reviewed those comments received. Prior to advancing the Plan to its next formal stage, we are in the process of commissioning further evidence to inform and ratify the necessary infrastructure requirements to support the Garden Village and the Plan's eventual formal submission for Examination. In the meantime, decision making to the possible early submission of planning applications that may come forward ahead of the Plan's adoption will also be supported by Strategic Design Supplementary Planning Document (SPD) which itself was adopted by Executive in April 2021. On 4<sup>th</sup> June 2021, we received confirmation that Homes England had awarded us £475,000 from its Housing Capacity Fund to support the continued delivery of the Garden Village. In parallel, MHCLG confirmed that through its New Development Corporation Competition, that we have been awarded £745,000. Over the next two years, this latter award will explore Innovative delivery and longer-term stewardship of the Village.

Following Cumbria County Council's approval of the Carlisle Southern Link Road in November 2020, Morgan Sindall were appointed to deliver the Carlisle Southern Link Road in April 2021 and a CPO Inquiry was held into acquiring the final elements of the land in June 2021. Completion of the CSLR remains on track to be delivered by 2024 that would help unlock St Cuthbert's.

## **COVID-19 AND IMPACT ON CARLISLE'S ECONOMY**

- The City Council has commissioned detailed studies on the short, medium and longer-term impacts of COVID-19 on the national and local economy and key employment sectors with the District – both urban and rural. A link will be provided to Members.
- This piece of work was fed directly into the Future High Street Fund business and Town Deal submissions. Demonstrating that the identified projects addresses the challenges presented by the COVID-19 pandemic has been a key factor in the success of securing the funding from both funding streams
- The Council has commissioned the preparation of a city centre investment framework and action plan to respond to the impacts and legacy of COVID-19. This report is nearing completion and will be shared with Members for comment in the coming weeks for consideration and feedback

## **ECONOMIC STRATEGY**

- Excellent progress the development of the Council's Economic Strategy has been made, with the final version being presented to Economic Scrutiny before coming back to Council for approval. The five-year strategy sets out three overarching strategic priorities that our planning, economic development and regeneration activity must seek to achieve:
  - Driving the recovery from Covid-19
  - Levelling up our communities
  - Delivering clean, green growth
- The strategy supports and compliments the strategies set out on the Borderlands Growth Deal and the Town Investment Plan. The strategy also picks up on the actions recommended in the COVID-19 studies

## **ROUGH SLEEPING INITIATIVE**

Carlisle City Council as the lead authority for Cumbria, has been successful in securing £671,090 funding for 2021/22 from the MHCLG Rough Sleeping Initiative. This funding will enable the continuation of focused rehousing projects across the county to prevent and end rough sleeping.

## **FLEXIBLE SUPPORT FUND PARTNERSHIP**

Carlisle City Council has been successful in securing £99,000 from the Department for Work and Pensions (DWP) to deliver a Flexible Support Fund partnership in Carlisle (from 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022). This project will improve employment outcomes and prospects of future employment outcomes for long-term unemployed individuals experiencing homelessness, who are facing the most complex and intractable barriers to work. Over 12 months the project will support DWP clients:

- 150 to access emergency temporary accommodation; 20 into voluntary work experience; 60 to access employment related opportunities; 20 to move into work; 60 to obtain a new tenancy; 50 to sustain tenancies; 60 to access training; 100 with income maximisation, benefit claims, debt / budgeting support

## **WELFARE BENEFIT ADVICE SERVICE**

The Welfare Benefit Advice Service have received commendation for *'an excellent performance overall'* by the external audit quality standard who conduct an annual audit of the service and award the Quality Mark Standard. A significant number of areas of good practice were identified during the assessment, where the organisation exceeded the standard to a significant extent and has developed an innovative approach to service delivery during the pandemic.

## **HOMELESS ACCOMMODATION SERVICE**

The Homeless Accommodation services arranged and facilitated two in reach Covid-19 vaccination sessions safely within the schemes, in conjunction with health colleagues. This was offered to all residents; eight residents received a first vaccination and booked in for a second. These sessions also enabled wider health checks to be undertaken. In line with recovery plans, the service is currently recruiting staff to ensure that the additional 24-hour rota can be re-established and additional units made available after the summer in line with Government / PHE expected guidance changes; however occupancy will need to continue to be lower due to the ongoing Covid-19 risks in shared accommodation schemes in line with national guidance.

## **REGULATORY SERVICES**

### ***Landlord Electrical Safety Enforcement***

Since the 1<sup>st</sup> June 2020, private landlords in Carlisle have been required to have the electrical installations in their rental properties checked by a qualified electrician to ensure that they are safe for all new tenancies. These regulations were further extended to all existing tenancies from 1<sup>st</sup> April 2021. Since the start of June this year the Environmental Health team have started to proactively request certification from Carlisle landlords who come into contact with the department, failure to comply with the formal request to supply the electrical installation condition report will result in a civil penalty.

### ***Green Homes and Sustainable Warmth Grants -Local Authority Delivery (LAD2)***

Homelife HIA are working with the other Cumbrian District Local Authorities on a consortium project for measures to raise the Energy Efficiency performance of homes with a poor EPC rating. Eden District Council are the lead authority for this LAD2 project. Householders in areas of Carlisle with high fuel poverty have been written to encouraging them to apply for a free grant. The City Council now has access to software, called 'Pathways', which enables the targeting of homes most likely to be in need of energy efficiency measures.

Landlords qualify for a grant for two-thirds of the cost of improvement works, up to a maximum of £5,000 for qualifying tenants, so are encouraged to contact Homelife if their properties have an EPC of E, F or G.



Meeting Date: 20<sup>th</sup> July 2021

Public/Private\*: Public

Title: **Finance, Governance & Resources Portfolio Holder's Report –  
Councillor Gareth Ellis**

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### **FINANCIAL SERVICES**

The draft Statement of Accounts for 2020/21 are in the process of being prepared and will be published before the revised statutory deadline of 31<sup>st</sup> July 2021. They will then be subject to external audit process.

Work is beginning on preparation of the Medium-Term Financial Plan and Capital Investment Strategy covering the period 2022/23 – 2026/27.

### **HR & PAYROLL**

- The interim HR & Payroll Manager and HR Adviser vacancies have been filled by Bibian McRoy and Lisa Bell respectively. Both Bibian and Lisa commenced with the Council in May
- The consultation for the Improving Attendance policy closed in March and feedback has been incorporated into the final version of the policy. Consultees included employees, SMT, Unions and the Business and Transformation Scrutiny Panel. The final policy is being submitted to the Employment Panel for approval at a meeting in early September

### **ORGANISATIONAL DEVELOPMENT**

Time to Talk pilot underway for front line staff at Boustead's, including a request for a confidential call back.

ICT development page launched; learning sessions recorded and includes how to notes. Squad working project underway to include; review how we project manage, review handbook and tools and enhance engagement in projects.

## **ELECTORAL REGISTRATION**

The Elections Team successfully delivered the Police & Crime Commissioner Election and four local by-elections on 6<sup>th</sup> May 2021, under very challenging circumstances with the Covid-19 restrictions and risks. The team have had numerous comments about how safe the staff felt and that their wellbeing was considered, and they were appreciative of this.

We are hopeful that we can utilise door knocking in our canvass this year, if Covid-19 restriction ease.

## **INFORMATION MANAGEMENT – LEGAL SERVICES**

Recent counts for information requests (From 7<sup>th</sup> April 2021 – 25<sup>th</sup> June 2021):

- Environmental Information Regulations requests received - 9
- Environmental Information Regulations requests responded to - 8
- Freedom of Information Act requests received – 145
- Freedom of Information Act requests responded to - 157
- Data Protection Act requests received – 10
- Data Protection Act requests responded to – 6

## **ICT UPDATE**

- We are seeking authorisation from SMT to release funding for replacement of the end-of-life Konica photocopiers and out of manufacture support laptops
- We are looking to procure replacement of the Council network infrastructure which is out of manufacture support

## **PERFORMANCE REPORTING**

The End of Year Performance Report was discussed at Scrutiny Panels in June and Executive in July. The Member Task and Finish Group looking at the content of future reports has now concluded, and recommendations will be brought to Scrutiny Panels and Executive in the 2021/22 Quarter 1 report later in the Summer.

Meeting Date: 20<sup>th</sup> July 2021

Public/Private\*: Public

Title: **Leader's Portfolio Holder Report –  
Councillor John Mallinson**

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## **BORDERLANDS INCLUSIVE GROWTH DEAL Programme**

Following the signing of the Final Deal Agreement the 18<sup>th</sup> March 2021, the Borderlands Partnership governance structure has moved from the initial shadow arrangements to formal meetings in line with the governance arrangements set out in the Collaboration Agreement.

This places the Partnership on the formal basis to deliver the Deal with responsibility for oversight on progress with the projects and programmes within the Deal.

On Friday, 2<sup>nd</sup> July, the Parliamentary Under Secretary of State for Scotland Iain Stewart MP visited Carlisle and was met by partners of the Borderlands Inclusive Growth Deal. The visit involved a short tour of the Station works followed by a meeting which also included local stakeholders. The purpose of the visit was to introduce the wider scheme and current activity across Borderlands including supporting Border Rail, Destination Theme and HS2.

### **Carlisle Projects**

Good progress continues to be made on Carlisle projects - Carlisle Station and Citadels:

#### *Carlisle Station*

- The Carlisle Station Gateway scheme is now in the full design phase with contractors appointed for Stage 1 of the design and build contract following procurement
- Further consultation on the final design elements is planned for the Autumn
- With investment of £20m this is a significant scheme in the first phase of the Deal

#### *Citadels*

- £50m of Borderlands funding has been approved in principle for the project

- The production of Full Business Case (FBC) for a new campus for the University of Cumbria on the Citadels site continues to progress and is nearing completion
- Submission of the FBC to the MHCLG is planned for the summer
- A scheme has been developed that fit within the identified budget and also includes 888 sq. m of business interaction space that will be funded through the Town Deal

#### *Caldew Riverside*

- Plans for the development of the Caldew Riverside site continue to be progressed
- £850,000 has been secured from the Towns Fund Accelerated Capital Grants to remove contamination and make the site developable. £22,000 was also secured from Homes England to support this work
- A detailed remediation appraisal study, an ecological survey and the first phase of detailed site investigation works were completed over the course of last year
- The second stage of detailed site investigations works has just concluded, which will inform the production of the design and approach for the remediation of the site

#### *Central Plaza*

- Plans for the redevelopment of the former Central Plaza site continue to be progressed
- The City Council has been successful in securing £4.7m of funding through the Future High Streets Fund (FHSF) programme to support the redevelopment of the site
- Through the FHSF the Council can use its £2million expenditure on the site as co-funding
- The Council are current undertaking the first stage of works – which involves detailed site investigation and archaeological survey, which will allow us to better understand the ground conditions and any potential constraints to redevelopment
- Further due diligence and feasibility work is currently being undertaken on the redevelopment options, with the site investigation works feeding into this process

### **CARLISLE PARTNERSHIP EXECUTIVE**

Carlisle Partnership Executive met in June; this quarter being chaired by our Police Superintendent Co-chair.

The key items focused on:

- The latest Covid Resilience updates (Including the Local Resilience Forum, Cumbria and Carlisle Community Resilience Group and Vaccinations)
- The Executive were joined by the CEO of the London Funders Network who highlighted the partnership and funding work in that had taken place in London
- Collaborative Funding Pilot – we were additionally joined by the Nationally Lottery and the Cumbria Community Foundation to explore the development and possibilities within a Collaborative Funding Pilot bid
- Transformative Partnerships Research update – working with the University of Cumbria, Innovation and Techology for Development Centre (ItDUPM), Universidad



Politecnica de Madrid, Lancaster City Council and the Lake District National Park, to explore best practice, local level collaboration, scalability and sustainability

- The development of a short-term Partnership Place Plan which supports recovery
- System Infrastructure and Business updates (including Roles And Responsibilities, Audit, Risk and Collaborative Funding)

The Carlisle Partnership continues to send a weekly communication email and the funding newsletter to Full Forum Partners - over 900 emails across the District. Partners continue to contribute to these updates and the communications have been well received.

We are grateful to all partners for the continued roles they play across the District and especially during ongoing pandemic resilience and recovery work.

### **CARLISLE PLAN**

A new draft of the Carlisle Plan has been prepared and will be available for scrutiny and public consultation in mid-July. Public consultation is now a possibility, with the increased likelihood of the lifting of the Covid-19 Restrictions on 19<sup>th</sup> July, as set out in the national roadmap.

### **EMERGENCY PLANNING: COVID-19**

The Council continues to respond to the Covid-19 emergency through the Cumbria Local Resilience Forum, Health Protection Board and Strategic Recovery Coordination Group. A new group has been formed below the Strategic Recovery Coordination Group, the Place Tactical Coordination Group, this will now meet on a fortnightly basis. A 'People' Tactical Coordination Group is already operating below the Health Protection Board.

### **EMERGENCY PLANNING: CARLISLE GAS LEAK**

Emergency services responded to a gas leak in the Cumwhinton Road area of the City on the late evening of the 27<sup>th</sup> May. 25 houses were evacuated, and Harraby Community Centre was stood up as the Evacuee Reception Centre. City Council staff were offered and available to support. The gas leak was quickly located and fixed and residents were able to return to their homes shortly before midnight.

### **EMERGENCY PLANNING: LINTON STREET FIRE**

Cumbria Fire & Rescue and other emergency services responded to a large fire in the roof of a property in Linton Street on Friday, 18<sup>th</sup> June. In total 5 fire engines and 1 aerial ladder appliance responded in a densely populated area. Greystone Community Centre was opened as an Evacuee Reception Centre and Officers were put on standby to support with temporary accommodation. All residents were evacuated safely, and immediate support was not required.

The recovery work has been led by Building Control with Homelessness Team providing support directly to residents in need of temporary accommodation.

We have informed Cumbria Community Foundation of the incident and they have confirmed that their hardship fund is available:

<https://www.cumbriafoundation.org/fund/cumbria-disaster-fund/>

Meeting Date: 20 July 2021

Public/Private\*: Public

Title: Health and Wellbeing Scrutiny Panel

Councillor Jack Paton

### **Health & Wellbeing Scrutiny Panel Chairs Report 10<sup>th</sup> June 2021**

It was wonderful to actually be in the same room as the other members and staff.

#### **Local Environment Strategy Guide**

The Policy and Communications Manager presented an update and set out the progress along with the proposed amendments to the Action Plan as a working document. The Panel then requested a copy of the terms of reference and minutes from the Members Advisory Group. We also asked how the performance for the strategy will be reported to ensure the Council was reaching its targets.

The Panel has requested that representatives from the Zero Carbon Cumbria Partnership be invited to a future meeting of the HWSP.

We asked for an update on the funding that had been successful, and how it had been used on each project.

We asked about the Victorian Health Suite and who would manage it when GLLs contract ended. The Leader explained that funding was available to renew the boilers and to decide who would get the contract to run the service.

We asked that the following be provided to the Panel.

The Terms of Reference and minutes from the Members Advisory Group.

An update on the funding opportunities that had been successful, how much had been achieved and how the funding had been used for each project.

Information on how rural electric vehicle charging points could be introduced.

**Cllr Jack Paton**  
**Chair – Health and Wellbeing Overview and Scrutiny Committee**



Meeting Date: 20<sup>th</sup> July 2021

Public/Private\*: Public

Title: **Business & Transformation Scrutiny Panel Chairman's Report –  
Councillor James Bainbridge**

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**Chairman's Report: Business & Transformation 3<sup>rd</sup> June 2021**

The good news is we held our first face to face meeting for Business & Transformation. It was however not without a teething issue in the presently socially distanced age, and members have rightly commented over hearing difficulties due to mask and visor wearing. This should hopefully be resolved by the next meeting. Please accept my apologies if it spoilt your enjoyment or limited your participation in the meeting.

In consideration of the Covid-19 Report, it would be worthwhile members reading the Appendix of the Report to see the sheer volume and scale of grants and business support which has passed through Carlisle City Council, for us to administer, to support both our operations and that of the commercial NNDR payer. It is probably the nearest that most of us will have got to the command economy that was put in place during the World Wars. It is certainly an achievement by Officers of this Council to have processed these grants within tight timescales, whilst keeping the existing services of the Council 'on the road' as much as is possible.

The Panel also considered the Outturn Reports for the Revenue, Capital Investments and Members Allowances for the 2020/21 year. In general, when you consider the previous 52 weeks, the financial stability of the Council has emerged relatively intact, as I type this the news has broken that Slough has issued a Section 114 Notice and will in all likelihood become restricted to statutory duties. The health of a Council is very much tied into the wealth of a Council. Since the meeting members will be aware of the recently announced £50,000 localised fund to enable local villages, Village Halls and Community Centres adopt their own version of the fund which has been seen to positively impact the High Street recently with the Hawker Festival.

The full Report for the Sickness & Absence was also presented to the Panel. The headline figures are positive, showing a reduction in sickness and absence over the last year, which I can understand members will be surprised at. This has of course been an unusual year, with many of the standard working practices turned on their axis. However,

within the Council, stress whether it from a source external to the Council or from within the Council is the highest area of absence and remains stubbornly so.

We also received an update on the Sands Centre. Members will of course be seeing the structure of the building take form. The Panel had a robust question and answer session on the update covering a broad range of topics and were content to accept the update and Report provided.

Full details of the discussions are to be found within the Minute Book

**Cllr James Bainbridge**  
**Chairman**

Meeting Date: 20<sup>th</sup> July 2021

Public/Private\*: Public

Title: **Economic Growth Scrutiny Panel Chairman's Report – Councillor Lisa Brown**

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### **Economic Growth Scrutiny Panel – June 2021**

We welcomed the Panel back to the Civic Centre for its first in person meeting since March of 2020. Thank you to all of the staff and officers that made this possible, the work that had gone into making the meeting Covid secure was evident and I'm sure all members felt comfortable.

Our main item on the agenda was the Local Environment (Climate Change) Strategy Update. The Policy and Communications Manager submitted the Update. The report set out the progress, proposed amendments and additions to the associated Action Plan, along with an overview of the work undertaken by the Council's Member Advisory Group (MAG) and countywide partnership work.

Full details of the discussion can be found in the minutes. The Panel was well engaged and had many questions for the officer. Creating jobs is key for the local economy and I would hope to see this Climate Change Strategy help the city create more high-quality green jobs for local residents.

Panel members were also keen to discuss the Economic Strategy and there was an express wish to see it at Scrutiny before it goes to Council. Members had been involved with a previous workshop on the topic but had not had a chance to comment on the final document. After discussion with the Deputy Leader, the Panel agreed to receive this in the July workplan.

The meeting was only short as the Work Program at the start of this cycle was light. However, a meeting was held a few days later with myself, the Vice Chair and the Director of Economic Development to discuss the upcoming year.

We were keen to be able to streamline the workflow and make sure that the Panel was well equipped to ask questions. As previously mentioned, the Economic Strategy is coming to the next meeting, but we will also receive reports on events in the city. It was felt that this was vital to the local economy and its recovery from the pandemic.

We will also hear details on the High Street Task Force, who are looking for a way to boost the city centre economy. As a Panel, we have asked many times for an indication on what the Council can do in the near future to support city centre vitality and expressed the view that we couldn't wait to see if government bids had been successful before acting, when so many city centre stores had been closing and job losses were increasing because of the pandemic. It is therefore very welcome to see this item on the agenda and I hope that it can be proactive and speedy in its work.

**Cllr Lisa Brown**

**Chair – Economic Growth Scrutiny Panel**



# Report to Council

**Agenda  
Item:**  
  
**15 (i)**

Meeting Date: 20<sup>th</sup> July 2021  
 Portfolio: Finance, Governance and Resources  
 Key Decision: Yes: Recorded in the Notice Ref: KD.09/21  
 Within Policy and Budget Framework YES  
 Public / Private Public

Title: PROVISIONAL GENERAL FUND REVENUE OUTTURN 2020/21  
 – CARRY FORWARDS  
 Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES  
 Report Number: RD 15/21

**Purpose / Summary:** This report summarises the 2020/21 provisional outturn for the General Fund Revenue budgets (including Council Tax and Business Rates outturn) and requests for the carry forward of budgets. The provisional General Fund Revenue outturn position was considered by the Executive on 2 June and Business and Transformation Scrutiny Panel on 3 June. The provisional Council Tax outturn report was also considered by the Executive on the 2 June and Business and Transformation Scrutiny Panel on 3 June, and the Business Rates outturn report was considered by the Executive on 5 July and Business and Transformation Scrutiny Panel on 15 July.

**Recommendations:**

Council is asked to:

- (i) Approve the carry forward requests totalling £971,400 to be incurred in 2021/22 and the release of £971,400 in 2021/22 from the General Fund Reserve as set out in the report and Appendix 1;
- (ii) Approve the creation of new reserves and transfers into the new and existing reserves of £14,446,071, in addition to the transfer from the building control reserve of £66,374, as detailed in paragraphs 3.2, 3.3 and 3.4 and Appendix 2 of the report.

**Tracking**

Executive:	<b>2 June 2021 (RD05/21 &amp; RD04/21) 5 July 2021 (RD13/21)</b>
Scrutiny:	<b>BTSP 3 June 2021 (RD05/21 &amp; RD04/21) BTSP 15 July 2021 (RD13/21)</b>

Audit Committee:	<b>8 July 2021 (RD05/21 - for information only)</b>
Council:	<b>20 July 2021</b>

## 1. BACKGROUND

1.1 This report provides details of the 2020/21 provisional outturn for the General Fund Revenue budgets and the proposed carry forward requests into 2021/22 as set out in the Council's Provisional General Fund Outturn considered by the Executive (2 June 2021).

1.2 The provisional outturn position is summarised below:

Directorate / Appendix	Original Budget £	Net Updated Budget £	Net Spend to Date £	Variance £	Carry Forwards £	Reserves/ Provisions £	Adjusted Variance £
Community Services (B1)	10,263,400	11,396,900	10,864,491	(532,409)	138,300	413,300	19,191
Corporate Support (B2)	1,685,100	138,800	(96,588)	(235,388)	199,000	0	(36,388)
Economic Development (B3)	1,808,900	2,487,800	1,864,152	(623,648)	162,300	522,200	60,852
Finance & Resources (B4)	1,418,300	2,218,800	1,373,475	(845,325)	10,500	359,100	(475,725)
Governance & Regulatory Services (B5)	1,157,900	2,229,100	965,147	(1,263,953)	461,300	485,046	(317,607)
Corporate Management (B6)	(2,491,600)	(1,857,900)	(1,849,420)	8,480	0	0	8,480
<b>Core Service Expenditure</b>	<b>13,842,000</b>	<b>16,613,500</b>	<b>13,121,257</b>	<b>(3,492,243)</b>	<b>971,400</b>	<b>1,779,646</b>	<b>(741,197)</b>
Exceptional Items (B7)	0	464,900	(1,992,762)	(2,457,662)	0	0	(2,457,662)
<b>Service Expenditure</b>	<b>13,842,000</b>	<b>17,078,400</b>	<b>11,128,495</b>	<b>(5,949,905)</b>	<b>971,400</b>	<b>1,779,646</b>	<b>(3,198,859)</b>
Additional Transfers to Reserves (see para 6.1)							3,250,000
Transfer from Reserves and Provisions (see para 6.1)							(124,604)
<b>Net Underspend Position</b>							<b>(73,463)</b>

## 2. CARRY FORWARD REQUESTS

2.1 In accordance with the Council's Constitution, any net underspending/savings on service estimates under the control of the Director may be carried forward. This is to facilitate the achievement of more strategic five-year budgeting which requires greater flexibility of budgets between years as set out in the Medium-Term Financial Plan. Approval of carry forwards is subject to the following as contained in the Council's Constitution:

- *the authorisation of the Corporate Director of Finance and Resources where the request relates to a specific committed item of expenditure where, due to external or other factors, the Director has been unable to spend the approved budget by 31 March. The use of the resource will be restricted to the purpose for which the estimate was originally intended. The carry forward will only be approved by the Corporate Director of Finance and Resources if the expenditure is within both the Directorate's and the Authority's budget as approved for that year. Any carry forward which would result in an over-spend for the Authority will require authorisation by the Council.*

- any overspending on service estimates in total on budgets under the control of the Director must be carried forward to the following year and will constitute the first call on service budgets in the following year, unless the Council determines otherwise by way of a supplementary estimate. The Corporate Director of Finance and Resources will report the extent of overspending carried forward to the Executive, Business and Transformation Scrutiny Panel and to the Council.

This delegated power applies only in so far as the carry forwards do not take the Council into an overspend position.

- 2.2 Details of the carry forward requests, which itemise committed expenditure, are contained within **Appendix 1**.
- 2.3 The Executive at its meeting on 2 June, approved the carry forward requests totalling £974,100, for recommendation to Council, funded from the General Fund Reserve.

### 3. IMPACT ON RESERVES

- 3.1 The level of Council reserves was approved by Council in February. As a result of the outturn position, and if all of the carry forward requests and transfers to/from earmarked reserves are approved, the revised reserves position would be as follows:

	31/03/2021 £'000s	31/03/2022 £'000s	31/03/2023 £'000s	31/03/2024 £'000s	31/03/2025 £'000s	31/03/2026 £'000s
<b>Prudent Level of Reserves</b>	<b>(3,100)</b>	<b>(3,100)</b>	<b>(3,100)</b>	<b>(3,100)</b>	<b>(3,100)</b>	<b>(3,100)</b>
Council Resolution General Fund Reserve	(3,134)	(3,601)	(3,213)	(3,058)	(3,077)	(3,129)
<b>Revised Level of Reserves</b>	<b>(3,134)</b>	<b>(3,601)</b>	<b>(3,213)</b>	<b>(3,058)</b>	<b>(3,077)</b>	<b>(3,129)</b>
Carry Forwards Approved In Year	(750)	750				
Underspend position to be returned to Reserves	(5,950)					
Changes to General Fund Outturn Position	2					
Additional Funding from Business Rates	(9,749)					
<u>Net Transfer to earmarked reserves: <sup>(1)</sup></u>						
- See paragraph 3.3	14,377					
- See paragraph 3.5	(66)					
Transfer (from)/to provisions	(9)					
Committed Carry Forwards	0	971	0	0	0	0
Cost of Disposal	(34)					
<b>Revised Reserves Balance</b>	<b>(5,313)</b>	<b>(4,059)</b>	<b>(3,671)</b>	<b>(3,516)</b>	<b>(3,535)</b>	<b>(3,587)</b>

Note 1: Transfers to/(from) earmarked reserves subject to approval

Note 2: The Final Reserves Balance will be dependent on additional transfer as part of the Statement of Accounts including the final position on Business Rates.

The Council's policy on reserves is that wherever possible reserves should not be used to fund recurring expenditure, nor dip below minimum recommended levels; however, in situations where this does occur, this should be made explicit and steps take to replenish reserves and to address the situation in future years.

- 3.2 The Council budgeted for additional income of £2,400,000 from business rates growth and pooling over and above the baseline figure set by the Government, and the provisional outturn shows that an additional £9,748,000 in excess of this has been achieved in 2020/21 (subject to the final confirmation of any pooling gains). This surplus would normally be an additional contribution to General Fund Reserves; however, this surplus is due to income credited to the general fund from section 31 grants and will be needed to counteract the deficit funding shown in general fund in 2021/22. Therefore £9,463,000 of this additional funding is requested to be transferred to an earmarked reserve and released to general fund in 2021/22.

Members should note that the information contained in this report is provisional and subject to the formal audit process; therefore, any significant changes required following the approval of the 2020/21 accounts will, if necessary, be reported to a future Executive meeting.

- 3.3 Details of transfers into and from new/existing reserves and provisions requested as part of the outturn process are contained within **Appendix 2** and are summarised below.

	Net Approval Requested £
Council Tax Hardship Grant Reserve (new)	359,100
Revenue Grants Reserve (net)	1,287,023
Apprentice Infrastructure	17,900
Economic Recovery Reserve (new)	50,000
Operational Risk Reserve (new)	3,200,000
<b>Total Transfers to Reserves (RD05/21)</b>	<b>4,914,023</b>
Council Tax Income Guarantee Scheme Reserve (RD04/21)	69,048
Business Rates s.31 Grants Reserve (RD15/21)	9,463,000
<b>Total Transfers to Reserves</b>	<b>14,446,071</b>

3.4 In accordance with statutory requirements any surplus generated by the Building Control function is required to be held as an identified earmarked reserve and can only be utilised for Building Control. In 2020/21 the required amount to be transferred from the Building Control Reserve is £66,374. This is in addition to £9,500 released during 2020/21 to fund eligible costs.

#### **4. RISKS**

4.1 Risks to future years' budget and development of ongoing impact of issues identified will be monitored carefully in budget monitoring reports and appropriate action taken.

#### **5. CONSULTATION**

5.1 Consultation to date.  
Portfolio Holders and SMT have considered the issues raised in this report.

#### **6. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

6.1 Council is asked to:

- (i) Approve the carry forward requests totalling £971,400 to be incurred in 2021/22 and the release of £971,400 in 2021/22 from the General Fund Reserve as set out in the report and Appendix 1;
- (ii) Approve the creation of new reserves and transfers into the new and existing reserves of £14,446,071, in addition to the transfer from the building control reserve of £66,374, as detailed in paragraphs 3.2, 3.3 and 3.4 and Appendix 2 of the report.

#### **7. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

7.1 The Council's budget is set in accordance with the priorities of the Carlisle Plan and the 2020/21 outturn shows the delivery of these priorities within budget.

**Contact Officer: Emma Gillespie**

**Ext: 7289**

**Appendices**

**attached to report:**

**1. Carry Forward Requests**

**2. Reserve/Provision Requests**

**Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 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 outturn figures is part of this process. Approval of full Council is required for the use of revenue reserves to fund expenditure commitments as set out in the report.

**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.

## Appendix 1 – Carry Forward Requests

Directorate/Section	Description	Requests into 2021/22 £
<b><u>Corporate Support</u></b>		
ICT Services	To provided additional resources, specialised consultancy and third party support to ensure key security projects are scoped and implemented.	199,000
		<b>199,000</b>
<b><u>Finance and Resources</u></b>		
Internal Audit	To provide dedicated support to enable completion of the 2020/21 Internal Audit Plan.	10,500
		<b>10,500</b>
<b><u>Community Services</u></b>		
Corporate Training	New training provision for authority - Agile, Autonomous, Accelerated Change (Squad Working).	8,100
Member Training	To support training for the implementation of a Commercial Strategy for the Council.	3,000
HR & Payroll	For iTrent development and additional, temporary staffing resources within HR.	29,500
Small Scale Community Projects	For committed projects at Currock, Botcherby and Denton Holme.	3,400
Bereavement Services	For the replacement of cremator gas analysers which are essential for the functioning of the cremators and to comply with The Environmental Protection Act 1990..	34,300
Environmental Support	This refers to the non-rec £60K additional funding to keep Carlisle Clean and is required to cover a temporary employment contract.	26,000
Health & Wellbeing	This is budget allocated to employee costs for the temporary Sustainable Food Coordinator post.	13,500
Neighbourhood Services	To ensure continuation of the apprentice schemes with the Garage and Technical Team.	12,300
Policy & Communication	Digital Marketing Officer role extension until April 2021 to March 2022; Data Analyst funding until November 2021	8,200
		<b>138,300</b>
<b><u>Economic Development</u></b>		
Carlisle South	To provide dedicated Development Management support to the Garden Village.	10,000
Affordable Housing	Required to fund the Self and Custom Build Housing Grants programme approved by Executive in July 2020.	40,000
St Cuthbert's Garden Village	Required to support delivery of the Local Plan.	72,300
City Centre Business Support	For the establishment of a city centre forum to explore the potential for a Business Improvement District bid and for city centre capital works grants, to support businesses investing in the city centre, including business start ups.	40,000
		<b>162,300</b>
<b><u>Governance and Regulatory Services</u></b>		
Homelessness Prevention	The monies are ringfenced to be utilised to support prevention duties and activities; carry out homelessness activities in line with the principles of the Homeless Reduction Act.	28,500
Homelessness Prevention	To fund staffing pressures in 2021/22.	74,000



Directorate/Section	Description	Requests into 2021/22 £
Town Twinning	The Town Twinning Civic Exchange was due to be held in Carlisle in 2020 but has been postponed to 2021.	6,000
Asset Disposal	Reduced staff resources and the impact of Covid on the property market have delayed the programme, however the resources are still required to deliver the project.	70,100
Revenue Element of LED Capital Project	To fund the replacement of 28 additional lighting columns that are corroded. Work is expected to be carried out by July 2021.	21,800
Repair and Maintenance Programme	Outstanding items of work approved in the 3 year maintenance plan that have not been completed due to Covid, planning, weather and significant resources issues. The request represent committed items of work across the operational portfolio where liabilities arise based on owner and occupier arrangements.	260,900
		<b>461,300</b>
<b>Total General Fund Carry Forward Requests</b>		<b>971,400</b>

## Appendix 2 – Reserve Requests

Reserve/Provision	Purpose	Management of the Reserve	Approval to Release Funds	2020/21 In to Reserve £	2020/21 Out of Reserve £	Total £
<b>NEW Covid Council Tax Hardship Grant Reserve</b>	A reserve to hold available Covid related Council Tax Hardship Grant.	Management of the Reserve rests with the Corporate Director of Finance and Resources.	Approval to release funds from the reserve can only be given by an Officer Decision Notice by the Corporate Director of Finance and Resources in consultation with the portfolio holder.	359,100		359,100
<b>Operational Risk Reserve</b>	To provide funds to support potential ongoing pressures in relation to Covid, Local Government Reorganisation/Transformation projects, treasury management pressures and savings to be achieved.	Management of the Reserve rests with the Corporate Director of Finance and Resources.	Approval to release funds from the reserve can only be given by the Executive of the Council following the advice of the Corporate Director of Finance and Resources.	3,200,000		3,200,000
<b>Economic Recovery Reserve</b>	To support economic recovery for local parishes and urban communities as match funding to aid recovery following the COVID pandemic.	Management of the Reserve rests with the Corporate Director of Economic Development once eligibility criteria has been established by the Executive.	Approval to release funds from the reserve can only be given by an Officer Decision Notice by the Corporate Director of Economic Development in consultation with the portfolio holder and Corporate Director of Finance and Resources.	50,000		50,000

Reserve/Provision	Purpose	Management of the Reserve	Approval to Release Funds	2020/21 In to Reserve £	2020/21 Out of Reserve £	Total £
<b>Council Tax Income Guarantee Scheme Reserve</b>	To hold the balance of the Tax Income guarantee scheme grant received and to be released to partly offset the Council Tax deficit carried forward from 2020/21	Management of the Reserve rests with the Corporate Director of Finance and Resources.	Approval to release funds from the reserve can only be given by an Officer Decision Notice by the Corporate Director of Finance and Resources.	69,048		69,048
<b>Business Rates s.31 Grants Reserve</b>	To hold the balance of Section 31 grants received as compensation for loss of business rate income due to expanded retail, leisure and hospitality relief and to offset the deficit carried forward on the Business Rates Collection Fund from 2020/21.	Management of the Reserve rests with the Corporate Director of Finance and Resources.	Approval to release funds from the reserve can only be given by an Officer Decision Notice by the Corporate Director of Finance and Resources.	9,463,000		9,463,000
<b>Apprentice Infrastructure</b>	A reserve for the committed balances from the annual Apprentice Infrastructure budget that will be required in future years of the employment contracts.	Management of the Reserve rests with the Corporate Director of Finance and Resources	Approval to release funds from the reserve can only be given by the Corporate Director of Finance and Resources in consultation with the relevant Chief Officer.	17,900		17,900
<b>Revenue Grants Reserve</b>	A reserve to hold revenue grant funds received by the Council which have not yet been utilised.	Management of the Reserve rests with the Corporate Director of Finance and Resources	Approval to release funds from the reserve only be given by the Corporate Director of Finance and Resources in consultation with the relevant Chief Officer.			1,281,084
Community Services	<b>One Public Estate:</b> One Public Estate			28,300		
Community Services	<b>One Public Estate:</b> One Public Estate - Sustainable Grant Funding			300,000		

Reserve/Provision	Purpose	Management of the Reserve	Approval to Release Funds	2020/21 In to Reserve £	2020/21 Out of Reserve £	Total £
Community Services	<b>Health and Wellbeing:</b> Grazing Land Management			16,000		
Community Services	<b>Partnerships:</b> Healthy Communities and Older People			1,200		
Community Services	<b>Partnerships:</b> Place Co-ordinator			49,900		
Economic Development	<b>Investment &amp; Policy:</b> St Cuthberts Garden Village (Garden Community Capacity Fund)			475,000		
Economic Development	<b>Regeneration:</b> Town Deal Capacity Funding			40,000		
Economic Development	<b>Regeneration:</b> NLHF Resilience Grant - Hadrian's Wall Partnership			7,200		
Governance & Regulatory Services	<b>Electoral Services:</b> Justification Led Bid			10,000		
Governance & Regulatory Services	<b>Homelessness:</b> Rough Sleeping Initiative			115,322		
Governance & Regulatory Services	<b>Homelessness:</b> Flexible Homelessness Support Grant			87,225		
Governance & Regulatory Services	<b>Homelessness:</b> Homelessness Reduction Act New Burdens Grant			50,184		
Governance & Regulatory Services	<b>Homelessness:</b> Domestic Abuse Grant			134,840		
Governance & Regulatory Services	<b>Homelessness:</b> Housing Related Support (Supporting People) Grant			81,536		
Governance & Regulatory Services	<b>Homelife:</b> FILT Gas Safe 2020/21			1,929		
Governance & Regulatory Services	<b>Homelife:</b> Warm Homes Fund			4,010		
Governance & Regulatory Services	<b>Homeless Prevention:</b> Various Miscellaneous Grants				(47,851)	
Governance & Regulatory Services	<b>Homeless Prevention:</b> Homeless Prevention Grant				(50,000)	
Governance & Regulatory Services	<b>Homelessness:</b> Langley Chase Grant				(3,000)	
Governance & Regulatory Services	<b>Regulatory Services:</b> Rogue Landlords				(1,256)	
Governance & Regulatory Services	<b>Regulatory Services:</b> Homelife Core Funding				(13,516)	

Reserve/Provision	Purpose	Management of the Reserve	Approval to Release Funds	2020/21 In to Reserve £	2020/21 Out of Reserve £	Total £
	<b>TOTAL RESERVE REQUESTS</b>			<b>14,561,694</b>	<b>(115,623)</b>	<b>14,446,071</b>

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## EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 2 JUNE 2021

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### EX.46/21 PROVISIONAL GENERAL FUND REVENUE OUTTURN 2020/21 (Key Decision – KD.09/21)

**Portfolio** Finance, Governance and Resources

**Relevant Scrutiny Panel** Business and Transformation

#### **Subject Matter**

The Deputy Leader submitted report RD.05/21 summarising the 2020/21 provisional outturn for the General Fund revenue budget, giving reasons for variances. The outturn position would result in returning £174,000 to General Fund reserves (as set out in paragraph 6.3).

Requests had been made to carry forward committed expenditure of £971,400, net transfers to/from reserves and provisions of £4,905,042 and transfer to the building control reserve of £66,374 which, if approved, would result in an overall net underspend position of £73,463 on Council Services; however it was estimated that additional funding from Business Rates income would be realised subject to the completion of the NNDR3 return and confirmation of any pooling gains.

The information contained within the report was provisional, subject to the formal audit process. The Draft Statement of Accounts for 2020/21 would be presented to the Audit Committee on 8 July 2021, with final approval of the audited accounts on 24 September 2021.

In conclusion, the Deputy Leader moved the recommendations, which were duly seconded by the Leader.

**Summary of options rejected** that the creation of new reserves and transfers, and new provisions and transfers should not be approved for recommendation to Council.

#### **DECISION**

That the Executive:

- (i) Noted the net underspend of £5,949,905 for Council Services as at 31 March 2021;
- (ii) Noted the committed expenditure totalling £971,400, to be incurred in 2021/22 which had been approved by the Corporate Director of Finance and Resources under delegated powers, and the release of £971,400 from the General Fund Reserve in 2021/22 as detailed in Appendix D1 of the report for recommendation to Council;
- (iii) Approved the creation of new reserves and transfers into and from the new and existing reserves of £4,914,023, in addition to the transfer from the building control reserve of £66,374 as detailed in paragraphs 6.1 and 6.2 and Appendix D2 of the report for recommendation to Council;
- (iv) Noted the transfer from an existing provision of £8,981 as detailed in paragraph 6.1 and Appendix D2 of the report.

#### **Reasons for Decision**

To receive the Report on the Provisional General Fund Revenue Outturn and make recommendations to the City Council

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## EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 2 JUNE 2021

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**EX.49/21**      **COUNCIL TAX OUTTURN 2020/21**  
(Key Decision – KD.09/21)

**Portfolio**      Finance, Governance and Resources

**Relevant Scrutiny Panel**      Business and Transformation

### **Subject Matter**

The Deputy Leader submitted report RD.04/21 summarising the 2020/21 provisional outturn and performance position for Council Tax.

Section 2 recorded that, for 2020/21 budget, the position on the collection fund was estimated to be a surplus of £238,653, with the Council's share being £29,438. When the final position was calculated at the end of 2019/20 the surplus on the Council Tax Collection Fund was actually £50,781 of which the Council's share was £6,197. The decrease in the surplus was taken into account and redistributed in the budgeted estimate for 2021/22.

The actual collection fund position for 2020/21 had been calculated and the surplus had decreased, and was in deficit, now standing at £1,202,144.91 with the Council's share being £144,909.44. The worsening position was a result of the effects of the Covid 19 pandemic and the Council's ability to recover Council tax debt. Legislation had been passed that would allow the Council to spread the deficit position over the following three years to ease the impact on the General Fund and allow time for arrears to be recovered.

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

**Summary of options rejected**      None

### **DECISION**

That the Executive:

- (i) Noted the provisional outturn position at 31 March 2021 for Council Tax and also noted the position with regard to business rates and to write offs and bad debt trends, as detailed within Report RD.04/21.
- (ii) Noted that those figures, as presented, were subject to change pending the completion of the NNDR3 return and final confirmation of any business rates pooling gains for 2020/21.
- (iii) Approved the creation of new earmarked reserves of £69,048 for the income received for the Tax Income Guarantee scheme as detailed at 2.1.5 for recommendation to Council.

### **Reasons for Decision**

To inform the Executive of the provisional outturn position and comments on performance which would feed into the overall revenue accounts for 2020/21





# Report to Council

Agenda  
Item:  
**15 (ii)**

Meeting Date: 20<sup>th</sup> July 2021  
 Portfolio: Finance, Governance and Resources  
 Key Decision: Yes: Recorded in the Notice Ref: KD.09/21  
 Within Policy and Budget Framework YES  
 Public / Private Public

Title: PROVISIONAL CAPITAL OUTTURN 2020/21 – CARRY FORWARDS  
 Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES  
 Report Number: RD.16/21

### Purpose / Summary:

This report provides details of the 2020/21 provisional outturn for the Council's Capital Programme and provides details of the revised Capital Programme for 2021/22. The provisional outturn was considered by the Executive on the 2 June and Business and Transformation and Scrutiny Panel of the 3 June.

### Recommendations:

Council is asked to:

- (i) Approve the carry forward requests totalling £4,454,600 to be met in 2021/22 as set out in the report;
- (ii) Approve the revised programme for 2021/22, together with the proposed methods of financing and virement request, as detailed at paragraph 3.

### Tracking

Executive:	<b>2 June 2021 (RD06/21)</b>
Scrutiny:	<b>BTSP 3 June 2021 (RD06/21)</b>
Audit Committee:	<b>8 July 2021 (RD06/21 - for information only)</b>
Council:	<b>20 July 2021</b>

## 1. BACKGROUND

- 1.1 This report provides details of the 2020/21 provisional outturn for the Council's Capital programme and provides details of the revised Capital Programme for 2021/22.
- 1.2 The provisional outturn position for the 2020/21 capital programme is summarised below:

Directorate	Revised Annual Budget	Total Expenditure	Variance	Carry Forwards (Committed)	Revised Variance
	£	£	£	£	£
Community Services	8,601,200	6,962,839	(1,638,361)	1,651,200	<b>12,839</b>
Corporate Support	161,000	98,454	(62,546)	62,400	<b>(146)</b>
Economic Development	1,814,700	942,667	(872,033)	874,700	<b>2,667</b>
Governance & Regulatory Services	7,959,400	6,119,494	(1,839,906)	1,836,300	<b>(3,606)</b>
<b>Total</b>	<b>18,536,300</b>	<b>14,123,454</b>	<b>(4,412,846)</b>	<b>4,424,600</b>	<b>11,754</b>
Capital Exceptional Items	85,000	48,758	(36,242)	0	<b>(36,242)</b>
<b>Total</b>	<b>18,621,300</b>	<b>14,172,212</b>	<b>(4,449,088)</b>	<b>4,424,600</b>	<b>(24,488)</b>
Reserves to be released	30,000	0	(30,000)	30,000	<b>0</b>
<b>Total</b>	<b>18,651,300</b>	<b>14,172,212</b>	<b>(4,479,088)</b>	<b>4,454,600</b>	<b>(24,488)</b>

## 2. CARRY FORWARD REQUESTS

- 2.1 In accordance with the Council's Constitution, any net underspending/savings on service estimates under the control of the Director may be carried forward. This is to facilitate greater flexibility of budgets between years as set out in the Medium-Term Financial Plan. Approval of carry forwards is subject to the following as contained in the Council's Constitution:

- the authorisation of the Corporate Director of Finance and Resources where the request relates to a specific committed item of expenditure where, due to external or other factors, the Director has been unable to spend the approved budget by 31 March. The use of the resource will be restricted to the purpose for which the estimate was originally intended. The carry forward will only be approved by the Corporate Director of Finance and Resources if the expenditure is within both the Directorate's and the Authority's budget as approved for that year. Any carry forward which would result in an over-spend for the Authority will require authorisation by the Council.*

- *any overspending on service estimates in total on budgets under the control of the Director must be carried forward to the following year and will constitute the first call on service budgets in the following year, unless the Council determines otherwise by way of a supplementary estimate. The Corporate Director of Finance and Resources will report the extent of overspending carried forward to the Executive, Business and Transformation Scrutiny Panel and to the Council.*

2.2 The delegated power applies only in so far as the carry forwards do not take the Council into an overspend position.

2.3 Carry forwards at the end of the year have been analysed to assess the year of potential expenditure to enable better profiling of budgets for future years. Of the committed carry forwards shown in **Appendix A**, it is estimated that the full £4,454,600 will be spent in 2021/22.

### **3. 2021/22 CAPITAL PROGRAMME AND FINANCING**

3.1 The updated Capital Programme for 2021/22 is detailed in **Appendix A** totalling £28,057,900 is based upon the programme as agreed by Council in February 2021 of £19,070,400, the commitments brought forward from 2020/21 as identified above of £4,454,600, the commitments brought forward from 2020/21 already approved of £3,031,500, an increase of £255,800 for additional Disabled Facilities Grant awarded which has recently been advised and totals £2,155,574, and the following additional adjustments:

- An increase of £109,400 for Empty Property Grants as approved by Executive (GD.13/21);
- An increase of £153,200 from S106 contributions towards Play Area improvements (OD.26/21 and OD.34/21);
- An increase of £902,500 for Carlisle Citadels project (LD.02/21);
- An increase of £70,000 for Swifts Wildlife Haven (OD.27/21); and
- An increase of £10,500 for Bitts Park Water Features as approved by Executive (CS.33/20).

3.2 The 2021/22 Capital Programme includes £200,000 savings that need to be identified to provide the required funding for the Civic Centre Reinstatement project. It is **recommended by Executive to Council for approval** for this to be funded by a virement from the Vehicle and Plant Replacement budget.

3.3 The 2021/22 programme will be continually reviewed to ensure the Council has the capacity to deliver this level of programme.

3.4 If all of the carry forward requests are approved, it is suggested that the revised programme for 2021/22 is financed as follows:

	<u>Original Budget</u> £	<u>Revised Budget</u> £
Original Programme	19,070,400	19,070,400
Add: Carried forward from 2020/21 (in Year)	0	3,031,500
Add: Carried forward from 2020/21 (Year End)	0	4,454,600
Add: Other adjustments to programme	0	1,501,400
<b>Total Expenditure to be financed</b>	<b>19,070,400</b>	<b>28,057,900</b>
<b><u>Financed by:</u></b>		
Capital Grants		
• DFG	1,899,800	2,155,600
• General	0	2,325,600
Capital Receipts	1,011,000	1,491,000
Receipts used to fund resources	(112,000)	(112,000)
Contributions from other bodies	0	159,700
Direct Revenue Financing	1,337,400	2,098,300
Borrowing Requirement (In Year)	14,934,200	19,939,700
<b>Total Financing</b>	<b>19,070,400</b>	<b>28,057,900</b>

#### 4. RISKS

4.1 Individual capital schemes have different risks involved.

#### 5. CONSULTATION

5.1 Consultation to Date.

Portfolio Holders and SMT have considered the issues raised in this report.

#### 6. CONCLUSIONS AND REASONS FOR RECOMMENDATIONS

6.1 Council is asked to:

- (i) Approve the carry forward requests totalling £4,454,600 to be met in 2021/22 as set out in the report;
- (ii) Approve the revised programme for 2021/22, together with the proposed methods of financing and virement request, as detailed at paragraph 3.

#### 7. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

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

**Contact Officer:** Emma Gillespie

**Ext:** 7289

**Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 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 outturn figures is part of this process. Approval of full Council is required for the use of capital reserves to fund expenditure commitments as set out in the report.

**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. It is worth noting that the report includes the increase in funding for the Disabled Facilities Grants (DFGs).

**INFORMATION GOVERNANCE** – There are no information governance implications.

Scheme	Original Capital Programme 2021/22 £	Carry Forwards from 2020/21 £	Carry Forwards from 2020/21 £	Other Adjustments £	Revised Capital Programme 2021/22 £
<b>Current non-recurring commitments</b>					
Sands Centre Redevelopment	15,236,700	700,000	985,900	0	16,922,600
Civic Centre Development	1,020,600	1,150,000	(89,000)	0	2,081,600
Energy Monitoring System	12,000	0	0	0	12,000
<i>Savings to Fund Civic Centre</i>	<i>(200,000)</i>	<i>0</i>	<i>0</i>	<i>200,000</i>	<i>0</i>
Cemetery Infrastructure	0	5,700	0	0	5,700
Skew Bridge Deck	0	68,500	(1,500)	0	67,000
Towns Deal - Bitts Park Improvements	0	125,000	(25,800)	0	99,200
Planning Software	0	150,000	0	0	150,000
Play Area Improvements	0	36,500	0	153,200	189,700
Carlisle Citadels	0	0	32,200	902,500	934,700
Towns Deal - Caldew Riverside	0	0	842,500	0	842,500
On Street Charging Points Infrastructure	0	0	102,800	0	102,800
Gateway 44	0	0	896,200	0	896,200
LED Footway Lighting Installation	0	0	29,700	0	29,700
Rough Sleeping Initiative	0	0	10,000	0	10,000
Swifts Wildlife Haven	0	0	0	70,000	70,000
IC All Risks - Bitts Park Water Feature	0	0	0	10,500	10,500
	<b>16,069,300</b>	<b>2,235,700</b>	<b>2,783,000</b>	<b>1,336,200</b>	<b>22,424,200</b>
<b>Recurring commitments</b>					
Planned Enhancements to Council Property	250,000	145,800	63,000	0	458,800
Vehicles, Plant & Equipment	255,000	0	781,600	(200,000)	836,600
Recycling Containers	45,000	0	0	0	45,000
ICT Infrastructure	101,300	150,000	62,400	0	313,700
	<b>651,300</b>	<b>295,800</b>	<b>907,000</b>	<b>(200,000)</b>	<b>1,654,100</b>
<b>Housing Related Grants</b>					
Private Sector Grants	1,899,800	500,000	731,600	255,800	3,387,200
Empty Property Grants	0	0	3,000	109,400	112,400
	<b>1,899,800</b>	<b>500,000</b>	<b>734,600</b>	<b>365,200</b>	<b>3,499,600</b>
<b>TOTAL</b>	<b>18,620,400</b>	<b>3,031,500</b>	<b>4,424,600</b>	<b>1,501,400</b>	<b>27,577,900</b>
<b>Capital Reserves to be released</b>					
Crematorium Infrastructure	350,000	0	0	0	350,000
Future High Street Fund - Market Square	100,000	0	0	0	100,000
Cemetery Infrastructure	0	0	30,000	0	30,000
	<b>450,000</b>	<b>0</b>	<b>30,000</b>	<b>0</b>	<b>480,000</b>
<b>REVISED TOTAL</b>	<b>19,070,400</b>	<b>3,031,500</b>	<b>4,454,600</b>	<b>1,501,400</b>	<b>28,057,900</b>

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## EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 2 JUNE 2021

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**EX.47/21      PROVISIONAL CAPITAL OUTTURN 2020/21 AND REVISED CAPITAL  
PROGRAMME 2021/22**  
(Key Decision – KD.09/21)

**Portfolio**      Finance, Governance and Resources

**Relevant Scrutiny Panel**      Business and Transformation

### **Subject Matter**

The Deputy Leader submitted report RD.06/21 summarising the 2020/21 provisional outturn for the Council's Capital Budget; and providing details of the revised Capital Programme for 2021/22. The outturn showed that the net underspend for Council services as at 31 March 2021 once committed expenditure totalling £4,454,600 was taken into account was £24,488.

Details of the resources which had been utilised to fund the 2020/21 Capital Programme, together with the 5 year Capital Programme for the period 2022/23 to 2025/26 were also provided.

The 2021/22 programme would be continually reviewed to ensure the Council had the capacity to deliver that level of programme. The information contained within the report was provisional and subject to the formal audit process.

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

**Summary of options rejected**      that the net underspend and the revised programme for 2021/22 should not be recommended to Council

### **DECISION**

That the Executive:

- (i)      Noted the net underspend as at 31 March 2021 of £24,488 which includes committed expenditure to be met totalling £4,454,600, which is recommended by the Corporate Director of Finance and Resources for approval to Council;
- (ii)      Had considered the revised programme for 2021/22, together with the proposed methods of financing and virement request, as detailed at paragraph 5 and Appendix B, for recommendation to Council.

### **Reasons for Decision**

To receive the report on the Provisional Capital Outturn for 2020/21 and make recommendations to the City Council on the 2021/22 Capital Programme





# Report to Council

Agenda  
Item:

15 (iii)

Meeting Date: 20 July 2021  
Portfolio: Finance, Governance and Resources  
Key Decision: Yes: Recorded in the Notice Ref: KD.09/21  
Within Policy and Budget Framework YES  
Public / Private Public

Title: TREASURY MANAGEMENT OUTTURN 2020/21  
Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES  
Report Number: RD.07/21

### Purpose / Summary:

This report provides the annual report on Treasury Management (Appendix A), as required under both the Financial Procedure rules and the CIPFA Code of Practice on Treasury Management. Also included is the regular report on Treasury Transactions (Appendix B).

### Recommendations:

That this report be approved.

### Tracking

Executive:	<b>02 June 2021</b>
Scrutiny:	<b>BTSP 3 June 2021</b>
Audit Committee:	<b>8 July 2021 (for information only)</b>
Council:	<b>20 July 2021</b>

# Report to Executive

Agenda  
Item:

Meeting Date: 02 June 2021  
 Portfolio: Finance, Governance and Resources  
 Key Decision: Yes: Recorded in the Notice Ref: KD.09/21  
 Within Policy and Budget Framework YES  
 Public / Private Public

Title: TREASURY MANAGEMENT OUTTURN 2020/21  
 Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES  
 Report Number: RD 07/21

### Purpose / Summary:

This report provides the annual report on Treasury Management (Appendix A), as required under both the Financial Procedure rules and the CIPFA Code of Practice on Treasury Management. Also included is the regular report on Treasury Transactions (Appendix B).

### Recommendations:

That this report be received and recommended to Council for approval.

### Tracking

Executive:	<b>02 June 2021</b>
Scrutiny:	<b>BTSP 03 June 2021</b>
Audit Committee:	<b>08 July 2021 (for information only)</b>
Council:	<b>20 July 2021</b>

## **1. BACKGROUND**

- 1.1 The purpose of this report is to inform Members on various Treasury Management issues.
- 1.2 **Appendix A1** to this report sets out a final report on Treasury Management in 2020/21 as required by the CIPFA Code of Practice on Treasury Management. **Appendix A2** highlights some performance measures and **Appendix A3** shows the final prudential indicators for 2020/21.
- 1.3 **Appendices B1-B3** details the schedule of Treasury Transactions for the period 1 January 2021 – 31 March 2021.

## **2. RISKS**

- 2.1 The Council's Treasury Management function is responsible for investing the Council's surplus cash balances and managing cash flows appropriately. The Treasury Management Strategy Statement and the Treasury Management Practices are completed and approved in line with the CIPFA Code and include appropriate mechanisms for dealing with the Council's investments and borrowing needs.

## **3. CONSULTATION**

- 3.1 Business and Transformation Scrutiny Panel will consider the report on 03 June 2021 and the Audit Committee will do so on 08 July 2021.

## **4. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

- 4.1 That this report be received and recommended to Council for approval.

## **5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

- 5.1 To ensure that the Council's investments are in line with appropriate policies including the Treasury Management Strategy Statement.

**Contact Officer:** Emma Gillespie **Ext:** 7289

**Appendices attached to report:**  
**Appendix A1 – Treasury Management 2020/2021**  
**Appendix A2 – Performance Statistics**  
**Appendix A3 – Prudential Code and Prudential Borrowing**  
**Appendix B1 – Treasury Transactions**  
**Appendix B2 – Investment Transactions**  
**Appendix B3 – Outstanding Investments**

**Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:**

- None

## **CORPORATE IMPLICATIONS:**

**Legal** – Treasury Management activities are delegated to the Corporate Director of Finance and Resources and Financial Procedure Rule 3.19 requires that she prepare an annual report on the topic. This Report fulfils that obligation.

**Property Services** – Not applicable

**Finance** – Included in the report

**Equality** - This report raises no explicit issues relating to the public sector Equality Duty

**Information Governance** – No implications

## TREASURY MANAGEMENT 2020/21

### 1. INTRODUCTION

- 1.1 The CIPFA Code of Practice on Treasury Management (2020) requires that full Council should receive both a mid-term and an annual report on treasury management activities during the year. This report on the treasury function during 2020/21, while being first presented to the Executive, is therefore required to have the approval of full Council in order to comply with the CIPFA Code.
- 1.2 Regular reports on treasury transactions are presented to the Executive while an interim report on treasury management in 2020/21 was presented in November 2020 (RD34/20). The purpose of this report is to complete the process of accounting for the treasury function in the last financial year in compliance with the Code. Any funding and other financing transactions are detailed and placed in the context of money market conditions in 2020/21 while the City Council's investment activities are also discussed.

Separate papers (**A2** and **A3**) provide information on performance in 2020/21 and on the Prudential Code on local authority borrowing.

### 2. MONEY MARKET CONDITIONS

- 2.1 The following table sets out the levels of bank base rate in 2020/21.

	%	
1 April 2020 – 31 March 2021	0.10	Average = 0.10%

- 2.2 Base rate has remained constant at 0.10% throughout the 2020/21 financial year.
- 2.3 The pattern of long-term borrowing rates in 2020/21 can be gauged by the following table of Public Works Loans Board (PWLB) fixed rate maturity loans during the year. These are the rates cited in the regular Treasury Transactions reports and relate to the type of loan that historically has most usually been taken up by the City Council.

	1 Yr %	10 Yr %	25 Yr %
1 April 2020	2.09	2.30	2.78
31 March 2021	0.99	1.91	2.39
Highest Rate in 2020/21	2.14	2.48	3.06
Lowest Rate in 2020/21	0.85	1.20	1.73
Span of Rates	1.29	1.28	1.33

### 3. LONG TERM FUNDING

3.1 The Prudential Code on local authority borrowing came into operation on 1 April 2004. The principal effect of the Code was to abolish most central government control of local authority borrowing, a principle that has been a cornerstone of local government finance for over a century. Instead, authorities must follow the guidance laid down in the Code and they will be expected to comply with its requirements. These cover not just borrowing but any decision that determines whether the capital investment plans of an authority are affordable, prudent and sustainable. The Code is discussed in more detail in **Appendix A3**.

3.2 The City Council did not draw down any external long-term loans in 2020/21. The capital programme was funded internally from borrowing undertaken in 2019/20, by drawing from the authority's own resources, and from external grants and contributions.

### 4. DEBT RESCHEDULING

4.1 The City Council's long-term loans portfolio at the end of March 2021 consisted of two PWLB loans taken out at £9m and £5m (both taken out in 2019/20). Principal on both loans will be repaid each year with final repayments due in 2059 & 2039 respectively.

### 5. LOANS OUTSTANDING

5.1 Set out below is a schedule of outstanding external loans as at 31 March 2021.

	£
Public Works Loans Board (PWLB)	13,287,500
Short Term Loans	<u>12,800</u>
Total Loans Outstanding	<u>£13,300,300</u>

## 6. INVESTMENT TRANSACTIONS

- 6.1 As is apparent from the regular 'Treasury Transactions' reports, the City Council continues to be a frequent investor in the short-term money market and the interest earned from these transactions makes a valuable contribution to the overall level of the Council's revenue budget. Investments are placed only with the institutions that fall within the guidelines of the Council's approved Investment Strategy and a full schedule of investments at 31 March 2021 is set out in **Appendix B3**.
- 6.2 The total at that date (£14.289m) can be compared with an average figure in 2020/21 of over £23.884m and a peak amount of over £34.403m. The closing balance in 2019/20 was £30.403m (due to receipt of COVID related grants).
- 6.3 The Investment Strategy for 2020/21 embraced a mixture of longer-term investments and monies lent out for shorter periods to meet anticipated cash flow needs e.g. grant and precept payment dates. There were no changes made to counter party limits in 2020/21.
- 6.4 Investment income in 2020/21 at £236,918 was below the original estimate of £265,200. Actual investment rates obtained from banks and building society investments in 2020/21 were generally below expectations when the budget was set. The average yield on the Council's investments held including the property fund in 2020/21 was 1.15%. This is still a favourable return considering the position of bank base rates and compares well against other local authorities. This performance was assisted by a significant proportion of investments being placed for longer terms of up to a year and the use of deposit accounts for shorter dated cash requirements.
- 6.5 At 31 March the investment in the CCLA Property Fund was yielding a return of 4.30%. Dividends received in 2020/21 totalled £144,536.59. The investment has also grown in capital value since the investment was placed in July 2014 from £2,836,893 (after entry costs of £163,107) to £3,289,358 (an increase of £476,465). The capital value for 2020/21 decreased by £23,637. The overall increase in value offsets the initial entry costs but is still subject to fluctuations in the overall performance of the fund. However, the fund is continuing to grow with more local authorities taking the decision to invest.

## 7 INVESTMENT STRATEGY 2021/22

- 7.1 The Investment Strategy must be agreed before the start of each financial year and the 2021/22 Strategy was approved by Council on 2 February 2021. While the principles of the Strategy remain fundamentally sound, any amendments to the current schedule of investments, if agreed by the Executive, must be approved by Council.

## 8. PERFORMANCE MANAGEMENT

- 8.1 The CIPFA Code places an increased emphasis on performance monitoring in an attempt to measure the efficiency of the treasury function. With treasury management, the difficulty in assessing performance arises from the very different circumstances of each authority and the fact that, for example, a long-term borrowing decision can affect an authority's measured performance for many years to come. Borrowing decisions invariably impact on investment decisions since, in cash flow terms, one can be the mirror image of the other.
- 8.2 **Appendix A2** sets out some performance indicators in respect of both loans and investments outturn for 2020/21 and 2019/20.

## 9. TREASURY CONSULTANCY SERVICE (TCS)

- 9.1 The City Council continues to employ Link Asset Services as its treasury management consultants. Link provide daily bulletins on both borrowing and investment issues and this helps advise both the investment and funding decisions that are taken by the Council.

## 10 CONCLUSIONS

- 10.1 At the end of March 2021, the City Council has substantial long-term PWLB borrowing of £13.287m. The loans will be paid back in equal instalments of principal over the lifetime of the loan. The Medium-Term Financial Plan anticipates external borrowing to support the Council's capital programme in 2021/22 and this will be further assessed during future planning of the MTFP during the course of this year. The focus of the authority's treasury management activities also remains very much on the investment aspect of the function.
- 10.2 Investment conditions were very similar to as they were in 2019/20. The City Council's investment interest was significantly lower than the previous year, however the performance achieved was slightly better than bank base rate levels. For this authority, as indeed for most others, reduction in investment income poses a very significant financial challenge. This has been alleviated somewhat by the decision to invest in the CCLA property fund which has performed well since initial investment.
- 10.3 The outlook for interest rates in the UK remains uncertain but there is a general expectation that bank base rates will not start to rise again until 2022.



CITY OF CARLISLE

PERFORMANCE MEASUREMENT STATISTICS

1. LOANS MANAGEMENT

	2020/21 %	2019/20 %
Average External Debt Rate - Carlisle	2.64	6.17

Comment

Average loan debt statistics tend to reflect borrowing decisions taken over a period of many years.

2. INVESTMENT MANAGEMENT (Inc. Property Fund)

	2019/20 %	2019/20 %
Average Return in Year - Carlisle	1.15	1.31
Average Bank Base Rate in Year	0.10	0.72

Comment

The City Council's rate of return in 2020/21 on its investments was below that obtained in 2019/20; this was in line with expectations when the budget was originally set.

## THE PRUDENTIAL CODE AND PRUDENTIAL BORROWING

### 1. Introduction

- 1.1 The Local Government Act 2003 brought about a new borrowing system for local authorities known as the Prudential Code (the Code). This gives to Councils much greater freedom and flexibility to borrow without government consent so long as they can afford to repay the amount borrowed.
- 1.2 The aim of the Code is to support local authorities when making capital investment decisions. These decisions should also be in line with the objectives and priorities as set out in the Council's Corporate Plan.
- 1.3 The key objectives of the Code are to ensure, within a clear framework, that the capital investment plans of the Council are affordable, prudent and sustainable, or if appropriate to demonstrate that they may not be. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice and in a manner that supports prudence, affordability and sustainability. These objectives are consistent with and support local strategic planning, local asset management planning and proper option appraisal. They also encourage sound treasury management decisions.

### 2. Prudential Indicators

- 2.1 To demonstrate that the Council has fulfilled these objectives, the Code sets out indicators that must be used. It is for the Council itself to set any indicative limits or ratios. It is also important to note that these indicators are not designed to be comparative performance figures indicators but to support and record the Council's decision-making process.
- 2.2 The final performance indicators for the current year, as compared to those reported in during the budget cycle are set out below. The compilation and monitoring of these indicators is central to the operation of the Code.

### 3 Supported and Unsupported (or Prudential) Borrowing

- 3.1 Local authorities have always funded a substantial element of their capital programme via borrowing. This continues to be the case but until the introduction of the Prudential Code any local authority borrowing was essentially based upon a government 'permission to borrow'. This was deemed to be supported borrowing as credit limits were supported through funding from Revenue Support Grant. Following the introduction of the Prudential Code in 2003, the permission to borrow was essentially withdrawn and Councils were given greater freedom to borrow so long as they can demonstrate that the revenue

consequences of such borrowing (i.e. the cost of the debt) are sustainable, affordable and prudent in the medium to long term.

	2020/21 Provisional Outturn £	2020/21 Revised Estimate £
<b>(i) Capital Expenditure</b>	14,172,212	18,651,300
<b>(ii) Financing Costs</b>		
Interest Payable - Re Borrowing	410,476	1,036,100
Investment Income	(236,917)	(265,200)
<b>Total Financing Costs</b>	<b>173,559</b>	<b>770,900</b>
<b>(iii) Net Revenue Stream</b>		
Funding from Govt Grants/Local Taxpayers*	14,074,100	14,074,100
<b>(iv) Ratio of Financing Costs to Net Revenue Stream</b>	1.23%	5.48%
The figures monitor financing costs as a proportion of the total revenue stream from government grants and local taxpayers. The increase in the ratio of financing costs is mainly attributable to the forecast reduction in investment income.		
<b>(v) Incremental Impact on Council Tax</b>	0.00	0.00
This indicator allows the effect of the totality of the Council's capital investment decisions to be considered at budget setting time.		
<b>(vi) Authorised Borrowing Limit</b>	44,100,000	44,100,000
Maximum Level of Borrowing and Other Long term Liabilities	13,300,300	13,300,300
The authorised borrowing limit is determined by Council prior to the start of the financial year. The limit must not be altered without agreement by Council and should not be exceeded under any foreseeable circumstances.		

\* Business Rates Outturn still to be confirmed

	2020/21 Provisional Outturn £	2020/21 Revised Estimate £
<b>(vii) Operational Borrowing Limit</b> Maximum Level of Borrowing and Other Long term Liabilities The operational borrowing limit is also determined by Council prior to the start of the financial year. Unlike the authorised limit, it may be breached temporarily due to cashflow variations but it should not be exceeded on a regular basis.	39,100,000 13,300,300	39,100,000 13,300,300
<b>(viii) Capital Financing Requirement (CFR)</b> As at 31 March The CFR is a measure of the underlying borrowing requirement of the authority for capital purposes.	21,151,091	24,676,000

**(a) Prudence and Sustainability**

	2020/21 £
<b>(i) Target New Borrowing to Date</b> Long Term Borrowing taken in 2020/21	7,000,000 0
<b>(ii) Target Percentage of Fixed Rate Long Term Borrowing</b> Actual as at 31 March 2021	100% 100%
<b>(iii) Target Percentage of Variable Rate Long Term Borrowing</b> Actual as at 31 March 2021 Prudent limits for both fixed and variable rate exposure have been set at 100%. This is due to the limited flexibility available to the authority in the context of its overall outstanding borrowing requirement.	100% 0%
<b>(iv) Target Minimum Level of Investments Classified as Specified</b> Actual Level of Specified Investments as at 31 March 2021  As part of the Investment Strategy for 2020/21, the Council set a minimum level of 50% for its specified as opposed to non specified investments. The two categories of investment were defined as part of the Strategy but for the City Council non specified investments will presently refer mainly to either investments of over one year in duration or investments placed with building societies that do not possess an appropriate credit rating. These tend to be the smaller building societies.	50.00% 100.00%

TREASURY TRANSACTIONS  
1 JANUARY 2021 TO 31 MARCH 2021

1. LOANS (DEBT)1.1 Transactions 1 January 2021 to 31 March 2021

	Raised		Repaid	
	£	%	£	%
P.W.L.B	0	0	112,500	1.80
P.W.L.B	0	0	125,000	1.33
Short Term Loans	0	0	0	0
Overnight Borrowing	0	0	0	0
	<b>0</b>		<b>237,500</b>	

This provides a summary of loans that have been raised or repaid, analysed by type, since the previous report.

1.2 Loans (Debt) Outstanding at 31 March 2021

	£
P.W.L.B	13,287,500
Short Term Loans	12,800
	<b>13,300,300</b>

1.3 Loans Due for Repayment

	PWLB £	Total £
Short Term Debt at 31 March 2021	475,000	475,000
		<b>475,000</b>

1.4 Interest Rates

Both Link Group and Capital Economics have made no change to their interest rate forecasts. Bank Rate is forecast to remain unchanged at 0.10% throughout 2021.

2. INVESTMENTS

	Made		Repaid	
	£	%	£	%
Short Term Investments	5,000,000	0.01-0.01	13,000,000	0.01-0.1
	<b>5,000,000</b>		<b>13,000,000</b>	

A full schedule of investment transactions is set out in **Appendix B2**. **Appendix B3** shows outstanding investments at 31 March 2021.

3. REVENUES COLLECTED

	Collected £	% of Amount Collectable %
Council Tax	63,686,663	95.67
NNDR	20,375,547	94.34
<b>2020/21</b>	<b>84,062,210</b>	<b>95.34</b>
Council Tax	62,143,990	97.12
NNDR	43,138,152	97.38
<b>2019/20</b>	<b>105,282,142</b>	<b>97.22</b>
Council Tax	58,790,993	97.36
NNDR	43,904,416	98.42
<b>2018/19</b>	<b>102,695,410</b>	<b>97.80</b>

Final collection levels were very similar to those of the previous two years.

4. BANK BALANCE

At 31 March 2021 the bank balance was £441,907 in credit.

This simply records the Council's bank balance at the end of the last day covered by the report.

5. OUTTURN ON TREASURY MANAGEMENT IN 2020/21

	Revised Estimate £000	Actual £000	Variance £000
Interest Receivable	(265)	(237)	28
Interest Payable	1,036	410	(626)
Less Rechargeable	(18)	(3)	15
	<b>1,018</b>	<b>407</b>	<b>(611)</b>
Debt Management	12	23	11
<b>NET BALANCE</b>	<b>765</b>	<b>193</b>	<b>(572)</b>

INVESTMENT TRANSACTIONS 1 JANUARY 2021 TO 31 MARCH 2021

INVESTMENTS MADE		INVESTMENTS REPAID	
	£		£
HSBC	3,000,000.00	HSBC	9,000,000.00
HSBC	2,000,000.00	Federated	4,000,000.00
<b>TOTAL</b>	<b>5,000,000</b>		<b>13,000,000</b>
		Bfwd	22,221,135
		Paid	5,000,000
		Repaid	13,000,000
		CCLAdecrease	68,223
		<b>Total</b>	<b>14,289,358</b>



## Outstanding Investments as at 31 March 2021

Appendix B3

Category	Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Current Days to Maturity	Days to maturity at execution	Total Interest Expected (£)
	HSBC	6,000,000	0.01%		Call1			0
	Bank of Scotland PLC	5,000,000	0.58%		Call180			0
<b>Total Investments</b>		<b>£11,000,000</b>	<b>0.27%</b>					<b>£0</b>
	<b>CCLA Property Fund</b>	<b>3,289,358</b>	<b>4.30%</b>	31/07/2014	3,000,000	(163,107)	2,836,893	<b>289,358</b>

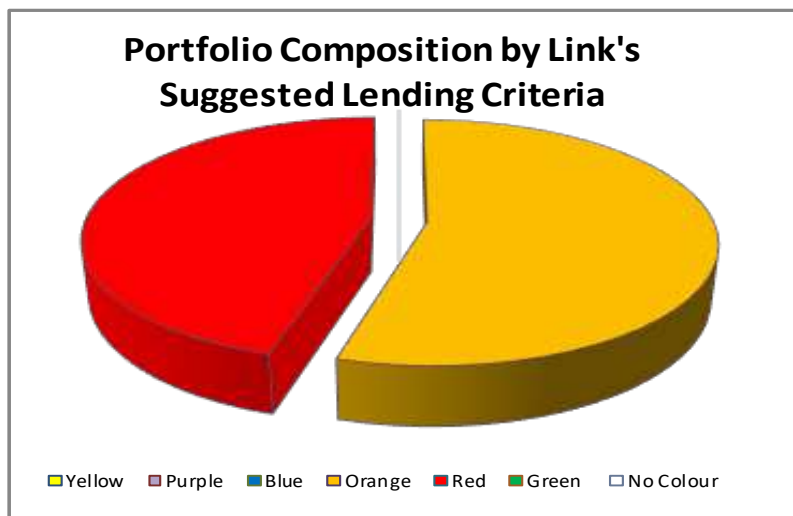
1. Entry Costs were charged against Treasury Management Budget in 2014/15

N.B Interest is recognised in the appropriate financial year in which it is due. The category colour represents the duration of investment recommended by Link Asset Services, the Council's Treasury Advisors. Those investments with No colour, are still within the Council's investment Strategy and are therefore deemed suitable for investing.

## Investments Summary Sheet

	% of Portfolio	Amount	% of Colour in Calls	Amount of Colour in Calls	% of Call in Portfolio	Weighted Average Rate of Return WARoR	Weighted Average Days to Maturity WAM	Weighted Average Days to Maturity from Execution WAM at Execution
<b>Yellow</b>	0.00%	-	0.00%	-	0.00%	0.00%	0	0
<b>Purple</b>	0.00%	-	0.00%	-	0.00%	0.00%	0	0
<b>Blue</b>	0.00%	-	0.00%	-	0.00%	0.00%	0	0
<b>Orange</b>	54.55%	6,000,000	100.00%	6,000,000	54.55%	0.01%	0	0
<b>Red</b>	45.45%	5,000,000	100.00%	5,000,000	45.45%	0.58%	180	180
<b>Green</b>	0.00%	-	0.00%	-	0.00%	0.00%	0	0
<b>No Colour</b>	0.00%	-	0.00%	-	0.00%	0.00%	0	0
	<b>100.00%</b>	<b>11,000,000</b>	<b>100.00%</b>	<b>11,000,000</b>	<b>100.00%</b>	<b>0.27%</b>	<b>82</b>	<b>82</b>

Weighted Average Risk				
Risk Score for Colour (1 = Low, 7 = High)	Mar 2021	Dec 2020	Sep 2020	Jun 2020
1	0.0	0.2	0.2	0.04
2	0.0	0.0	0.0	0.0
3	0.0	0.0	0.0	0.0
4	2.2	2.1	1.9	2.7
5	2.3	1.3	1.5	1.4
6	0.0	0.0	0.0	0.0
7	0.0	0.0	0.0	0.0
	<b>4.5</b>	<b>3.6</b>	<b>3.6</b>	<b>4.1</b>



	Link's Suggested Criteria
<b>Y</b>	Up to 5 Years
<b>P</b>	Up to 2 Years
<b>B</b>	Up to 1 Year
<b>O</b>	Up to 1 Year
<b>R</b>	Up to 6 months
<b>G</b>	Up to 3 months
<b>N/C</b>	No Colour

Normal' Risk Score	3.5	3.5	3.5	3.5

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**EXCERPT FROM THE MINUTES OF THE  
EXECUTIVE  
HELD ON 2 JUNE 2021**

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**EX.48/21**      **TREASURY MANAGEMENT OUTTURN 2020/21**  
(Key Decision – KD.09/21)

**Portfolio**      Finance, Governance and Resources

**Relevant Scrutiny Panel**      Business and Transformation  
**Subject Matter**

The Deputy Leader submitted report RD.07/21 providing the annual report on Treasury Management, as required under both the Financial Procedure Rules and the CIPFA Code of Practice on Treasury Management. Also included was the regular report on Treasury Transactions for the period 1 January 2021 to 31 March 2021.

The Deputy Leader moved the recommendation set out.

The Leader duly seconded the recommendation.

**Summary of options rejected**      that the report should not be recommended to Council for approval

**DECISION**

That Report RD.07/21 be received and recommended to the City Council for approval on 20 July 2021.

**Reasons for Decision**

To receive the annual report on Treasury Management



## Report to Council

Agenda  
Item:  
  
15 (iv)

Meeting Date: 20 July 2021  
 Portfolio: Leaders / Economy, Enterprise and Housing  
 Key Decision: Yes  
 Within Policy and Budget Framework: No  
 Public / Private: Public

Title: Regeneration Programme Update and Economic Development Programme Management Office  
 Report of: Corporate Director of Economic Development  
 Report Number: ED 22/21

### Purpose / Summary:

The report provides an update on the key regeneration projects and sets out the work programme and activities to be undertaken. Approval is sought for an additional revenue budget to enable the creation of an Economic Development Programme Management Office (PMO) and increase the capacity of the Regeneration team to support the development and delivery of these regeneration projects. Additionally, approval is sought to add the Future High Streets Fund projects, for which funding has been secured, to the capital programme.

### Recommendations:

The Council is asked to:

1. Note the progress on the development and delivery of the key regeneration projects led by the City Council – Future High Streets Fund, Town Deal and Caldew Riverside.
2. Approve an additional revenue budget of £91,545 for this financial year 2021/22 to fund the PMO and the regeneration team and an additional £82,560 for the following two years 2022-23 and 2023-24, as set out in Table 3 of this report and funded from Revenue Reserves.
3. Approve a budget of £6,742,839 (in addition to the Greenmarket scheme already included in the Council's capital programme) be added to the Council's Capital Programme, in accordance with the financial profile for the Future High

Street Fund programme for the years 2021-22, 2022-23 and 2023-24 as set out in Table 2 of this report.

## Tracking

Executive:	<b>5 July 2021</b>
Scrutiny:	
Council:	<b>20 July 2021</b>

## **1. BACKGROUND**

- 1.1 Carlisle has been successful in securing over £200m of government funding to deliver housing, infrastructure, and regeneration projects. The City Council is the Lead Authority and Accountable Body for programmes / projects of a value in excess of £30m, which includes St. Cuthbert's Garden Village, the Future High Streets Fund and Town Deal.

## **2. FUTURE HIGH STREET FUND**

- 2.1 Carlisle was selected in August 2019 for the £1 billion Future High Street Fund (FHSF) and the City Council was invited by Ministry for Housing Communities and Local Government (MHCLG) to develop a strategy for the city centre and a business case for investment.

- 2.2 A business case was prepared and submitted to MHCLG in July 2020. The business case set out a vision is to create a distinctive, coherent and inclusive city centre that will improve the perception of the Carlisle, increase social value, and ultimately improve economic performance through greater resident and visitor footfall and demand. The primary strategic objectives of the bid were:
- a. Renew the City Centre as a place to live, work and visit.
  - b. Reactivate the Historic Quarter.
  - c. Catalyse the leisure and night-time economy.

- 2.3 The City Council were awarded £9.1m to deliver four projects:

### **1. Reimagining Market Square (Green Market / Old Town Hall)**

Spanning 6,000 square metres, this area is one of the most substantial public spaces in the city centre. £2.38m has been secured for this project that will enable the space to be better utilised and become more of a focal point for residents and visitors. The project will involve removing unnecessary street furniture, providing a new focal point and installing infrastructure that will allow the space to host temporary or pop-up events.

This scheme is already included in the Council's capital programme as it includes a contribution from the Council of £388,232 that was approved in February 2021. The total value of this scheme is therefore £2.77m.

### **2. Repurposing 6-24 Castle Street**

As part of moving away from a reliance on retail in the city centre, part of the strategy is to repurpose current vacant units for non-retail purposes that attract people to the city centre.

The listed buildings of 6-24 Castle Street are currently vacant and owned by the City Council. £1.13m has been secured for this project that will involve the phased refurbishment of the buildings to make them more appealing to the market for redevelopment.

### 3. Preparing Central Plaza site for redevelopment

The Central Plaza was a Grade II Listed building which was previously a hotel until it closed in 2004. It occupies a key site on Victoria Viaduct, and forms part of the wider Southern Gateway into the City Centre.

£4.74m has been secured for this project, which means that a number of the redevelopment options have become viable. These options will be progressed during this financial year 2021-22, with a view to commencing the delivery of a preferred scheme during 2022-23.

### 4. Pedestrian enhancement of Devonshire Street

Carlisle city centre's emergent night-time cluster focussed on Devonshire Street, Lowther Street and Warwick Road is constrained by a streetscape is not particularly attractive for cafes, restaurants and bars. For example, along Devonshire Street there is heavy peak time traffic and several bus stops and bus waiting facilities.

£490,000 has been secured for this project, that will involve the reduction of the carriageway on Devonshire Street and widening of the footways. This will create a meaningful activity zone, with more space for people to walk and the businesses having the potential to create outdoor seating areas.

## FHS Programme Delivery

2.4 In summary the spend profile of the programme is as follows:

Table 1: FHSF Programme Spend profile

<b>FHSF ask</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>Total</b>
Repurposing 6-24 Castle Street	£170,250	£510,750	£454,000	£1,135,000
Preparing Central Plaza site for redevelopment	£712,447	£1,787,340	£2,249,858	£4,749,645
Reimagining Green Market/ Market Square as Carlisle's events space*	£357,265	£721,796	£1,302,707	£2,381,768
Pedestrian enhancement of Devonshire Street	£73,639	£220,918	£196,371	£490,928
Delivery costs	£122,422	£122,422	£122,422	£367,266
<b>Total</b>	<b>£1,436,023</b>	<b>£3,363,225</b>	<b>£4,325,358</b>	<b>£9,124,607</b>

\* This does not include the Council contribution of £388,232



### **3. CALDEW RIVERSIDE REMEDIATION**

#### **Caldew Riverside development site**

- 3.1 Caldew Riverside is a 3.16 ha (7.81 acres) brownfield site located on the edge of the city centre and within 200 metres from Carlisle Railway Station and 40m from the historic quarter. The site owned by the City Council and currently comprises of two council owned surface car parks, with a plot of vacant land between by trees, scrubland and hardstanding.
- 3.2 The site was historically used as a gas works and as rail sidings and is therefore contaminated. Notwithstanding this, the site has been identified within both the Carlisle Local Plan and Borderlands Inclusive Growth Deal as a regeneration opportunity with significant potential to support the growth, vitality and viability of the city centre.
- 3.3 The site is the best and only available location for the delivery of strategic scale residential development close to the city centre. Due to its location, it has the potential to deliver a high quality, transformational riverside residential development that will showcase and catalyse the city centre living market in terms of both supply and demand.
- 3.4 In 2019 Arcadis, whose team has been involved in the Caldew Riverside Project since 2008, was appointed to undertake a review of existing historical site investigation reports and produce an effective remediation strategy to allow the reuse of the site for development.
- 3.5 Funded by the Town Deal Accelerated Fund, £850,000 has been secured to deliver a project that aims to address the legacy contamination issues that have prevented redevelopment schemes identified for the site from proceeding, due to the impact of the associated remediation costs on economic viability. This project will work towards preparing the site for return to land supply thereby overcoming the key barrier to development and addressing market failure.
- 3.6 The Phase 2 site investigation works have recently concluded, which involved sampling and analysis of groundwater samples from existing wells. This has indicated that contamination of the land persists and that the site poses complex contamination issues. Further ongoing monitoring of the encroachment of the ground water contaminants is required to inform an effective remediation strategy to allow the reuse of the site for development.

## 4. CARLISLE TOWN DEAL

4.1 In October 2020 Carlisle's Town Deal Board, a private-public partnership made up of key organisations across Carlisle, including Carlisle City Council, Cumbria County Council, Cumbria LEP, the University of Cumbria and Tullie House, agreed and submitted a Town Investment Plan (TIP) to government to secure up to £25 million of public investment for the city.

4.2 The TIP outlines the following strategic objectives for Carlisle:

- SO1: GROWING CITY - To grow the working-age population of Carlisle and expand the business and employment base, through investment in housing, business growth, high-quality job creation, and education & skills.
- SO2: VIBRANT CITY - To increase vibrancy and activity in Carlisle city centre, creating a thriving community of students, residents, businesses and workers using the centre for education, housing, work and leisure activities, during the day and into the evening.
- SO3: CONNECTED CITY - To make Carlisle a highly accessible and connected city, supporting growth by making it easier for residents, workers, students and businesses to arrive at and move around the City.
- SO4: DESTINATION CITY - To grow Carlisle's visitor economy, attracting additional footfall, vibrancy and spending to the City.
- SO5: RESILIENT AND INCLUSIVE CITY - To enable Carlisle's businesses, people and communities to be resilient to economic, social and environmental challenges including climate change, economic exclusion and unemployment, digital exclusion, and recovery from the Covid-19 pandemic.

4.3 The Investment Plan takes a holistic 'whole town' approach to regeneration, providing a strategy for growth in the city over the next ten years, capturing investments that have already been confirmed, including Borderlands and Future High Street Fund projects, as well as proposing 7 new projects for Town Deal Funding. These projects are:

- Start with the Park, St. Cuthbert's Garden Village
- Southern Gateway
- Project Tullie: Welcome & Entrance to Tullie House Museum
- Lighting Up Carlisle
- Digital and Community Learning Hub
- Citadels Business Infrastructure

- Carlisle Market Hall

4.4 In March 2021 Carlisle received a Heads of Terms agreement of £19.7 million for its Town Deal, following submission of the Town Investment Plan in October 2020.

Table 2: Outline Project Delivery Plan and Financial Profile

<b>Project</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>
Carlisle Market Hall	£2,156,560	51,510	£606,930		
Citadels Business Infrastructure	£159,000	533,000	1,368,000	£1,368,000	£572,000
Digital & Community Learning Hub		350,000	1,750,000	£250,000	
Lighting-Up Carlisle	£90,000	344,000	£52,000	£52,000	£82,000
Southern Gateway		670,000	1,700,000	£2,430,000	1,800,000
Start with the Park (SCGV)		250,000	£700,000	£940,000	£110,000
Project Tullie		£58,000	£234,000	£626,000	

4.5 Three fast track projects have been identified, which are highlighted in red in the below outline delivery plan. ‘Fast track projects’ are those where delivery can commence this financial year (2021/22). These are highlighted in red in the figure above.

4.6 As the Town Deal Programme has now been confirmed, Carlisle now moves into phase two of the development of a Town Deal. This involves the production, appraisal and approval (by the Town Deal Board and Lead Authority) of 7 Business Cases (one for each project). The timescale for Business Case development is fixed: all Business Cases need to be submitted to government by March 2022, furthermore, any fast-track projects will require business cases to be developed by the end of October 2021 to ensure funding can be secured this financial year.

## **5. ECONOMIC DEVELOPMENT PROGRAMME MANAGEMENT OFFICE**

- 5.1 The City Council are now in the process of contracting with the MHCLG for delivery of the agreed Future High Street Fund and Town Deal programmes. This will require the City Council to act as the Accountable Body and be accountable for the overall management and administration. In this role the Council will be required to:
- Manage, monitor, and evaluate the programmes;
  - Manage contractual arrangements with project partners to ensure delivery;
  - Be responsible for the financial management of the overall programme;
  - In the case of Town Deal, support lead partners in the development of detailed business cases to secure funding; and
  - Reporting to government as required.
- 5.2 In order to be able to undertake the role of Accountable Body for these major projects and programmes effectively a Programme Management Office (PMO) is to be established, for an initial 3-year period (subject to review). The proposal is modelled on the approach by Northumberland County Council and the structure of the recently established Borderlands PMO.
- 5.3 It is recognised that the PMO will required specialist support from the legal, property and finance teams to deliver the projects and carry out the Accountable Body functions and responsibilities. This support has been factored into the overall costs of the PMO.
- 5.4 To support the delivery of these major projects and programmes it is proposed that the capacity of the Regeneration team is increased. This will provide the resources required to ensures that project development and delivery for the Borderlands, Future High Street Fund and Town Deal programmes keeps on track and that the wider economic development and heritage protection work continues to be progressed.
- 5.5 From the funding that has been secured, allocations for programme management have included to support the costs that will be incurred by the Council in the development, delivery and management of these major economic development projects and programmes.
- 5.6 As the FHSF and Town Deal are capital grants, any claims for the programme management costs must be based on activity and expenditure that can be treated as capital and which are incremental in supporting the delivery of an asset. This means that some activity – such as the legal and finance support – would not be eligible and would need to continue to be funded from revenue budgets.

- 5.7 As some posts are already base budgeted, the Regeneration Manager has worked closely with the Financial Services Manager to identify the optimum way in which the capital funding can be used alongside existing revenue budgets to minimise the request for additional resources and to try and enable posts directly impacting on the delivery of the schemes to be funded from the capital funding. Table 3 shows those changes where posts are to be considered as part of a wider Economic Development restructure and re-graded. The additional costs associated with this are included in the overall budget requirement of the PMO.
- 5.8 The proposals cover the next three years of activity for the PMO and regeneration team and entail:
- An additional revenue budget requirement of £91,545 for this financial year 2021/22
  - An additional revenue budget requirement £82,560 for each of the following two years 2022-23 and 2023-24

Table 3: PMO Budget									
	2021/22	Current Grade	Proposed Grade	FTE	Proposed Cost	Current Base Budgets	FHSF [C]	SCGV [R]	Additional Funding Required
PMO	Programme Manager	H	I	1					
	Programme Officer	F	F	1					
	Administrative Assistant	C	C	0.6					
	Finance Support								
	Legal Support								
	Property Support								
Regen	Regeneration Manager	L	M	1					
	Regeneration Officer (FHSF)	H	H	1					
	Regeneration Officer (Town Deal)	F	G	1					
	Regeneration Officer (Borderlands)	F	G	1					
	Project Manager	K	K	0.8					
	Heritage & Urban Design Officer	I	I	1					
	<b>TOTAL</b>				<b>499,545</b>	<b>226,000</b>	<b>122,000</b>	<b>60,000</b>	<b>91,545</b>

	2022/23; 2023/24	Current Grade	Proposed Grade	FTE	Proposed Cost	Base Budget	FHSF [C]	Town Deal [C]	SCGV [R]	Additional Funding Required
PMO	Programme Manager	H	I	1						
	Programme Officer	F	F	1						
	Administrative Assistant	C	C	0.6						
	Finance Support (Accountancy + Procurement)									
	Legal Support									
	Property Support									
Regen	Regeneration Manager	L	M	1						
	Regeneration Officer (FHSF)	H	H	1						
	Regeneration Officer (Town Deal)	F	G	1						
	Regeneration Officer (Borderlands)	F	G	1						
	Project Manager	K	K	0.8						
	Heritage & Urban Design Officer	I	I	1						
	<b>TOTAL</b>				<b>539,810</b>	<b>226,000</b>	<b>122,000</b>	<b>49,250</b>	<b>60,000</b>	<b>82,560</b>

## **6. RISKS**

- 6.1 The capacity to manage the programme of projects and ensure that sufficient the resources in place to support the delivery the key corporate economic development / regeneration priorities has been identified as a major corporate-level risk. The establishment of the PMO and an increase of resources within the Regeneration team is the proposed control and mitigative action to manage this risk.

## **7. GOVERNANCE**

- 7.1 As part of the Accountable Body function, the Council must demonstrate that robust governance processes are in place to ensure proper, transparent, and involve accountable decision making.
- 7.2 In terms of initial governance principles, the PMO will need to have a strong interface between the existing governance structures that have been established to manage the delivery of the major projects and programmes. This will enable it to carry out the key tasks of managing, monitoring, and evaluating the programmes – and reporting to government as required.
- 7.3 The PMO would report to the Major Projects Economic Growth Board and present a 'highlight report', which would report on current activity, progress against milestones, budgets and risks. The Growth Board itself would act as the gateway for information and decision-making.

## **8. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

- 8.1 Good progress has been made on the Council's economic development and regeneration programme over the last 12 months. £9.7m has been secured from the Future High Streets Fund, which is now moving into the implementation stage with detailed design work starting to commence on the four projects. Heads of Terms for a £19.7m Town Deal has been agreed, which is now moving into Stage 2 with the production of seven green-book compliant business cases. In addition to this, detailed site investigation and remediation work is underway at Caldew Riverside remediation/redevelopment project and the four Carlisle-based Borderlands projects (Station, Citadels, Place and Hadrian's Wall) continue to move forward at pace.
- 8.2 In order to be able to undertake the role of Accountable Body for the Future High Streets Fund and Town Deal a Programme Management Office (PMO) is to be established. To support the delivery of these major projects and programmes it is proposed that the capacity of the Regeneration team is increased to provide the resources required for the development and delivery for the Borderlands, Future High Street Fund and Town Deal programmes

8.3 The Council is asked to:

1. Note the progress on the development and delivery of the key regeneration projects led by the City Council – Future High Streets Fund, Town Deal and Caldew Riverside.
2. Approve an additional revenue budget of £91,545 for this financial year 2021/22 to fund the PMO and the regeneration team and an additional £82,560 for the following two years 2022-23 and 2023-24, as set out in Table 3 of this report and funded from Revenue Reserve.
3. Approve a budget of £6,742,839 (in addition to the Greenmarket scheme already included in the Council’s capital programme) be added to the Council’s Capital Programme, according the financial profile for the Future High Street Fund programme for the years 2021-22, 2022-23 and 2023-24 as set out in Table 2 of this report.

## 9. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

The major economic development / regeneration projects for which funding has now been secured - and the establishment of the PMO and expansion of the regeneration team to support their delivery will contribute to the new Carlisle Plan priorities of economic growth and health and wellbeing.

**Contact Officer: Steven Robinson Ext: 7535**

**Appendices attached to report:** Appendix A – Executive Report 05/07/2021  
Appendix B - Future High Street Memorandum of Understanding.  
Appendix C - Carlisle Town Deal Heads of Terms

**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 report outlines a significant number of projects which the Council has funding to progress. All Grant Funding Agreements and related documents must be reviewed by the legal services team prior to accepting the monies. Particularly where the Council is acting as Accountable Body, there will also be a need for third party agreements, and these should be drawn up by the legal services team.



Legal input should also be sought at the earliest possible opportunity, for example, when developing the business cases required for the Towns Deal funding, in order that advice may be provided on such matters as title to any Council assets involved, third party easements and issues, due diligence on investors and cooperation agreements, the need for procurement or advertisements and SRO advice.

The report also sets out the intention that a Project Management Office be established, including funding for legal support. The projects outlined will require substantial legal input and the intention is to recruit to the internal legal team, however, where 'peaks' of work require, external legal support may also be sought, to be funded by the project.

Finally, it is proposed that a Governance structure and Scheme of Delegation is agreed, similar to those in place for the Borderlands deal and the Sands Centre construction project. This Scheme should be prepared in full consultation with the Monitoring Officer and will be brought back to Executive for approval.

**PROPERTY SERVICES** - The additional funding will be used to bolster internal resources within the Property team however any costs associated with specialist external resources will have to be met from the respective project budgets.

The additional project management support post (0.8 FTE) should sit within the existing Capital Projects team within Property Services. This will ensure that the Council maximises the benefits from the existing knowledge and experience already available.

Given that a number of the construction projects are Council owned assets this will allow the projects to be considered through the Property team's whole life strategies to ensure all property issues are considered at inception and monitored throughout to ensure that long term maintenance and property management issues are minimised.

**FINANCE** – The report outlines the key economic development projects being progressed and the outcomes of recent funding bids to government. The report requests that the confirmed allocation of Future High Street Funding (£9,124,607) be added to the Council's capital programme so that project delivery can be progressed. It should be noted that the scheme for the Greenmarket investment (£2,381,768) is already included in the capital programme as this required a contribution (£388,232) from the Council and this was approved as part of the budget setting process in February 2021. Therefore, only the additional parts (£6,742,839) of the FHSF are requested to be added to the capital programme.

The Memorandum of Understanding for the FHSF is for 2021/22 only and therefore funding for 2022/23 onwards is subject to the outcome of the Government's Spending Review.

As the Council is acting as Accountable Body for the FHSF and Town Deal, it will need to ensure that it has suitable arrangements in place with third parties who will deliver some of the projects, e.g. Cumbria County Council, Tullie House etc, so that it can be certain that grant conditions will be followed and adhered to. There will likely be a requirement for funding agreements with these third-party bodies for this.

The Council will need to consider any VAT implications associated with the delivery of the schemes as the significant expenditure that will be flowing through its accounts will increase the amount of VAT reclaimed.

### **PMO**

The report details the requirements in order to deliver the schemes (FHSF and Towns Deal) and that a Project Management Office should be established. There is funding within each scheme as an allowable cost for delivery of the projects, however, the proposed PMO costs exceed these capital grants and therefore request an additional amount for funding from the revenue budget. It should be noted, and carefully considered, that these grants are capital grants and there are specific and restricted regulations around the use of capital in funding staffing costs. The employee's activity must have directly contributed to bringing an asset into operational use. Any costs that do not fall within the guidelines will automatically be deemed revenue and not allowable as being funded from capital funding.

It is recommended that the additional revenue budget requirement of £256,665 between 2021/22 and 2023/24, be funded from General Fund Reserves. Reserves are forecast to be above minimum levels (forecast at £3.587m at 31/03/26 against a minimum level of £3.1m) for the life of the MTFP and could therefore be used to fund this additional supplementary estimate.

The proposals for the PMO include costs for existing post re-grades. If these re-grades are permanent once the PMO ceases, then the additional cost of these posts will need to be found for these posts. Although the PMO will utilise existing staffing resource, there are elements within the proposals that could see new temporary posts created. It should be noted that any temporary resource that is brought in for a period of more than two-years will be entitled to redundancy pay when the contract ceases and the proposal does not include any funding for this potential cost, so provision will need to be made from existing Economic Development base budgets.

**EQUALITY** - As stated in the report to Executive, Carlisle will undertake programme-wide level impact assessment, relevant project-level impact assessment and relevant Environmental Impact Assessments.

**INFORMATION GOVERNANCE** – There are no information governance implications with this report.



## Report to Executive

Agenda  
Item:

Meeting Date: 5 July 2021  
 Portfolio: Leaders / Economy, Enterprise and Housing  
 Key Decision: Yes  
 Policy and Budget Framework: No  
 Public / Private: Public

Title: Regeneration Programme Update and Economic Development Programme Management Office  
 Report of: Corporate Director of Economic Development  
 Report Number: ED 19/21

### Purpose / Summary:

The report provides an update on the on the regeneration projects and sets out the work programme and activities to be undertaken for this financial year, 2021-22. Approval is sought to add projects, for which funding has been secured, to the capital programme and to delegate authority for some decision-making to enable projects and key milestones to be met. Finally, in order to be able to undertake the role of Accountable Body for these major projects and programmes effectively, the report sets out the proposal for the creation of an Economic Development Programme Management Office, and also to increase the capacity of the Regeneration team to support the development and delivery of these projects.

### Recommendations:

The Executive is asked to:

1. Note the Future High Streets Fund (FHSF) Memorandum of Understanding included in Appendix A, the provisions contained therein
2. Give approval to sign the FHSF Memorandum of Understanding and therefore confirm the Council's acceptance of the £9,124,606 grant funding offered.
3. Give approval for the Council to be the accountable body for the FHSF programme, as per paragraph 2.11

4. Approve, for recommendation to Council, a budget of £6,742,839 (in addition to the Greenmarket scheme already included in the Council's capital programme) be added to the Council's Capital Programme, according the financial profile for the years 2021-22, 2022-23 and 2023-24 as set out in Table 3 of this report
5. Release the budget for the Greenmarket scheme already included in the capital programme in accordance with the Council's budget resolution agreed in February 2021.
6. Note the Remediation Road Map for the Caldew Riverside site and the key decision points as set out in Table 5 of this report.
7. Delegate authority, regarding the Caldew Riverside remediation strategy key decision points, to the Corporate Director of Economic Development following consultation with the Leader of the Council, Portfolio Holder for Economy Enterprise and Housing, Corporate Director of Finance & Resources and Corporate Director of Governance & Regulatory Services to:
  - a) implement the appropriate remediation strategy options.
  - b) Agree scope and contract amount for practical actions within the remaining budget.
8. Note the progress on the development of the Carlisle Town Deal, the agreement of Heads of Terms (included in Appendix B), the agreed programme of projects as set out in Table 6 of this report and the programme of activity over the next twelve months to progress towards agreeing the Town Deal
9. Note the additional resources required to deliver City Council's major economic development projects and the associated costs and that these costs will be offset using grant funding that has been secured.
10. Agree to the establishment of a Major Projects Programme Management Office for an initial 3 year period (subject to review) and increasing the capacity of the regeneration team.
11. Approve, for recommendation to Council, additional revenue budget of £91,545 for this financial year 2021/22 to fund the PMO and the regeneration team and an additional £82,560 for the following two years 2022-23 and 2023-24, as set out in Table 8 of this report and funded from Revenue Reserves.

## Tracking

Executive:	<b>5 July 2021</b>
Scrutiny:	
Council:	<b>20 July 2021</b>

## 1. BACKGROUND

- 1.1 Carlisle has been successful in securing over £200m of government funding to deliver housing, infrastructure, and regeneration projects (see Table 1).
- 1.2 The City Council is the Lead Authority and Accountable Body for programmes / projects of a value in excess of £30m, which includes Borderlands, St. Cuthbert's Garden Village, the Future High Street Fund and Town Deal.
- 1.3 The Future High Street Fund is now moving into the implementation stage with detailed design work starting to commence on the four projects. The Town Deal is now moving into Stage 2 with the production of seven green-book compliant business cases. These increased workstreams are additional to the ongoing work on the four Carlisle-based Borderlands projects (Station, Citadels, Place and Hadrian's Wall) and the Caldew Riverside remediation/redevelopment project.

<b>Programme / Project</b>	<b>Value</b>	<b>Duration</b>	<b>Lead Authority</b>	<b>CaCC responsibilities</b>	<b>Accountable Body</b>
Town Deal	£19.7m	2021 - 2026	CaCC	<ul style="list-style-type: none"> <li>• Business case development / submission</li> <li>• Business case assurance</li> <li>• Project / programme management</li> <li>• Legal / grant Funding Agreements</li> <li>• Accountancy / financial management</li> <li>• Monitoring / evaluation / reporting</li> </ul>	CaCC
Town Deal Capital Accelerated Fund	£1.0m	2020 - 2022	CaCC	<ul style="list-style-type: none"> <li>• Project Management</li> <li>• Accountancy / financial management</li> <li>• Monitoring / evaluation / reporting</li> </ul>	CaCC
Future High Street Fund	£9.1m	2021 - 2024	CaCC	<ul style="list-style-type: none"> <li>• Project / programme Management</li> </ul>	CaCC

				<ul style="list-style-type: none"> <li>• Legal / grant Funding Agreements</li> <li>• Accountancy / financial management</li> <li>• Monitoring / evaluation / reporting</li> </ul>	
Borderlands – Carlisle Station Gateway	£23.8m	2020 - 2026	CuCC	<ul style="list-style-type: none"> <li>• Project management</li> <li>• Legal - relating to the treatment of CaCC assets</li> </ul>	NCC
Borderlands – Citadels	£72.0m	2021 - 2027	University of Cumbria	<ul style="list-style-type: none"> <li>• Project management</li> <li>• Legal - relating to the treatment of CaCC assets</li> <li>• Land assembly</li> </ul>	NCC
Borderlands - Place Programme	£3m	2020 - 2024	CaCC	<ul style="list-style-type: none"> <li>• Project Manage the Place Programme for Longtown</li> <li>• Accountancy / financial management</li> <li>• Monitoring / evaluation / reporting</li> </ul>	NCC
St Cuthbert's Garden Village	TBC	TBC	CaCC	<ul style="list-style-type: none"> <li>• Programme management - Development Corporation programme management</li> <li>• Production of SCGV Local Plan</li> <li>• Project management – Start with the Park</li> </ul>	CaCC
CSLR	£134m	2022 - 2024	CuCC	<ul style="list-style-type: none"> <li>• Ensuring pipeline of housing delivery</li> <li>• Adoption of SCGV Local Plan</li> <li>• Production of housing delivery statement</li> </ul>	CuCC

## 2. FUTURE HIGH STREET FUND

- 2.1 The Ministry of Housing, Communities and Local Government (MHCLG) created a £675 million capital fund to help local areas adapt to the changes in the retail sector and on the high street.
- 2.2 The objective of the Future High Street Fund is to renew and reshape city centres and high streets in a way that improves experience, drives growth and ensures future sustainability. The Fund has five main investment themes:
- Investment in physical infrastructure;
  - Acquisition and assembly of land including to support new housing, workspaces and public realm ;
  - Improvements to transport access, traffic flow and circulation in the area
  - Supporting change of use including (where appropriate) housing delivery and densification; and
  - Supporting adaptation of the high street in response to changing technology.
- 2.3 The City of Carlisle was selected in August 2019 for the £1 billion Future High Street Fund (FHSF) and the City Council was invited by Ministry for Housing Communities and Local Government (MHCLG) to develop a strategy for the city centre and a business case for investment.
- 2.4 A business case has been prepared which was submitted to MHCLG by the 30 July 2020.

<b>Milestone</b>	<b>Date</b>
Expression of Interest submitted to FHSF	22 March 2019
Accepted to business case development phase	August 2019
Draft SOBC submitted	16 March 2020
Submission of business case	30 July 2020
In principle funding offer from the MHCLG	December 2020
Revised Business Case Funding Offer	26 February 2021
Grant award notification letter	06 April 2021
Grant Funding Agreement Clarification	7 May 2021
Grant Offer Letter / MoU	3 June 2021

### Overview of the FHSF strategy / objectives

- 2.5 The vision is to create a distinctive, coherent and inclusive city centre that will improve the perception of the Carlisle, increase social value, and ultimately

improve economic performance through greater resident and visitor footfall and demand. The strength of the historic and cultural offer already embedded within the city will be enhanced securing a vibrant legacy from the investment.

- 2.6 The primary strategic objectives of the Carlisle FHSF are as follows:
- a. Renewing Carlisle city centre as a place to live, work and visit.
  - b. Reactivating Carlisle's Historic Quarter.
  - c. Catalysing Carlisle's leisure and night-time economy.
- 2.7 The business case submitted outlined six projects and through a prioritisation and re-profiling exercise this was reduced to 4 projects that are within the budget of £9.1m awarded. These include:

### **1. Reimagining Market Square (Green Market / Old Town Hall)**

Market Square is the most substantial public space in the city centre, spanning 6,000 square metres. This significant space could be better utilised and become more of a focal point for residents and visitors alike. Through improving the infrastructure and public realm of the square, it will become a bigger draw for residents and visitors alike.

Interventions funded by the FHSF will include removing unnecessary street furniture, providing an enhanced nodal point to provide focus, and providing enabling infrastructure to host temporary or pop-up events (such as a cinema in the summer months or an ice rink in winter).

This scheme is already included in the Council's capital programme as it includes a contribution from the Council of £388,232 that was approved in February 2021. The total value of this scheme is therefore £2.770m

### **2. Repurposing 6-24 Castle Street**

As part of moving away from a reliance on retail in the city centre, current vacant units could be used for several non-retail purposes that attract people to the city centre. This includes repurposing vacant units for residential uses (given that there is a lack of this in the city centre at present), or creating more creative industry business start-up / hot-desking workspace, as there is currently only one such facility in the city centre. This could help reactivate Carlisle's Historic Quarter increasing both weekend and weekday footfall and improving Carlisle's perception as a place to live and work.

The listed buildings of 6-24 Castle Street are currently vacant and in the freehold possession of Carlisle City Council. Previously occupied by the University of Cumbria, the buildings have been knocked through to create one large property but retain the appearance of separate buildings from the



outside. As such, this large, complicated property faces several expensive challenges to its reuse.

The FHSF allocation for this project has been reduced from the original business case and therefore a phased approach to redevelopment will be followed. The funding will be used to reduce the conservation deficit on the buildings and make them more appealing to the market for redevelopment.

### **3. Preparing Central Plaza site for redevelopment**

The Central Plaza was a Grade II Listed building which was previously a hotel until it closed in 2004. It occupies a key site on Victoria Viaduct, and its deterioration has arguably blighted this part of the city centre relative to other areas. Redevelopment attempts in subsequent years failed to put the property back into use due to its poor condition. The hotel was deemed structurally unsafe and Carlisle City Council was left with no other option than to demolish the building in the autumn of 2019.

The Central Plaza has historically presented a complex opportunity from a physical, legal (ownership reverted to the Crown Estate) and delivery perspective. These complexities have prevented redevelopment schemes from progressing past concept stage due to financial viability issues.

With the site now cleared and £4.7m grant funding available, a number of the redevelopment options have become viable. These options will be progressed during this financial year 2021-22, with a view to commencing the delivery of a preferred scheme during 2022-23.

### **4. Pedestrian enhancement of Devonshire Street**

Carlisle city centre's emergent night-time cluster is constrained by unsupportive urban design and lack of permeability. The streetscape is not particularly attractive for cafes and restaurants which may wish to provide outside seating during the summer months – for example, along Devonshire Street (which has several bars and restaurants) there is heavy peak time traffic and several bus stops and bus waiting facilities. This reduces the ambience of the street.

Reducing the carriageway on Devonshire Street could provide excess space for pedestrians and businesses to spill into, which would encourage activity and dwelling time in the street. There is an opportunity to rationalise the width of the carriageway and widen the northern footway. This will create a meaningful activity zone, with more space for people to walk and spend time sitting outdoors. The businesses currently located on the northern edge of the street offer a possibility to create a spacious outdoor seating area.

## FHS Programme Delivery

2.8. In summary the spend profile of the programme is as follows:

Table 3: FHSF Programme Spend profile

<b>FHSF ask</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>Total</b>
Repurposing 6-24 Castle Street	£170,250	£510,750	£454,000	£1,135,000
Preparing Central Plaza site for redevelopment	£712,447	£1,787,340	£2,249,858	£4,749,645
Reimagining Green Market/ Market Square as Carlisle's events space*	£357,265	£721,796	£1,302,707	£2,381,768
Pedestrian enhancement of Devonshire Street	£73,639	£220,918	£196,371	£490,928
Delivery costs	£122,422	£122,422	£122,422	£367,266
<b>Total</b>	<b>£1,436,023</b>	<b>£3,363,225</b>	<b>£4,325,358</b>	<b>£9,124,607</b>

\* This does not include the Council contribution of £388,232

### Overview of MOU

2.9. The Memorandum of Understanding (MOU) sets out the terms, principles and practices that will apply to the working relationship between the MHCLG and Carlisle City Council regarding the administration and delivery of the FHSF proposal at Carlisle City Centre. This MOU applies to the financial year ('FY') 2021/22 only. Funding from 2022/23 onwards will be subject to the outcome of the Spending Review. The indicative allocation for each year is set out in the following table:

Table 4: MHCLG Grant payment Schedule

<b>Financial Year</b>	<b>Excluding Contingency (£)</b>	<b>Contingency (£)</b>
2021/22	1,164,790	271,233
2022/23 (indicative)	2,689,527	673,698
2023/24 (indicative)	3,462,071	863,287
<b>Sub-total</b>	<b>7,316,388</b>	<b>1,808,218</b>
<b>Total 2020/21 – 2023/24</b>	<b>9,124,606</b>	

2.10 MHCLG expects the Council to use the funding provided for the purposes outlined in the business case. Should delivery not progress as agreed, MHCLG will review whether it is appropriate to grant the next tranche of funding and whether greater monitoring and oversight may be needed.

2.11 The agreed funds will be issued to the Council as non-ringfenced grant payments under Section 31 of the Local Government Act 2003, for expenditure

as agreed in the approved business case. MHCLG will advise the Council on the procedure for drawing down payments for any contingency costs incurred. The Council will be required to be the Accountable Body for the FHSF programme and as part of that responsibility, provide regular project, financial, and risk reporting to MHCLG.

## **Monitoring and Evaluation**

- 2.12. A monitoring and evaluation framework will be agreed by the end of June 2021. The Council will collaborate with MHCLG over monitoring and evaluation requirements, which will involve reporting twice a year on inputs, activities and outputs, as well as spending and delivery milestones at a programme and project level. This includes collecting accurate data and using the agreed metrics and methods as set out in the Monitoring and Evaluation guidance.
- 2.13 The Council will endeavour to promptly share information at appropriate times as and when requested by MHCLG, including:
- Current funding that has been spent
  - Planned expenditures
  - Updates on key project milestones and risks
  - Procurement and governance
- 2.14 The Council will notify MHCLG of any proposed changes to the approved business case. Wherever possible this notification will be provided in advance of changes.

### 3. CALDEW RIVERSIDE REMEDIATION

#### Caldew Riverside development site

3.1. Caldew Riverside is a 3.16 ha (7.81 acres) site located within an Edge of Centre location to the South of Carlisle City Centre and within 200 metres from Carlisle Railway Station and 40m from the historic quarter. The site is brownfield in Carlisle City Council ownership, it comprises a council owned surface car park and to the south is a parcel of land occupied by trees, scrubland and hardstanding.



Figure 1: Caldew Riverside site area.

3.2. The Caldew Riverside development site contains three site parcels as follows:

- Parcel A – Viaduct Car Park
- Parcel B – brownfield site with hardstanding and scrubland.
- Parcel C – Caldew Riverside Car Park.

3.3. The site was historically used as a gas works and as rail sidings and is therefore contaminated. The level of contamination progressively increases towards the southern end of the site where the former gas works was located on Parcel A. Notwithstanding this, the site has been identified within both the Carlisle Local Plan and Borderlands Inclusive Growth Deal as a regeneration opportunity with

significant potential to support the growth, vitality and viability of the city centre – as it offers the unique potential to deliver a new housing ‘offer’ in the city.

- 3.4. The site is the best and only available location for the delivery of strategic scale residential development close to the city centre. Due to its location, it has the potential to deliver a high quality, transformational riverside residential development that will showcase and catalyse the city centre living market in terms of both supply and demand. This development site can accommodate an estimated 120 - 150 homes as identified in the current local plan period, with 20% affordable housing policy compliance within the designated zone.

### **Site investigation and Remediation work**

- 3.5. Caldew Riverside land parcels A, B and C (Figure 1 above) have been investigated to some degree in phases since 2008. The focus of site investigation in 2012 was to help inform a potential development of a Tesco Store on Parcel B, and in particular to assess the degree of impact on that development from the adjacent Parcel A, the former gas works. Relatively little investigation has taken place on Parcel C, which is former railway land and currently a car park.
- 3.6. In 2019 Arcadis, whose team has been involved in the Caldew Riverside Project since 2008, was appointed to undertake a review of existing historical site investigation reports and determine preliminary remediation options of the whole site. Sampling and analysis of groundwater samples from existing wells indicated that contamination of the land persisted. The site poses complex contamination issues and a detailed site investigation and further monitoring of the encroachment of the ground water contaminants is required to inform an effective remediation strategy to allow the reuse of the site for development.
- 3.7. Three development options for repurposing the site were considered. The cost implications for remediating the whole site were economically unviable due to the cost of fully remediating Parcel A. Option 2 was the preferred option which involves the remediation of Parcel C and part of Parcel B, the exact delineation of remediation to be determined through further site characterisation and the design and implementation of a remediation strategy and implementation plan.
- 3.8. Funded by the Town Deal Accelerated Fund, £850,000 has been secured to deliver a project that aims to address the legacy contamination issues that have prevented redevelopment schemes identified for the site from proceeding, due to the impact of the associated remediation costs on economic viability. This project will work towards preparing the site for return to land supply thereby overcoming the key barrier to development and addressing market failure.

3.9. The scope of works is to provide characterisation of Parcel C and the areas of Parcel B not formerly investigated to a substantial degree. This will provide information about the ground conditions and subsequently help inform the remediation strategy required. The site investigation works also includes scope to better delineate the extent of Parcel B that is more seriously affected by migration within the groundwater from Parcel A. Understanding how the contamination has changed over time and a more detailed understanding of the subsurface sources of contamination will determine what measures need to be in place to reduce overtime the contamination levels in the undeveloped area of Parcel B that emanate from Parcel A.

### Overview of Remediation Route Map

3.10. Preliminary site investigations to identify subsurface sources of contamination on Parcels B and C and has informed the programme and Route Map outlined in Table 1. This is an iterative programme of work identifying key decision points (Table 1 in bold).

Table 5: Caldew Riverside Route Map

STAGE	TASK	COMPLETION DATE
Preliminary site investigations	Site investigation – Ground Penetrating Radar Survey undertaken	31 January 2021
	Site Investigation - Ecology Survey undertaken	01 January 2021
	Planning permission for site investigation approved	31 March 2021
	Contractor for SI and Phase 1 remediation work appointed	31 March 2021
<b>Stage 1</b> Site Characterisation to Remediation Strategy	Task 1 - Supplementary Ground Investigation to provide characterisation of Parcel C and the areas of Parcel B not formerly investigated.	10 September 2020
	Task 2 - Interpretative Report	October 2021
	Task 3 - Remediation Strategy and Options	October/November 2021
	Task 4 - Targeted Groundwater / NAPL Monitoring	November 2021 to February 2022
	<b>Task 5 - Contamination Mobility study and Natural Source Zone Depletion Analysis</b>	<b>November 2021 to February 2022</b>
<b>Stage 2</b> Detail Design of Remediation	Task 6 - Pathway Management Remediation	January to March 2022
	Task 7 - Remediation Design – Land Parcels B and C	January to March 2022
	Task 7a - Planning Permission for remediation Design	February 2022

Implementation Plan	Task 8 - Remediation Implementation Decision Point	February 2022
Stage 3 Implementation of Remediation	Task 9 - Finalisation of Remediation implementation Plan Specific Remedial Tasks	TBC
	Task 10 - Undertake Remediation Specific Remedial Tasks	TBC
	Task 11 - Verification Reporting Specific Remedial Tasks	TBC
	Task 12 - Regulatory sign-off of Remediation / Verification (Specific remedial Tasks)	TBC

### 3.10 Decision points between stages include:

- **TASK 5** – aims to understand potential for migration of residual contaminants and evaluate current source zone depletion rates to provide a benchmark to establish the requirement of undertaking targeted contaminant recovery activities that could include the installation of a barrier and determine the need for extraction over time . Outcome will support determination of depth and type of barrier install.  
**Decision: To implement the appropriate remediation strategy options.**
- **TASK 8** - to understand the remediation requirements across both land parcels to facilitate future redevelopment. This decision point will be used to evaluate and deliver the elements of the scheme that are affordable within the available budget and that would maximise the future value and attractiveness to potential developers.  
**Decision: Agree scope and contract amount for practical actions within the remaining budget.**

## 4. CARLISLE TOWN DEAL

### Background

4.1 In October 2020 Carlisle's Town Deal Board, a private-public partnership made up of key organisations across Carlisle, including Carlisle City Council, Cumbria County Council, Cumbria LEP, the University of Cumbria and Tullie House, agreed and submitted a Town Investment Plan (TIP) to government to secure up to £25 million of public investment for the city.

4.2 The TIP outlines the following strategy for Carlisle:

*By 2030 Carlisle will be a thriving centre for businesses, residents, education, and culture providing new jobs, thousands of extra homes, better skills, a high quality leisure offer, a clean environment, and a great quality of life for a growing resident population and workforce. It will be a flourishing visitor destination, welcoming tourists to the City and offering an attractive gateway to the beauty of the wider Cumbrian and Borderlands region.*

4.3 This vision is underpinned by the following strategic objectives:

- SO1: GROWING CITY - To grow the working-age population of Carlisle and expand the business and employment base, through investment in housing, business growth, high-quality job creation, and education & skills.
- SO2: VIBRANT CITY - To increase vibrancy and activity in Carlisle city centre, creating a thriving community of students, residents, businesses and workers using the centre for education, housing, work and leisure activities, during the day and into the evening.
- SO3: CONNECTED CITY - To make Carlisle a highly accessible and connected city, supporting growth by making it easier for residents, workers, students and businesses to arrive at and move around the City.
- SO4: DESTINATION CITY - To grow Carlisle's visitor economy, attracting additional footfall, vibrancy and spending to the City.
- SO5: RESILIENT AND INCLUSIVE CITY - To enable Carlisle's businesses, people and communities to be resilient to economic, social and environmental challenges including climate change, economic exclusion and unemployment, digital exclusion, and recovery from the Covid-19 pandemic.



4.4 The Investment Plan takes a holistic 'whole town' approach to regeneration, providing a strategy for growth in the city over the next ten years, capturing investments that have already been confirmed, including Borderlands and Future High Street Fund projects, as well as proposing 7 new projects for Town Deal Funding. These projects are:

- Start with the Park, St. Cuthbert's Garden Village
- Southern Gateway
- Project Tullie: Welcome & Entrance to Tullie House Museum
- Lighting Up Carlisle
- Digital and Community Learning Hub
- Citadels Business Infrastructure
- Carlisle Market Hall

### **Heads of Terms Agreement**

4.5 In March 2021 Carlisle received a Heads of Terms agreement of £19.7 million for its Town Deal, following submission of the Town Investment Plan in October 2020. Since then, the City Council and project sponsors have worked with the Town Deal Board to rescope the programme as presented in the TIP to account for the funding offer and identify the £5.3 million of savings across the programme.

4.6 At the meeting on 10 May 2021 of the Town Deal Board, the Board agreed a £19.7 million programme based on retaining all 7 of the original TIP projects, albeit for some at a reduced cost. An overview of each project and the Town Deal funding request for each project is available below:

**Table 6 : Town Deal Projects and Funding Ask:**

Project name	Project outline	Town Deal Funding
Start with the Park, St. Cuthbert's Garden Village	The 'Start with the Park' project will provide the 'Greenway' a connective, multi-modal green travel route connecting the key settlements of SCGV with Carlisle City Centre and providing a high quality leisure and recreation facilities. The project will position SCGV as a unique and attractive destination for working-age families. delivering 7km of new/improved walking and cycling infrastructure and 5Ha of public realm/green space developed, setting the scene for future phases of development.	£2,000,000
Southern Gateway	An integrated programme of investments in active and sustainable travel and public realm to better connect key developments in the Southern Gateway area of Carlisle, including the Railway Station, Citadels, Devonshire Street and the former Central Plaza site, and to connect St. Cuthbert's Garden Village with the City Centre. delivering 1KM new/improved walking and cycling infrastructure, 3,380 M2 new/upgraded road infrastructure, 0.7Ha of public realm developed/improved.	£6,600,000
Project Tullie: Welcome & Entrance to Tullie House Museum	Part of a wider programme of investment at Tullie House Museum, this project will better connect the Museum to the surrounding streetscape, increasing its visibility by providing a clear and contemporary point of arrival for visitors. Improving 412M2 of floor space, generating 7,500 additional visitors PA and 478,000 visitor spend PA, 9 jobs supported/created and contributing towards the upgrade of one heritage building/cultural facility	£918,000
Lighting Up Carlisle	Investment of capital funding in digital lighting equipment to support an expanded and transformed events programme. generating 100,000 visitor spend PA and 6,180,000 additional visitor spend, upgrading 7 heritage buildings, supporting 115 jobs and 300 businesses supported.	£620,000

Digital and Community Learning Hub	Refurbishment of the City Centre Library to create an accessible digital skills and community learning hub, and installation of digital equipment and training materials in 13 community venues. Improving 1,200 M2 of floorspace, supporting: 1,500 learners, 50 businesses, and 900 people to progress into jobs/self employment. 4 jobs created/supported	£2,350,000
Citadels Business Infrastructure	Part of a wider development scheme to bring a new University campus on the grade I listed Citadels site, this project will create a purpose built hyper fast digitally enabled business interaction and accommodation space, linked to the University of Cumbria's flagship campus development. The project will create 888M2 new business space, supporting/creating 149 jobs over 7 years and supporting 25 businesses PA.	£4,000,000
Carlisle Market Hall	Investment to improve the infrastructure and internal structure in the Market Hall to improve the experience for shoppers and visitors and exploring options to create a food court and events space. Improving 2350M2 of floor space, upgrading 1 heritage building, supporting 60 businesses, creating/supporting 127 jobs, and generating 20,800 additional visitors, and £1,328,000 visitor spend PA	£3,015,000

4.7 In addition to the funding the project, 1% of the total funding secured from the Town Deal will be used to fund programme management (£197,000).

4.8 The Heads of Terms Agreement outlined a number of conditions that Carlisle will need to address as part of the agreement. These conditions will need to be addressed within the coming months, ahead of the submission of Business Cases. The conditions are listed below and a plan for addressing these conditions is outlined in our response to government regarding the Heads of Terms offer (Appendix B)

- Provide a more detailed future stakeholder engagement plan for both public and private sector which is focussed on Towns Fund interventions.
- The business cases for projects will be taken through Carlisle City Council in line with local assurance processes

- Public Sector Equalities Duty: Carlisle will undertake programme-wide level impact assessment, relevant project-level impact assessment and relevant Environmental Impact Assessments
- Market Hall Project: provide risk register including mitigations; provide further detail on outcomes related to job creation.
- Digital and Community Learning Hub Project: provide a breakdown of costings for each element of the project; provide further detail on the outcomes relating to the number of learners supported.

## Delivery Plan and programme activity over next 12 months

**Table 7: Outline Project Delivery Plan and Financial Profile**

Project	21/22	22/23	23/24	24/25	25/26
Carlisle Market Hall	£2,156,560	51,510	£606,930		
Citadels Business Infrastructure	£159,000	533,000	1,368,000	£1,368,000	£572,000
Digital & Community Learning Hub		350,000	1,750,000	£250,000	
Lighting-Up Carlisle	£90,000	344,000	£52,000	£52,000	£82,000
Southern Gateway		670,000	1,700,000	£2,430,000	1,800,000
Start with the Park (SCGV)		250,000	£700,000	£940,000	£110,000
Project Tullie		£58,000	£234,000	£626,000	

4.9 Three fast track projects have been identified, which are highlighted in red in the below outline delivery plan. ‘Fast track projects’ are those where delivery can commence this financial year (2021/22). These are highlighted in red in the figure above.

4.10 As the Town Deal Programme has now been confirmed, Carlisle now moves into **phase two** of the development of a Town Deal. This involves the production, appraisal and approval (by the Town Deal Board and Lead Authority) of 7 Business Cases (one for each project). The timescale for Business Case development is fixed: all Business Cases need to be submitted to government by **March 2022**, furthermore, any fast-track projects will require business cases

to be developed by the **end of October 2021** to ensure funding can be secured this financial year.

4.11 Once detailed business cases have been developed for each project, towns must submit a Town Deal Summary Document to the Towns Hub. This should include:

- A list of agreed projects (including BCRs)
- Details of business case assurance processes followed for each project
- An update on actions taken in relation to the Heads of Terms key conditions and requirements
- A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)
- A Monitoring and Evaluation Plan
- Confirmation of funding arrangements and financial profiles for each project
- Confirmation of approval of planning applications
- Letters of approval from the Town Deal Board and Lead Council

## **5. ECONOMIC DEVELOPMENT PROGRAMME MANAGEMENT OFFICE**

- 5.1 The City Council are now in the process of contracting with the MHCLG for delivery of the agreed Future High Street Fund and Town Deal programmes. This will require the City Council to act as the Accountable Body and be accountable for the overall management and administration. In this role the Council will be required to:
- Manage, monitor, and evaluate the programmes
  - Manage contractual arrangements with project partners to ensure delivery
  - Be responsible for the financial management of the overall programme
  - In the case of Town Deal, support lead partners in the development of detailed business cases to secure funding
  - Reporting to government as required
- 5.2 The regeneration team has increased its capacity incrementally to respond to the growing workstreams flowing through the section. With the recent approval of the Future High Street Fund and Town Deal programmes, with packages of four projects and seven projects respectively, these workstreams have increased significantly.
- 5.3 In order to be able to undertake the role of Accountable Body for these major projects and programmes effectively it is proposed that a Programme Management Office (PMO) be established, for an initial 3 year period (subject to review), along with an increase of resources within the Regeneration team. The proposal is modelled on the approach by Northumberland County Council and the structure of the recently-established Borderlands PMO.
- 5.4 The PMO would initially have three permanent members of staff – the Programme Manager, Programme Officer, and a part-time Administrative Assistant.
- 5.5 It is recognised that the PMO will required specialist support from the legal, property and finance teams to deliver the projects and carry out the Accountable Body functions and responsibilities. This support has been discussed at the Major Projects Economic Growth Board. The Legal Services, Property Services and Financial Services Managers have confirmed that their teams do not currently have the resources available to provide the level of support anticipated.
- 5.6 To support the delivery of these major projects and programmes it is proposed that the capacity of the Regeneration team is increased. This will provide the resources required to ensures that project development and delivery for the Borderlands, Future High Street Fund and Town Deal programmes keeps on track and that the wider economic development and heritage protection work continues to be progressed.

- 5.7 It is proposed that the team is expanded from four members of staff to six. The two posts would be an additional Regeneration Officer post and also a client side project manager post. This will ensure that the necessary resources and skills are in place to continue the business case development work for the Town Deal, whilst managing the delivery of the capital projects that have moved into implementation (e.g. FHSF).
- 5.8 From the funding that has been secured, allocations for programme management have included to support the costs that will be incurred by the Council in the development, delivery and management of these major economic development projects and programmes. This includes the costs of the necessary finance, legal and property support that will be required.
- 5.9 As the FHSF and Town Deal are capital grants, any claims for the programme management costs must be based on activity and expenditure that can be treated as capital and which are incremental in supporting the delivery of an asset. This means that some activity – such as the legal and finance support – would not be eligible and would need to continue to be funded from revenue budgets. There will be a requirement to ensure correct accounting and allocation for those posts that will be funded from capital grants. Capital financing requirements do allow for project teams to be capitalised, but there are strict restrictions around what can and cannot be capitalised. For example, training and holiday pay are not allowable as a charge to capital and only officer time that can be directly attributable to a capital asset are allowable as being funded from capital resources. Any costs that cannot be capitalised would fall as a charge on the revenue budget.
- 5.10 As some posts are already base budgeted, the Regeneration Manager has worked closely with the Financial Services Manager to identify the optimum way in which the capital funding can be used alongside existing revenue budgets to minimise the request for additional resources and to try and enable posts directly impacting on the delivery of the schemes to be funded from the capital funding. The table at the end of this report also shows those changes where posts are to be considered as part of a wider Economic Development restructure and re-graded. The additional costs associated with this are included in the overall budget requirement of the PMO.
- 5.11 The proposals cover the next three years of activity for the PMO and regeneration team and entail:
- An additional revenue budget requirement of £91,545 for this financial year 2021/22
  - An additional revenue budget requirement £82,560 for each of the following two years 2022-23 and 2023-24

	2021/22	Current Grade	Proposed Grade	FTE	Proposed Cost	Current Base Budgets	FHSF [C]	SCGV [R]	Additional Funding Required
PMO	Programme Manager	H	I	1					
	Programme Officer	F	F	1					
	Administrative Assistant	C	C	0.6					
	Finance Support								
	Legal Support								
	Property Support								
Regen	Regeneration Manager	L	M	1					
	Regeneration Officer (FHSF)	H	H	1					
	Regeneration Officer (Town Deal)	F	G	1					
	Regeneration Officer (Borderlands)	F	G	1					
	Project Manager	K	K	0.8					
	Heritage & Urban Design Officer	I	I	1					
	<b>TOTAL</b>				<b>499,545</b>	<b>226,000</b>	<b>122,000</b>	<b>60,000</b>	<b>91,545</b>

	2022/23; 2023/24	Current Grade	Proposed Grade	FTE	Proposed Cost	Base Budget	FHSF [C]	Town Deal [C]	SCGV [R]	Additional Funding Required
PMO	Programme Manager	H	I	1						
	Programme Officer	F	F	1						
	Administrative Assistant	C	C	0.6						
	Finance Support (Accountancy + Procurement)									
	Legal Support									
	Property Support									
Regen	Regeneration Manager	L	M	1						
	Regeneration Officer (FHSF)	H	H	1						
	Regeneration Officer (Town Deal)	F	G	1						
	Regeneration Officer (Borderlands)	F	G	1						
	Project Manager	K	K	0.8						
	Heritage & Urban Design Officer	I	I	1						
	<b>TOTAL</b>				<b>539,810</b>	<b>226,000</b>	<b>122,000</b>	<b>49,250</b>	<b>60,000</b>	<b>82,560</b>



## **6. RISKS**

- 6.1 The capacity to manage the programme of projects and ensure that sufficient the resources in place to support deliver the key corporate economic development / regeneration priorities has been identified as a major risk within the ED Directorate risk register and has been escalated as a corporate-level risk. The establishment of the PMO and an increase of resources within the Regeneration team is the proposed control and mitigative action to manage this risk.

## **7. GOVERNANCE**

- 7.1 As part of the accountable body function, the Council must demonstrate that robust governance processes are in place to ensure proper, transparent, and involve accountable decision making.
- 7.2 In terms of initial governance principles, the PMO will need to have a strong interface between the existing governance structures that have been established to manage the delivery of the major projects and programmes. This will enable it to carry out the key tasks of managing, monitoring, and evaluating the programmes – and reporting to government as required.
- 7.3 The PMO would report to the Major Projects Economic Growth Board and present a ‘highlight report’, which would report on current activity, progress against milestones, budgets and risks. The Growth Board itself would act as the gateway for information and decision-making.
- 7.4 It is proposed that the Economic Development and Legal / Governance teams work together on the creation of a transparent Governance process - and a scheme of delegation similar to the one relating to the Sands Project, which has worked well in practice.

## **8. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

- 8.1 The Executive is asked to:
1. Note the Future High Streets Fund (FHSF) Memorandum of Understanding included in Appendix A, the provisions contained therein
  2. Give approval to sign the FHSF Memorandum of Understanding and therefore confirm the Council’s acceptance of the £9,124,606 grant funding offered.
  3. Give approval for the Council to be the accountable body for the FHSF programme, as per paragraph 2.11

4. Approve, for recommendation to Council, a budget of £6,742,839 (in addition to the Greenmarket scheme already included in the Council's capital programme) be added to the Council's Capital Programme, according the financial profile for the years 2021-22, 2022-23 and 2023-24 as set out in Table 3 of this report.
5. Release the budget for the Greenmarket scheme already included in the capital programme in accordance with the Council's budget resolution agreed in February 2021.
6. Note the Remediation Road Map for the Caldew Riverside site and the key decision points as set out in Table 5 of this report.
7. Delegate authority, regarding the Caldew Riverside remediation strategy key decision points, to the Corporate Director of Economic Development following consultation with the Leader of the Council, Portfolio Holder for Economy Enterprise and Housing, Corporate Director of Finance & Resources and Corporate Director of Governance & Regulatory Services to:
  - c) implement the appropriate remediation strategy options.
  - d) Agree scope and contract amount for practical actions within the remaining budget.
8. Note the progress on the development of the Carlisle Town Deal, the agreement of Heads of Terms (included in Appendix B), the agreed programme of projects as set out in Table 6 of this report and the programme of activity over the next twelve months to progress towards agreeing the Town Deal
9. Note the additional resources required to deliver City Council's major economic development projects and the associated costs and that these costs will be offset using grant funding that has been secured.
10. Agree to the establishment of a Major Projects Programme Management Office for an initial 3 year period (subject to review) and increasing the capacity of the regeneration team.
11. Approve, for recommendation to Council additional revenue budget of £91,545 for this financial year 2021/22 to fund the PMO and the regeneration team and an additional £82,560 for the following two years 2022-23 and 2023-24, as set out in Table 8 of this report and funded from Revenue Reserves.

## **9. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

- 9.1 The major economic development / regeneration projects for which funding has now been secured - and the establishment of the PMO and expansion of the

regeneration team to support their delivery - will contribute to all five of the Plan priorities:

- P1: Supporting business growth and skills development to improve opportunities and economic prospects for the people of Carlisle.
- P2: Further develop sports, arts and cultural facilities to support the health and well-being of our residents.
- P3: Improving the quality of our local environment and green spaces so that everyone can enjoy living, working and visiting Carlisle.
- P4: Address current and future housing needs to protect and improve residents' quality of life.
- P5: Promoting Carlisle regionally, nationally and internationally as a place with much to offer - full of opportunities and potential.

**Contact Officer: Steven Robinson Ext: 7535**

**Appendices attached to report:** Appendix A - Future High Street Memorandum of Understanding.  
Appendix B - Carlisle Town Deal Heads of Terms

**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 report outlines a significant number of projects which the Council has funding to progress. All Grant Funding Agreements and related documents must be reviewed by the legal services team prior to accepting the monies. Particularly where the Council is acting as Accountable Body, there will also be a need for third party agreements and these should be drawn up by the legal services team.

Legal input should also be sought at the earliest possible opportunity, for example, when developing the business cases required for the Towns Deal funding, in order that advice may be provided on such matters as title to any Council assets involved, third party easements and issues, due diligence on investors and cooperation agreements, the need for procurement or advertisements and SRO advice.

The report also sets out the intention that a Project Management Office be established, including funding for legal support. The projects outlined will require substantial legal input and the intention is to recruit to the internal legal team, however, where 'peaks' of work require, external legal support may also be sought, to be funded by the project.

Finally, it is proposed that a Governance structure and Scheme of Delegation is agreed, similar to those in place for the Borderlands deal and the Sands Centre construction project. This Scheme should be prepared in full consultation with the Monitoring Officer and will be brought back to Executive for approval.

**PROPERTY SERVICES** - The additional funding will be used to bolster internal resources within the Property team however any costs associated with specialist external resources will have to be met from the respective project budgets.

Given that a number of the construction projects are Council owned assets this will allow the projects to be assessed through the Property team's whole life strategies to ensure all property issues are considered at inception and monitored throughout to ensure that long term maintenance and property management issues are minimised.

**FINANCE** – The report outlines the key economic development projects being progressed and the outcomes of recent funding bids to government.

The report requests that the confirmed allocation of Future High Street Funding (£9,124,607) be added to the Council's capital programme so that project delivery can be progressed. It should be noted that the scheme for the Greenmarket investment (£2,381,768) is already included in the capital programme as this required a contribution (£388,232) from the Council and this was approved as part of the budget setting process in February 2021. Therefore, only the additional parts (£6,742,839) of the FHSF are requested to be added to the capital programme.

**The Memorandum of Understanding for the FHSF is for 2021/22 only and therefore funding for 2022/23 onwards is subject to the outcome of the Government's Spending Review.**

As the Council is acting as Accountable Body for the FHSF and Town Deal, it will need to ensure that it has suitable arrangements in place with third parties who will deliver some of the projects, e.g. Cumbria County Council, Tullie House etc, so that it can be

certain that grant conditions will be followed and adhered to. There will likely be a requirement for funding agreements with these third-party bodies for this.

The Council will need to consider any VAT implications associated with the delivery of the schemes as the significant expenditure that will be flowing through its accounts will increase the amount of VAT reclaimed.

### PMO

The report details the requirements in order to deliver the schemes (FHSF and Towns Deal) and that a Project Management Office should be established. There is funding within each scheme as an allowable cost for delivery of the projects, however, the proposed PMO costs exceed these capital grants and therefore request an additional amount for funding from the revenue budget. It should be noted, and carefully considered, that these grants are capital grants and there are specific and restricted regulations around the use of capital in funding staffing costs. The employee's activity must have directly contributed to bringing an asset into operational use. Any costs that do not fall within the guidelines will automatically be deemed revenue and not allowable as being funded from capital funding.

It is recommended that the additional revenue budget requirement be funded from General Fund Reserves. Reserves are forecast to be above minimum levels (forecast at £3.587m at 31/03/26 against a minimum level of £3.1m) for the life of the MTFP and could therefore be used to fund this additional supplementary estimate.

The proposals for the PMO include costs for existing post re-grades. If these re-grades are permanent once the PMO ceases, then the additional cost of these posts will need to be found for these posts.

Although the PMO will utilise existing staffing resource, there are elements within the proposals that could see new temporary posts created. It should be noted that any temporary resource that is brought in for a period of more than two-years will be entitled to redundancy pay when the contract ceases and the proposal does not include any funding for this potential cost, so provision will need to be made from existing Economic Development base budgets..

**EQUALITY** – As stated in the report, Carlisle will undertake programme-wide level impact assessment, relevant project-level impact assessment and relevant Environmental Impact Assessments.

**INFORMATION GOVERNANCE** – There are no information governance implications with this report

## MEMORANDUM OF UNDERSTANDING

*Between*

**Ministry of Housing, Communities and Local Government**

*-and-*

**Carlisle City Council**

### 1. Purpose

1.1. This Memorandum of Understanding ('MOU') sets out the terms, principles and practices that will apply to the working relationship between the Ministry of Housing, Communities and Local Government ('MHCLG') and Carlisle City Council ('the Council')(collectively 'the Parties') regarding the administration and delivery of the Future High Streets Fund ('FHSF') proposal at Carlisle City Centre. This MOU applies to the financial year ('FY') 2021/22.

### 2. Background

2.1. In December 2020, MHCLG announced the outcome of the FHSF competition. The Council were successful with their bid for Carlisle City Centre.

2.2. This MOU covers the funding commitments from MHCLG and the communication expectations between the Parties.

### 3. Purpose of Funding

3.1. MHCLG considered the business case submitted by the Council for the FHSF proposal at Carlisle City Centre and agreed to allocate funding up to **£9,124,606** across FY2021/22, FY2022/23 and FY2023/24. Funding from 2022/23 onwards will be subject to the outcome of the Spending Review. The indicative allocation for each year is set out in the following table:

<b>Financial Year</b>	<b>Excluding Contingency (£)</b>	<b>Contingency (£)</b>
2021/22	1,164,790	271,233
2022/23 (indicative)	2,689,527	673,698
2023/24 (indicative)	3,462,071	863,287
<b>Sub-total</b>	<b>7,316,388</b>	<b>1,808,218</b>
<b>Total 2020/21 – 2023/24</b>	<b>9,124,606</b>	

- 3.2. The funding is provided to form part of the necessary capital investment required for delivery of the FHSF proposal at Carlisle City Centre. MHCLG expects the Council to use the funding provided for the purposes outlined in the business case approved by MHCLG, and that evidence will be provided to demonstrate this. Should delivery not progress as agreed, MHCLG will review whether it is appropriate to grant the next tranche of funding and whether greater monitoring and oversight may be needed. Assurance on project progress shall be borne out through the formal monitoring process set out in Clause 7 of this MOU.
- 3.3. The business case approved by MHCLG sets out the details of the projects, including budget, spending profile, scope, key assumptions, outputs, timeline, key milestones, and risks. Together these project parameters set out what is expected by the Parties, and these are set out in the following table:

<b>Funded Projects</b>	Repurposing 6-24 Castle Street, Preparing Central Plaza site for redevelopment, Reimagining Green Market/ Market Square as Carlisle's events space, Pedestrian enhancement of Devonshire Street
<b>Spending Profile</b>	Annex A: Spend Profile
<b>Project Outputs &amp; Outcomes</b>	The Council will deliver on the outcomes presented in the business case, but a final, more detailed set of project outputs and outcomes will be agreed following the baselining exercise.
<b>Projected Timeline &amp; Key Milestones</b>	Annex B: Work Plan
<b>Risk Management</b>	Annex C: Risk Register

#### 4. Financial Arrangements

- 4.1. The agreed funds will be issued to the Council as non-ringfenced grant payments under Section 31 of the Local Government Act 2003, for expenditure as agreed in the approved business case.
- 4.2. Payments to the Council will normally be made annually, towards the beginning of each financial year, as agreed between MHCLG and HM Treasury.
- 4.3. Annual amounts for each financial year will be agreed by the Parties in principle before the payment is made. MHCLG will advise the Council on the procedure for drawing down payments for any contingency costs incurred.



- 4.4. The Council will provide regular project, financial, and risk reporting to MHCLG, in such a format as MHCLG reasonably requires, demonstrating spend against the previous funding and that outputs and outcomes are being met, in line with the approved business case.
- 4.5. This information will be taken into consideration by MHCLG before subsequent annual payments to the Council are finalised and paid. MHCLG reserves the right to make appropriate adjustments to payments and may withhold payments where there are significant concerns over delivery.
- 4.6. If the Council needs to amend the annual spending profile, requiring a change to the indicative allocations in Clause 3.1, the Council will give notice to MHCLG by the last working day of November of the previous financial year.
- 4.7. Requests by the Council to amend an annual spending profile will be considered by MHCLG but approval will be subject to the availability of resources. There are no guarantees that such requests will be accommodated.

## **5. Duration and Review Point**

- 5.1. This MOU covers the financial year 2021/22 and will be reviewed and amended to cover future years no later than February 2022.
- 5.2. This MOU will come into effect upon signature by the Parties and will remain in effect until it is terminated by either Party in accordance with the terms in Clause 10 of this MOU. It may be extended by the written agreement of the Parties.
- 5.3. Each year of the planned funding period will be covered by an MOU, including the extension of this MOU where the Parties agree to the extension.
- 5.4. Notwithstanding Clause 5.1 and 5.3 of this MOU, if an MOU is not in place by the end of financial year 2021/22, this MOU will continue to apply.

## **6. Branding and Communication**

- 6.1. MHCLG will provide the Council with guidance on the Branding and Communication associated with FHSF projects. The Parties agree to adhere to the guidance and any updates subsequently released by MHCLG.

## **7. Monitoring and Evaluation**

- 7.1. MHCLG will provide the Council with guidance on the Monitoring and Evaluation of FHSF projects.
- 7.2. MHCLG will provide grant funding subject to the Council hereby agreeing to full transparency open book working and a duty of good faith regarding all matters relating to the project, the Council, and this MOU.
- 7.3. The Council will collaborate with MHCLG over monitoring and evaluation requirements, which will involve reporting twice a year on inputs, activities and outputs, as well as spending and delivery milestones at a programme and

project level. This includes collecting accurate data and using the agreed metrics and methods as set out in the Monitoring and Evaluation guidance. MHCLG shall assist the Council where possible, and the Parties will work together to satisfy these requirements. MHCLG reserves the right to quality assure data and conduct site verifications.

7.4. The Council will endeavour to promptly share information at appropriate times as and when requested by MHCLG, including:

- Current funding that has been spent
- Planned expenditures
- Updates on key project milestones and risks
- Procurement and governance

7.5. The Council will not be required to lead data collection for the evaluation but is expected to assist MHCLG or external partners where required.

7.6. MHCLG reserves the right to publish relevant data and use it to inform public statements.

## **8. Changes to approved Business Case**

8.1. The Council will notify MHCLG of any proposed changes to the approved business case. Wherever possible this notification will be provided in advance of changes.

8.2. The Council will require approval by MHCLG for any significant alterations to the project parameters, as set out in Clause 3.3.

8.3. MHCLG will provide details of the formal Change Procedure.

## **9. Compliance with MOU**

9.1. The Parties to this MOU are responsible for ensuring that they have the necessary systems and appropriate resources in place within their respective organisations to comply fully with the requirements of this MOU.

## **10. Changes to the MOU**

10.1. The arrangements under this MOU will be kept under review. Amendments to this MOU may only be made upon written agreement between the Parties.

## **11. Resolution of Disputes**

11.1. Any dispute that may arise as to the interpretation or application of this MOU will be settled by consultation between the Parties.

## **12. Legal Enforcement**

12.1. This MOU is not legally enforceable. It describes the understanding between both parties for the use of funding specified in Clause 3 of this agreement.

**Signed on Behalf of the Council:**

**Name:**

**Date:**

**Signed on Behalf of MHCLG:**

**Name:**

**Date:**

**ANNEX A: SPEND PROFILE**

**ANNEX B: WORK PLAN**

**ANNEX C: RISK REGISTER**

## Heads of Terms offer for Carlisle

### Introduction

Carlisle is the capital of the Borderlands region. It is home to key institutions such as the University of Cumbria. Good development land availability and strong transport connectivity ensures Carlisle is ideally placed to grow, as evidenced by the planned St Cuthbert's Garden Village. Moreover, Carlisle benefits from a rich heritage as well as a strong private sector. However, Carlisle has a declining working-age population and a low skill, low wage economy. Many residents suffer from digital exclusion and live in deprived areas.

Government will work with Carlisle City Council and its Town Deal Board to support the delivery of a Town Deal, with the goal of ensuring all Carlisle residents have a share in the town's success.

### The commitment

This document lays out the Heads of Terms offer to Carlisle, under the Towns Fund. This is not a contractually binding document and the offer is subject to various conditions being met. The Heads of Terms will act as a Memorandum of Understanding for the future development and delivery of Carlisle's Town Investment Plan and project proposals. It sets out joint expectations as Carlisle enters the business case development phase.

Government will provide up to **a total of £19.7 million from the Towns Fund**, which will be used to transform Carlisle into a thriving centre for businesses, residents, education and culture, providing new jobs, thousands of extra homes, better skills, a high-quality leisure and culture offer, a clean environment, and a great quality of life for a growing resident population and workforce. Carlisle will be a flourishing visitor destination, welcoming tourists to the city and offering an attractive gateway to the beauty of the wider Cumbrian and borderlands region.

Carlisle has proposed a range of projects that will contribute towards achieving this vision. These include:

- The acquisition and refurbishment of Carlisle Market Hall
- The creation of Citadels: Business Infrastructure
- The delivery of the Digital and Community Learning Centre
- The delivery of Lighting-Up Carlisle
- The transformation of the Southern Gateway
- The development of Start with the Park: St Cuthbert's Garden Village
- The delivery of Project Tullie, the transformation of the entranceway at Tullie House

Carlisle will need to prioritise these projects within the funding envelope being offered. Funding for individual projects will be subject to successfully completing Phase 2 of the Towns Fund process. This includes detailed project development and business case assurance at local level.

### Process, governance and assurance

Local partners will work with government to demonstrate the feasibility, viability and value for money of their projects by developing and submitting the Town Deal Summary Document,

including (as per the Further Guidance and Stage two guidance: business case development):

- A list of agreed projects
- Details of business case assurance processes followed for each project
- An update on actions taken in relation to the Heads of Terms key conditions and requirements
- A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)
- A Monitoring and Evaluation Plan
- Confirmation of funding arrangements and financial profiles for each project
- Undertaking Public Sector Equalities Duty analysis
- Approval from the Town Deal Board and Lead Council

Carlisle should conduct project assurance in line with agreed routes for each individual project and should provide a more detailed future stakeholder engagement plan for both public and private sector which is focussed on Towns Fund interventions.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding received.

Within two months of accepting this offer, Carlisle should confirm in writing details of projects being taken forward and a plan for addressing key conditions relating to those projects and the overall Town Investment Plan. This should be sent to towns.fund@communities.gov.uk, copied to the town lead.

Carlisle must then complete business cases for the projects being taken forward and submit the Summary Document within 12 months of the deal being agreed. MHCLG will then provide the agreed funding up to the maximum amount of **£19.7m** for those projects, provided that all conditions are met.

Signed:

Signature has been  
redacted

Chair of the Town Deal Board

Signature has been  
redacted

Chief Executive of lead Council

Signature has been redacted

MHCLG Secretary of State / Minister

20/04/21

Date

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## EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 5 JULY 2021

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### **\*\*EX.58/21 REGENERATION PROGRAMME UPDATE AND ECONOMIC DEVELOPMENT PROGRAMME MANAGEMENT OFFICE**

(Key Decision – KD.16/21)

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

**Portfolio** Leader and Economy, Enterprise and Housing

**Relevant Scrutiny Panel** Economic Growth

#### **Subject Matter**

The Economy, Enterprise and Housing Portfolio Holder provided an update on the regeneration projects and set out the work programme and activities to be undertaken for the financial year 2021-22 (ED.19/21). Approval was sought to add projects, for which funding had been secured, to the capital programme and to delegate authority for some decision making to enable projects to move forward and key milestones to be met.

In order to undertake the role of Accountable Body for the major projects and programmes effectively, the report set out the proposal for the creation of an Economic Development Programme Management Office and an increase to the capacity of the Regeneration team to support the development and delivery of the projects.

The Economy, Enterprise and Housing moved, and the Leader seconded the recommendations.

**Summary of options rejected** Not to continue with the Future High Streets Fund projects. That no funding is provided to increase the capacity of the regeneration team or create a Programme Management Office.

#### **DECISION**

That the Executive

1. Noted the Future High Streets Fund (FHSF) Memorandum of Understanding included in Appendix A (ED.19/21), the provisions contained therein.
2. Gave approval to sign the FHSF Memorandum of Understanding and therefore confirm the Council's acceptance of the £9,124,606 grant funding offered.
3. Gave approval for the Council to be the accountable body for the FHSF programme, as per paragraph 2.11 of report ED.19/21.
4. Approved, for recommendation to Council, a budget of £6,742,839 (in addition to the Greenmarket scheme already included in the Council's capital programme) be added to the Council's Capital Programme, according the financial profile for the years 2021-22, 2022-23 and 2023-24 as set out in Table 3 of report ED.19/21.
5. Agreed to release the budget for the Greenmarket scheme already included in the capital programme in accordance with the Council's budget resolution agreed in February 2021.
6. Noted the Remediation Road Map for the Caldew Riverside site and the key decision points as set out in Table 5 of report ED.19/21.
7. Delegated authority, regarding the Caldew Riverside remediation strategy key decision points, to the Corporate Director of Economic Development following consultation with the Leader of the Council, Portfolio Holder for Economy Enterprise and Housing,

Corporate Director of Finance & Resources and Corporate Director of Governance & Regulatory Services to:

- a) implement the appropriate remediation strategy options.
  - b) Agree scope and contract amount for practical actions within the remaining budget.
8. Noted the progress on the development of the Carlisle Town Deal, the agreement of Heads of Terms (included in Appendix B), the agreed programme of projects as set out in Table 6 of report ED.19/21 and the programme of activity over the next twelve months to progress towards agreeing the Town Deal
  9. Noted the additional resources required to deliver City Council's major economic development projects and the associated costs and that these costs will be offset using grant funding that has been secured.
  10. Agreed to the establishment of a Major Projects Programme Management Office (PMO) for an initial 3 year period (subject to review) and increasing the capacity of the regeneration team.
  11. Approved, for recommendation to Council, additional revenue budget of £91,545 for the financial year 2021/22 to fund the PMO and the regeneration team and an additional £82,560 for the following two years 2022-23 and 2023-24, as set out in Table 8 of report ED.19/21 and funded from Revenue Reserves.

### **Reasons for Decision**

To meet strategic objectives of the Carlisle Future High Street Fund and move forward with the four projects which had £9.1m of funding awarded to them.





# Report to Council

Agenda  
Item:

**16**

Meeting Date: 20 July 2021  
 Portfolio: Cross-cutting  
 Key Decision: Not applicable  
 Policy and Budget Framework: Not applicable  
 Public / Private: Public

Title: OPERATION OF THE PROVISIONS RELATING TO CALL-IN AND URGENCY  
 Report of: Corporate Director of Governance and Regulatory Services  
 Report Number: GD.41/21

**Purpose / Summary:**

To report on the operation of call-in and urgency since the previous report to Council on 20 July 2021.

**Recommendations:**

That the position be noted.

**Tracking**

Executive:	N/A
Scrutiny:	N/A
Council:	20 July 2021cx

## **1. BACKGROUND**

Rule 15(i) of the Overview and Scrutiny Procedure Rules deals with the procedure in respect of occasions where decisions taken by the Executive are urgent, and where the call-in procedure should not apply. In such instances the Chair of the Council (i.e. the Mayor) or in her absence the Deputy Chair of the Council must agree that the decision proposed is reasonable in the circumstances and should be treated as a matter of urgency.

The record of the decision and the Decision Notice need to state that the decision is urgent and not subject to call-in. Decisions, which have been taken under the urgency provisions, must be reported to the next available meeting of the Council together with the reasons for urgency.

Furthermore, Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 prescribes that the intention to hold a meeting in private must be published at least 28 clear days prior to that meeting.

Where the date by which a meeting must be held makes compliance with the regulation impracticable, the Chairman of the relevant Scrutiny Panel or the Chairman of the Council may agree that the meeting is urgent and cannot reasonably be deferred.

## **2. OPERATION OF THE PROVISIONS RELATING TO CALL IN AND URGENCY**

The Executive, at their meeting held on 5 July 2021, considered a report regarding the Regeneration Programme Update and Economic Programme Management Office

If a call-in was received, the call-in procedures would overlap the City Council meeting on 20 July 2021 when the Council is scheduled to consider the matter. Any delay caused by the call-in process would prejudice the Council's interests in terms of approving the item.

For the above reason, the Mayor has agreed that the above decision was urgent and that the call-in process should not be applied.

### 3. CONCLUSION AND REASONS FOR RECOMMENDATIONS

3.1 That the position be noted.

**Contact Officer:** Rachel Plant **Ext:** 7039

**Appendices** None  
**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:

- Carlisle City Council's Constitution

<https://www.carlisle.gov.uk/Council/Council-and-Democracy/Constitution>

- The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

#### **CORPORATE IMPLICATIONS:**

**LEGAL** – Report is by the Corporate Director of Governance and Regulatory Services and legal comments are included.

**PROPERTY SERVICES** – Not applicable

**FINANCE** – Not applicable

**EQUALITY** – Not applicable

**INFORMATION GOVERNANCE** – Not applicable

