

## **EXECUTIVE**

**TUESDAY 22 NOVEMBER 2011 AT 2.00 PM**

### **PRESENT:**

Councillor Mitchelson (Leader's Portfolio)  
Councillor J Mallinson (Governance and Resources Portfolio Holder)  
Councillor Bloxham (Environment and Housing Portfolio Holder)  
Councillor Mrs Bowman (Economic Development Portfolio Holder)  
Councillor Ellis (Performance and Development Portfolio Holder)  
Councillor Mrs Geddes (Community Engagement Portfolio Holder)

### **ALSO PRESENT:**

Councillors Allison (Vice-Chairman of the Resources Overview and Scrutiny Panel) and Mrs Luckley (Chairman of the Community Overview and Scrutiny Panel) attended the meeting as observers

### **APOLOGIES FOR ABSENCE**

Apologies for absence were received from the Town Clerk and Chief Executive; and the Strategic Director.

### **MINUTE'S SILENCE**

It was with great sadness that the Leader reported the sudden death on 18 November 2011 of Councillor Jim Tootle. He paid tribute to the hard and conscientious nature of the work undertaken by Councillor Tootle on behalf of the constituents of the Castle Ward, commenting that he would be sadly missed by all.

The thoughts and best wishes of the Council had been conveyed to Councillor Tootle's family.

Members stood in a minute's silence as a mark of respect to the memory of Councillor Tootle.

### **DECLARATIONS OF INTEREST**

Councillors Mitchelson and Mrs Geddes declared a personal interest in accordance with the Council's Code of Conduct in respect of Agenda item A.4 – Discretionary Rate Relief. The interest related to the fact that they served on organisations affected by discretionary rate relief.

Councillor Ellis declared a personal interest in accordance with the Council's Code of Conduct in respect of Agenda item A.2 – Tullie House Business Plan and Lease Arrangements due to the fact that he is a Council representative on the Tullie House Trust Board.

## **MINUTES OF PREVIOUS MEETINGS**

The Minutes of the meetings of the Executive held on 30 August and 26 September 2011 were signed by the Chairman as a true record of the meetings.

### **EX.140/11 2011/12 REVISED REVENUE BASE ESTIMATES AND UPDATED MEDIUM TERM FINANCIAL PLAN PROJECTIONS: 2012/13 TO 2016/17 (Key Decision)**

**Portfolio** Governance and Resources

#### **Subject Matter**

The Assistant Director (Resources) submitted report RD.63/11 providing a summary of the Council's revised revenue base estimates for 2011/12, together with base estimates for 2012/13 and updated reserve projections to 2016/17. The base estimates had been prepared in accordance with the guiding principles for the formulation of the budget over the next five year planning period as set out in the Medium Term Financial Plan (MTFP) and Charging Policy; Capital Strategy; and Asset Management Plan agreed by Council on 13 September 2011. The report set out known revisions to the Medium Term Financial Plan projections, although there were a number of significant factors affecting the budget that were currently unresolved, and he reported in some detail on those key issues which included:

- (a) Government Finance Settlement - RSG and NNDR
- (b) Welfare Reform Act including the localisation of Council Tax Benefit
- (c) Local Government Resource Review regarding the localisation of Business Rates
- (d) Impact of County Council's savings initiatives in the areas of Highways Claimed Rights; On Street Parking Enforcement; and Cumbria Waste Partnership
- (e) Minimum Level of Council Reserves
- (f) Transformation

The Assistant Director (Resources) informed Members that the potential impact of any new spending pressures and new savings identified was not reflected within the report, as there were a number of options for Member consideration. It was, however, clear at this early stage of the budget process that all of the pressures currently identified could not be accommodated within existing Council resources. Decisions would need to be made to limit budget

increases to unavoidable and high priority issues, together with maximising savings and efficiencies (and probable use of reserves) to enable a balanced budget position to be recommended to Council in February 2012.

He summarised the movements in base budgets and highlighted for Members the updated MTFP projections; the projected impact on revenue reserves; together with a summary of the financial outlook and budget discipline 2012/13 to 2016/17.

The Community Engagement Portfolio Holder asked whether the decision taken by the City Council to grant 100% rate relief to Eden Valley Hospice on the grounds that, by exception, it provided a remarkable and unique service to Carlisle communities that was not replicated through alternative provision within the district, was subsumed within the report.

In response, the Assistant Director (Resources) advised that he would deal with that issue later on the Agenda or, alternatively, provide a written response.

The Governance and Resources Portfolio Holder then moved the recommendations as detailed within the report.

**Summary of options rejected**    None

## **DECISION**

1. That the revised base estimates for 2011/12 and base estimates for 2012/13 be noted.
2. That the current Medium Term Financial Plan projections, which would continue to be updated throughout the budget process as key issues became clearer and decisions were taken, be noted.

## **Reasons for Decision**

To note the Revenue Base Estimates and updated Medium Term Financial Plan projections for consideration as part of the 2012/13 budget process.

## **EX.141/11    REVIEW OF CHARGES 2012/13 – LOCAL ENVIRONMENT** (Key Decision)

**Portfolio**    Local Environment and Housing

## **Subject Matter**

The Leader introduced this item of business, confirming that Executive Members had received copies of an Addendum to report LE.23/11, which comprised the Carlisle Car Parking Study Executive Summary (November 2011).

The Assistant Director (Local Environment) submitted report LE.23/11 setting out the proposed fees and charges for 2012/13 in relation to the services falling within the responsibility of the Local Environment Directorate.

The Assistant Director (Local Environment) reminded Members that income generated from car parking had been consistently lower than the target level budgeted for a number of years and the annual budget target had been reduced in 2009/10 to represent a more realistic target which reflected falling demand. The forecast levels for 2010/11 had been reduced further by a sum of £212,000 to £1,182,600 in anticipation of the closure of the Viaduct car parks and the non-achievement of the Green Travel Plan (i.e. In respect of staff charges for the use of Swifts Bank car park which failed to come to fruition). The net overall car park income target for 2011/12 derived as part of the 2011 budget process was £1,398,000. That large increase took account of the anticipated impact of revised pricing policies on car parks and the re-instatement of the full year utilisation of the Upper and Lower Viaduct car parks following the decision by the University of Cumbria to suspend the River Caldew Project. She added that actual income for the six month period April to September 2011 amounted to £600,400 as compared to the profiled budget projection of £740,300, representing an overall shortfall of around £140,000.

Details of the relevant figures for contract parking fees; ticket sales; and car park penalty charges were provided at Table 2 to the report in order that Members may sub analyse the position.

The Assistant Director (Local Environment) explained that, on the basis of the figures to date, the full year out-turn for all income streams was likely to be in the region of £1,165,000 as against the 2011/12 target of £1,398,000. That situation, which could worsen even further, pointed towards an overall shortfall in excess of £300,000. If the Council's current charging policy and the MTFP expectation were met, then the overall income budget for Car Parking in 2012/13 should be £1,548,000 (which sum included a recurring additional budget adjustment of £100,000 relating to a return to the full utilisation of the Viaduct Car Parks).

As Members would be aware, the consistently falling usage levels of the City Council's car parks over the past six years or so was of great concern and, in an attempt to maintain overall income levels, a policy of increasing car park charges annually had been adopted. In view of the current economic climate it was, however, necessary to examine other ways of trying to maintain or increase car park income whilst still providing the parking expectations and requirements of residents, visitors and members of the business community. Consultants had therefore been commissioned and Buchanan Order Management (the specialist company tasked with the Car Park Study) had submitted their draft report for discussion which had been presented to the Senior Management Team on 10 November 2011.

The Assistant Director (Local Environment) drew Members' attention to the Addendum to her report. She explained that the Study had confirmed the decline in off-street parking revenues and estimates, and that 2011/12 ticket revenues could be as much as £278,000 below budget for Pay and Display ticket sales alone. In addition, there were declines in contract revenues, expected to be down on last year by some £29,000. The final outturn for the year would depend on the seasonal peak in November and early December.

She outlined the analysis of the pay and display data; the implications of the switch of the Upper Viaduct car park from long stay to short stay in February 2011; the questions considered as part of the study; and reiterated the Council's key objectives in providing a parking service.

It had been suggested during the study that pursuit of the Mid-Term Financial Plan had driven the tariff setting for car parking operations and that appeared to have resulted in the tariffs being out of step with the current parking market. It was therefore suggested that the tariff setting be disengaged from the MTFP objectives and realigned with the current parking market. That would actually help promote and achieve other stated objectives for parking policy and therefore bring about other benefits for the City.

The study further suggested that, although parking behaviour reacted quickly to adverse conditions resulting in a fast or even immediate loss of business, it was likely to be more difficult to reverse that. It would be important to advertise new initiatives and also allow time for behaviour to revert and customers to return. Accordingly, it was difficult to foresee a significant improvement in the parking operations ability to increase revenues quickly, but careful marketing and advertising would certainly help to achieve a faster take up if customers liked the new arrangements. Tactical pricing was therefore proposed by the study as the best way forward in attracting a greater proportion of long stay parkers.

The Assistant Director (Local Environment) advised that the Car Parking Study made many recommendations. It was proposed to implement a number of the recommendations relating to the level of charge via the following :

- to increase the differentiation of parking charges by a new tariff structure for parking and contracts by location, and increase the options through contracts as to the ways to purchase parking.
- City Council car parks to be allocated into four categories, with the prime locations as detailed at Table 1 to the Addendum.
- to introduce a standard charge for 1 hour pay and display parking in all car parks; to hold charges at current levels in all car parks for 2 hour and 3 hour stays and in Category 1 and 2 car parks for 4 hour stays. To reduce charges in Category 3 and 4 car parks for stays of 4 hours or longer.

- Contract Car Parking would offer a minimum choice of 4 car parks instead of the current choice of 2. Higher cost contracts provided even greater choice of parking locations.
- To improve the offer for contract car parking to 7 days a week car parking.
- To increase the choice on method of payment for Pay and Display to include Pay by Phone.
- To provide additional discount for advance payments.

She then drew attention to Table 2 which showed the proposed charges recommended to the Executive for implementation, the expected income from implementation thereof being £1,248,000. Although that constituted a shortfall on the MTFP target for car parking income of £300,000, the Budget reports considered elsewhere on the Agenda (RD.64/11 and LE.23/11) already included a potential shortfall of £100,000. An additional budget pressure of £200,000 would therefore be required. She added that the income projections based on those charges anticipated a 12.5% increase in usage of the City Council's car parks and that anticipated increase would be monitored throughout the budget process for 2012/13 as part of the monitoring of high risk budgets. The impact of that pressure would be included in the Executive's budget proposals to be considered in December 2011.

Turning to the use of parks and green spaces, the Assistant Director (Local Environment) pointed out that application for formal approval on charge levels had inadvertently been omitted from previous Local Environment Charges Reports. Upon discovery of that omission, she had taken an Officer Decision under delegated powers to introduce a minimum fee structure (OD.012/11), details of which were provided. Taking the Council's Corporate Charging Policy and relevant factors into account, the basic charging structure identified in Table 5 to her report had been implemented for an interim period, pending further consideration of the charging levels introduced in general and the results of a pilot scheme in Bitts Park in particular. She added that the Officer Decision referred to envisaged that, if the pilot was successful, charging would be rolled out to all of the City Council's parks and green spaces via the 2012/13 charges process. Whilst there had only been one event ("Flick at Bitts" as part of Carlisle Love Parks Week in July 2011) it was now recommended that the charges outlined in Table 5 of the report be formally approved through the charges process and extended to cover other sites. It was further proposed that standard charges be introduced as detailed in section 4.2.7 to the report.

Notwithstanding the above, it was intended that Officers should have discretion to waive or reduce charges in circumstances where a commercial operator was needed in order to provide a catering service as part of a City Council run event. The Executive was therefore requested to issue her with delegated responsibility for making any changes to the charges set for the use

of parks and green spaces and to have the Scheme of Delegation amended accordingly.

She then outlined other proposed charges in relation to Highways Services, Allotments, Sports Pitches, Talkin Tarn Car Park / Other Charges (including the proposed introduction during 2012/13 of a further income stream in respect of an annual registration fee for swimmers at Talkin Tarn), Bereavement Services, Environmental Quality, Food Safety, and Bulky Waste / Special Collections.

In conclusion, the Assistant Director (Local Environment) advised that, with the exception of Talkin Tarn (the income of which was ring-fenced) and car parking income (which was being evaluated in the light of the Consultants' report mentioned earlier), acceptance of the charges highlighted within her report would result in an anticipated level of income of £1,287,200 against the MTFP target of £1,299,100 in 2012/13. That represented a shortfall of £11,900 against the MTFP target.

The Leader moved that the second recommendation be amended so that the Assistant Director (Local Environment) be issued with delegated responsibility, in consultation with the Environment and Housing Portfolio Holder, for making any changes to the charges set for the use of parks and green spaces and to have the Scheme of Delegation amended accordingly.

Referring to the first recommendation, the Environment and Housing Portfolio Holder suggested that the charges as set out in the body of the report and relevant appendices be agreed early in the New Year, rather than with effect from 1 April 2012. He further referred to Page 22, Table 5 (proposed charging levels for the use of parks) fourth item, and proposed that the words "NB proof for charity status will be required" be deleted.

In response, the Leader said that the Executive would seek guidance as to the timing of the charges and would agree an implementation date at their meeting in December 2011.

In moving the report and addendum, the Environment and Housing Portfolio Holder stated that the Carlisle Car Parking Study had been very helpful and contained valuable information, including exciting ideas for car parking going forward. Car parks would be split between four categories which would determine the charges to be applied. The proposed charges included some substantial decreases, particularly in relation to all day and contract parking. Both the Executive and himself believed that the charges outlined would benefit residents, commuters and visitors to the City.

A further exciting innovation was the introduction of Pay by Phone whereby Carlisle could take the lead within Cumbria. Notwithstanding the above, further work was required with regard to car parks and the Council should work closely with the County Council to maximise traffic movement. In conclusion, the Portfolio Holder recommended that the report and the addendum be made available for consultation by Overview and Scrutiny.

The Performance and Development Portfolio Holder expressed his thanks to the Portfolio Holder and Officers for the excellent Addendum which looked at various issues in a manner not done for some time. It included a number of very worth while and attractive opportunities, and he was pleased to second the recommendations.

The Economic Development Portfolio Holder also welcomed the proposed charges which were vital from both a business and tourism point of view.

The Leader then thanked the Environment and Housing Portfolio Holder, the Assistant Director (Local Environment) and her team for their efforts. He was pleased that the Council had taken the time to listen to concerns and undertake a proper study into car parking, commenting that the study included options for everyone. In conclusion, he stressed that there would be a reduction in parking charges overall.

**Summary of options rejected**    None

## **DECISION**

That the Executive:

1. agreed for consultation the proposed charges, as set out in Report LE.23/11, relevant Appendices and the Addendum; and noted the impact of those charges on income generation, as detailed within the report. (The Executive would agree an implementation date at their December 2011 meeting).
2. granted delegated responsibility to the Assistant Director (Local Environment), in consultation with the Environment and Housing Portfolio Holder, for making any changes to the charges set out for the use of parks and green spaces and to have the Scheme of Delegation amended accordingly.

## **Reasons for Decision**

To ensure that the City Council's Corporate Charging Policy is complied with.

**EX.142/11    REVIEW    OF    CHARGES    2012/13    –    COMMUNITY  
ENGAGEMENT**  
(Key Decision)

**Portfolio**    Environment and Housing



## **Subject Matter**

The Assistant Director (Community Engagement) submitted report CD.25/11 setting out the proposed fees and charges for the Hostel services falling within the responsibility of the Community Engagement Directorate.

He outlined proposed charges for hostels, pointing out that those did not include a support element as that was funded through Cumbria Supporting People. The charges had been increased in line with the Corporate Charging Policy which would result in an income of £445,800 in 2012/13.

In moving the recommendations, the Environment and Housing Portfolio Holder congratulated Officers for work undertaken.

**Summary of options rejected**    None

## **DECISION**

That the Executive agreed for consultation the increase in charges, as set out in Report CD.25/11, with effect from 1 April 2012; and noted the impact thereof on income generation as detailed within the report.

## **Reasons for Decision**

To ensure that hostel charges reflected the actual cost of service provision and were in line with the City Council's Corporate Charging Policy.

**EX.143/11    REVIEW    OF    CHARGES    2012/13    –    ECONOMIC  
DEVELOPMENT**  
(Key Decision)

**Portfolio**    Economic Development

## **Subject Matter**

The Assistant Director (Economic Development) submitted report ED.39/11 setting out the proposed fees and charges for areas falling within the responsibility of the Economic Development Directorate. The proposed charges related to Economic Development and Tourism and Planning Services.

She informed Members that the acceptance of the charges highlighted within her report, with the exception of Building Control which was self financing, would result in an anticipated level of income of £560,900 against the Medium Term Financial Plan target of £696,400. That represented a shortfall of £135,500.

The Economic Development Portfolio Holder moved the recommendation.

**Summary of options rejected**    None

## **DECISION**

That the Executive agreed for consultation the proposed charges, as set out in the relevant Appendices to Report ED.39/11, with effect from 1 April 2012; noting the impact those would have on income generation as detailed within the report.

## **Reasons for Decision**

To ensure that the City Council's Corporate Charging Policy is complied with.

### **EX.144/11    REVIEW OF CHARGES 2012/13 – GOVERNANCE** (Key Decision)

**Portfolio**      Governance and Resources

## **Subject Matter**

The Assistant Director (Governance) submitted report GD.62/11 setting out the proposed fees and charges for areas falling within the remit of the Governance Directorate.

He outlined the proposed charges in respect of Electoral Registers; Minute Books and Room Bookings; and Local Land Searches, the introduction of which was forecast to generate income of £154,400 in 2012/13.

The Governance and Resources Portfolio Holder moved the report.

**Summary of options rejected**    None

## **DECISION**

That the Executive agreed for consultation the proposed charges, as set out in Appendix A to Report GD.62/11, with effect from 1 April 2012; and noted the impact thereof on income generation as detailed within the report.

## **Reasons for Decision**

To ensure that the City Council's Corporate Charging Policy is complied with.

### **EX.145/11    REVIEW OF CHARGES 2012/13 – GOVERNANCE** **DIRECTORATE - LICENSING** (Key Decision)

**Portfolio**      Governance and Resources

## **Subject Matter**

The Assistant Director (Governance) submitted report GD.58/11 setting out the fees and charges for areas falling within the responsibility of the Licensing Section of the Governance Directorate. He advised Members that the Regulatory Panel had responsibility for determining the licence fees and the Panel had, on 19 October 2011, approved the charges set out in Appendices A and B of Report GD.57/11.

The Governance and Resources Portfolio Holder moved the recommendation.

**Summary of options rejected**    None

## **DECISION**

That the Executive noted the Licensing Charges which had been approved by the Regulatory Panel on 19 October 2011.

## **Reasons for Decision**

To ensure that the City Council's Corporate Charging Policy is complied with and sufficient income is generated to cover the costs associated with administering and enforcing the Council's statutory licensing function.

## **EX.146/11    BUDGET 2012/13 – 2016/17 - SUMMARY OF NEW REVENUE SPENDING PRESSURES** (Key Decision)

**Portfolio**    Governance and Resources

## **Subject Matter**

The Assistant Director (Resources) submitted report RD.64/11 summarising the new revenue spending pressures and reduced income projections which would need to be considered as part of the 2012/13 budget process. He reminded Members that the issues had to be considered in the light of the Council's corporate priorities of Economy and Environment.

The Assistant Director (Resources) then outlined the pressures identified in the report. He added that clearly all of the pressures could not be accommodated within existing resources (including the use of reserves) and decisions would need to be made throughout the budget process to limit pressures to high priority and unavoidable issues to ensure that a balanced budget position was recommended to Council in February 2012.

Referring to the question concerning the Council's decision to grant Discretionary Rate Relief to the Eden Valley Hospice raised earlier by the Community Engagement Portfolio Holder, the Assistant Director (Resources)

advised that the cost thereof was not separately identified within the report. That issue would be addressed.

The Governance and Resources Portfolio Holder moved the recommendations, commenting that the Executive was happy to make the report available to Overview and Scrutiny for consultation.

**Summary of options rejected**    None

## **DECISION**

That Report RD.64/11 on the new revenue spending pressures be received and forwarded to the relevant Overview and Scrutiny Panels for consideration as part of the 2012/13 budget consultation process.

## **Reasons for Decision**

To make arrangements for the new revenue spending pressures to be considered as part of the 2012/13 budget process.

## **EX.147/11    BUDGET 2012/13 – 2016/17 - SUMMARY OF SAVINGS DELIVERED AND NEW PROPOSALS** (Key Decision)

**Portfolio**    Governance and Resources

## **Subject Matter**

The Assistant Director (Resources) submitted report RD.65/11 summarising proposals for savings and additional income generation to be considered as part of the 2012/13 budget process. He reminded Members that the Savings Strategy approved by Council on 13 September 2011 focussed on the following areas to deliver the savings required to produce a balanced longer term budget:

- (a) Asset Review;
- (b) Service Delivery Models; and
- (c) Transformation Programme.

The Assistant Director (Resources) reported that, at this stage, the Executive (and Overview and Scrutiny) were being asked to give initial consideration to the new proposals for further permanent reductions in base expenditure budgets and also increases to income budgets from 2012/13 onwards. The requests would need to be considered in the light of the projected budget shortfall outlined in Report RD.63/11 and also the spending pressures in RD.64/11.

He summarised the proposed savings relating to additional Transformation Savings, Recruitment Advertising and Non-Staffing Reductions, and also highlighted the new savings proposals and additional income projections.

The Governance and Resources Portfolio Holder moved the recommendations set out in the report. He added that the Senior Management Team would continue to investigate efficiencies and savings in line with the Transformational Savings Strategy, and the Executive would comment further during the Budget process.

**Summary of options rejected**    None

## **DECISION**

1. That the proposed reductions to the base budget from 2012/13 onwards, as set out in Report RD.65/11, be received and forwarded to the relevant Overview and Scrutiny Panels for consideration as part of the budget consultation process.
2. That it be noted that the Senior Management Team would continue to investigate efficiencies and savings in accordance with the Transformational Savings Strategy.

## **Reasons for Decision**

To make arrangements for the proposals for savings and additional income generation to be considered as part of the 2012/13 budget process.

## **EX.148/11    REVISED    CAPITAL    PROGRAMME    2011/12    AND PROVISIONAL CAPITAL PROGRAMME 2012/13 TO 2016/17 (Key Decision)**

**Portfolio**    Governance and Resources

## **Subject Matter**

The Assistant Director (Resources) submitted report RD.66/11 detailing the revised Capital Programme for 2011/12, together with the proposed method of financing. The report summarised the proposed programme for 2012/13 to 2016/17 in the light of the new capital pressures identified, and summarised the estimated and much reduced capital resources available to fund the programme.

Details of the current commitments and two new spending proposals were provided.

The Assistant Director (Resources) highlighted for Members the summary of the estimated resources compared to the proposed programme year on year, which indicated that the current level of capital programme over the next five

years was unachievable due to capital funding being used up in 2012/13. Ongoing Service Reviews would help to identify, for example, whether all the vehicles currently included in the replacement programme would be required. He added that, if all commitments identified were required and no additional capital receipts could be generated, it was likely that there would be a borrowing requirement in 2015/16 of £3.1m. However, the impact of Service Reviews on vehicle requirements would be undertaken in 2012/13 and that would be subject to future reports to the Executive.

The Governance and Resources Portfolio Holder then moved the recommendations as detailed within the Assistant Director's report.

**Summary of options rejected** None

## **DECISION**

That the Executive :

1. Noted the revised capital programme and relevant financing for 2011/12 as set out in Appendices A and B of Report RD.66/11;
2. Recommended that the City Council approve slippage of £4,257,000 from 2011/12 into 2012/13;
3. Had given initial consideration to the capital spending requests for 2012/13 to 2016/17 contained in Report RD.66/11 in the light of the estimated available resources; and
4. Noted that any capital scheme for which funding had been approved by the Council may only proceed after a full report, including business case and financial appraisal, had been approved.

## **Reasons for Decision**

To note the details of the revised Capital Programme and relevant financing and make arrangements for the new capital bids to be considered as part of the 2012/13 budget process.

**EX.149/11 TREASURY MANAGEMENT JULY - SEPTEMBER 2011 AND FORECASTS FOR 2012/13 TO 2016/17**  
(Key Decision)

**Portfolio** Governance and Resources

## **Subject Matter**

The Assistant Director (Resources) submitted report RD.67/11 providing the regular quarterly report on Treasury Transactions, together with an interim report on Treasury Management as required under the Financial Procedure

Rules. The report also discussed the City Council's Treasury Management estimates for 2012/13 with projections to 2016/17, and set out information regarding the requirements of the Prudential Code on local authority capital finance.

The Governance and Resources Portfolio Holder moved the recommendation set out in the report.

The Leader emphasised that all of the information provided would form part of the Executive's draft Budget proposals, which would be presented at the meeting on 19 December 2011. He added that the Executive welcomed Government support concerning the freeze on Council Tax. Historically the Executive had always kept increases in Council Tax to a minimum and there would be no increase this year.

**Summary of options rejected**    None

## **DECISION**

That Report RD.67/11 be received and the projections for 2012/13 to 2016/17 be incorporated into the Budget reports elsewhere on the Agenda.

## **Reasons for Decision**

To receive the report on Treasury Management for 2011/12 and 2012/13 and refer it as part of the budget process.

## **EX.150/11    TULLIE    HOUSE    BUSINESS    PLAN    AND    LEASE ARRANGEMENTS** (Key Decision)

Councillor Ellis, having declared a personal interest, took part in discussions on this item of business.

**Portfolio**    Community Engagement

## **Subject Matter**

The Assistant Director (Community Engagement) submitted report CD.22/11 considering the Tullie House Museum and Art Gallery Trust 2011 - 2014 Business Plan. He informed Members that the purpose of his report was to allow prompt consideration of the Business Plan in order that the Council may, in due course, agree core funding for the Trust.

The Assistant Director (Community Engagement) then summarised the steps leading up to the establishment of the Trust in April 2011. He explained that the City Council's twelve month core funding grant to Tullie House Museum and Art Gallery Trust in 2011/12 was £1,314,420. In line with the Partnership Agreement between Tullie House Trust and Carlisle City Council core funding

for future years, and specifically in this context 2012/13, 2013/14 and 2014/15, would be agreed by submission of the Trust Business Plan each year. In order to provide a secure and stable basis for medium term planning consideration would be made annually on core funding on a three year rolling cycle. He added that the Council's annual budget process required that approval of core funding for 2013/14 and 2014/15 would be "in principle".

In line with the Partnership Agreement signed at the establishment of the Trust, the Business Plan outlined the Trust proposals for developing its charitable and commercial operation in the coming years. The Partnership Agreement specified that the Business Plan would be considered promptly and in a collaborative fashion. Details of the key milestones outlined in the draft Business Plan, together with the financial and legal implications were provided. Members were requested to give consideration to the Business Plan (submitted in Part B of the Agenda) in light of the above and also seek the views of Overview and Scrutiny thereon.

The Assistant Director (Community Engagement) also provided details of a proposed extension to the lease arrangements from the City Council for the property occupied by the Trust, so that the term be extended from twenty five years to a period of thirty years. He advised that extending the leases for a further five years so that all documents were co terminus made sound business sense for both parties. Adding a further five years to the leases would have an impact on the Council's museum assets by reducing the freehold values from the figures previously set out in Report RD.84/10. Although the precise effect of those changes was as yet unknown and valuation advice would be required to inform Members of the position, it was considered most unlikely that the impact on the Council's assets would be significant or that the undervalue would exceed the threshold (£2 million) set out under the Local Government Act 1972.

The Performance and Development Portfolio Holder said that this was another milestone in the success of Tullie House and demonstrated growing confidence by the Trust and new Board. He looked forward to discussing the matter with the Community Overview and Scrutiny Panel on 24 November 2011.

The Leader added that the Executive would receive the report and await the submission of feedback from the Overview and Scrutiny Panels at their December meeting.

**Summary of options rejected**    None

## **DECISION**

That the Executive had considered Report CD.22/11 concerning the Tullie House Business Plan and Lease Arrangements and approved it to go forward to Overview and Scrutiny Panels for consideration and comment.



## **Reasons for Decision**

The recommendations allow this Report and the associated Business Plan to move forward for wider consultation, including Community and Resources Overview and Scrutiny Panels.

### **EX.151/11 2011/12 MID YEAR CORPORATE PLAN PERFORMANCE REPORT** (Key Decision)

**Portfolio** Performance and Development

#### **Subject Matter**

The Policy and Communications Manager submitted the mid-year performance report (PPP.16/11) against the 2011/12 Corporate Plan.

The Policy and Communications Manager then summarised for Members details of the progress made in delivery of each of the Corporate Plan Key Actions. He added that the content of the report had been determined at the Senior Management Team meeting on 1 November 2011, and the Key Action (Red, Amber, Green) rating had been assessed by the relevant Assistant Director.

Members were asked to consider the performance of the City Council with a view to seeking continuous improvement in how the Council delivered its priorities.

The Community Engagement Portfolio Holder expressed her thanks for the layout of the report, which enabled the Executive to easily identify progress and targets.

In response to a question concerning Key Action 09 (Review the role of the Enterprise Centre), the Policy and Communications Manager advised that the new lettings were not reflected, but would improve performance.

The Performance and Development Portfolio Holder then moved the report.

**Summary of options rejected** None

#### **DECISION**

That the Executive had considered the performance of the City Council, as presented in Report PPP.16/11, with a view to seeking continuous improvement in how the Council delivered its priorities.

## **Reasons for Decision**

The purpose of the report was to highlight the mid-year performance of the City Council, acknowledge the key successes of the year so far and identify areas for improvement.

### **EX.152/11 DISCRETIONARY RATE RELIEF**

(Key Decision)

(With the consent of the Chairman, and in accordance with Rule 15 of the Access to Information Procedure Rules, this item was included on the Agenda as a Key Decision, although not in the Forward Plan)

Councillor Mitchelson, having declared a personal interest, made no comment on this item of business, other than in his capacity as Chairman.

Councillor Mrs Geddes, having declared a personal interest, took no part in discussion on this item.

**Portfolio**     Community Engagement

### **Subject Matter**

Pursuant to Minutes EX.128/11 and C.157/11(iii), the Assistant Director (Community Engagement) submitted report CD.20/11 (Amended) outlining changes to the City Council's Discretionary Rate Relief Policy on National Non Domestic Rates (NNDR) to apply from 2012 onwards. The proposed policy change would allow 100% relief to smaller local charities and other qualifying organisations on an ongoing basis.

The Assistant Director (Community Engagement) discussed considerations to be borne in mind in setting and managing discretionary relief on NNDR to charitable and non profit organisations, together with the background to the proposed policy change. He added that, further to the City Council's decision on 8 November 2011 to withdraw the report, this amended report corrected typographical errors contained within the original document.

The Assistant Director (Community Engagement) reminded Members that the Council had, on 13 September 2011, granted 100% rate relief to the Eden Valley Hospice on the grounds that, by exception, it provided a remarkable and unique service to Carlisle's communities that was not replicated through alternative provision within the District. The policy amendment provided transitional arrangements for organisations which may have lost relief with effect from April 2011.

From 2012/13 and subject to approval by Council, it was proposed to award 20% discretionary 'top up' rate relief to all local charities and non profit making enterprises with a Rateable Value of below £18,000. (That figure was the ceiling applied by Central Government for small business rate relief and as such acted as an appropriate delineation point). With the proviso that the total available budget be £54,500, the recommendation was brought forward on the basis of consideration of a number of options, namely:

Option 1 - recommended option of 100% relief to small and local charities. It was felt that this option provided the highest level of support for the widest grouping in a practical and consistent framework. The policy change would mean 132 out of 153 local enterprises would receive 100% rate relief, including most community centres, village halls, sports clubs and local charities.

Option 2 - provide 100% to all 182 charitable and not for profit organisations operating out of Carlisle - including whether registered in the City or through a National Office at a cost of £139,526. That option was outside of the available budget.

Option 3 - provide some additional discretionary relief to all organisations. Calculations were based on:

- (a) providing 90% to all charitable and non profit organisations at a cost of £78,037. That option was outside of the available budget.
- (b) providing 90% to all small charitable and non profit organisations at a cost of £26,040. That option was within the available budget.
- (c) providing 90% to all local and small charitable and non profit organisations at a cost of £23,979. That option was within the available budget.

Appendix 2 to the report listed all charities and non profit organisations, and considered the cost to the Council of providing rate relief against those alternatives.

Option 4 - provide additional discretionary relief based on an organisation's contribution to Corporate Plan aims and objectives. That option was not included as the recommended option because of the likely difficulties in achieving, within budget, clear transparency and consistency. The analysis of current level of relief showed that for the majority of organisations the award would be relatively low, whilst the administration thereof was likely to be complex.

Regulations provided that there be a statutory right of Appeal in relation to any decision that the Council may make pursuant to its Discretionary Rate Relief Policy. Once the Council had established its policy in that area, a report dealing with the Appeals Procedure would be presented to the Executive at the earliest opportunity.

In conclusion, the Assistant Director (Community Engagement) recommended that the Executive approve the following amendments to the Discretionary Rate Relief Policy to full Council, to the effect that the Council approved:

1. amendment to the City Council's Discretionary Rate Relief Policy to provide 100% rate relief to small, local charities and non profit making organisations as detailed in Option 1 above; and
2. The Discretionary Rate Relief Policy Statement as shown in Appendix 1 to his report.

The Leader pointed out that copies of relevant Minute Excerpts, including Minute C.157/11 reflecting the Council's decision to withdraw the matter from discussion on 8 November 2011, had been circulated. He added that the reports previously considered by the Community and Resources Overview and Scrutiny Panels contained correct figures and therefore the matter would now be referred back to the City Council in January 2012.

**Summary of options rejected** Other Options as detailed within Report CD.20/11 (Amended)

## **DECISION**

That the Executive recommended the following amendments to the Discretionary Rate Relief Policy to full Council, to the effect that the Council approved:

1. Amendment to the City Council's Discretionary Rate Relief Policy to provide 100% rate relief to small, local charities and non profit making organisations as detailed in Option 1 of Report CD.20/11 (Amended); and
2. The Discretionary Rate Relief Policy Statement as shown in Appendix 1 to the report.

## **Reasons for Decision**

The Executive is required to consider how to target its limited resources and achieve a positive outcome for Carlisle and District's communities.

**EX.153/11 FORWARD PLAN**  
(Non Key Decision)

**Portfolio** Cross-Cutting

## **Subject Matter**

The Forward Plan of Key Decisions for the period 1 November 2011 to 29 February 2012 was submitted for information.

**Summary of options rejected**    None  
**DECISION**

That the Forward Plan of Key Decisions for the period 1 November 2011 to 29 February 2012 be noted.

**Reasons for Decision**

Not applicable.

**EX.154/11    SCHEDULE OF DECISIONS TAKEN BY OFFICERS**  
(Non Key Decision)

**Portfolio**    Performance and Development

**Subject Matter**

Details of decisions taken by Officers under delegated powers were submitted.

**Summary of options rejected**    None

**DECISION**

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

**Reasons for Decision**

Not applicable.

**EX.155/11    REFERENCE FROM THE ENVIRONMENT AND ECONOMY  
OVERVIEW AND SCRUTINY PANEL : TRANSFORMATION  
PROGRAMME – ECONOMIC DEVELOPMENT**  
(Non Key Decision)

**Portfolio**    Economic Development

**Subject Matter**

Pursuant to Minute ESOSP.66/11, consideration was given to a reference from the Environment and Economy Overview and Scrutiny Panel on 20 October 2011 requesting that the Executive give priority to the capital programme for the redevelopment of the Old Town Hall. A copy of the Minute Excerpt had been circulated.

In the absence of the Chairman of the Environment and Economy Overview and Scrutiny Panel, the Leader reported that the Executive would take account of the Panel's comments as detailed within the Minute submitted.

The Economic Development Portfolio Holder thanked the Panel for their in depth discussions. She added that the Executive always gave priority to looking after the authority's buildings and the redevelopment of the Old Town Hall would be addressed in the budget going forward.

**Summary of options rejected**    None

## **DECISION**

That the Executive had given consideration to the reference from the Environment and Economy Overview and Scrutiny Panel concerning the Transformation Programme - Economic Development and confirmed that redevelopment of the Old Town Hall would be considered as part of the budget process.

## **Reasons for Decision**

To respond to a reference from the Environment and Economy Overview and Scrutiny Panel concerning the Transformation Programme - Economic Development.

### **EX.156/11    JOINT MANAGEMENT TEAM MINUTES** (Non Key Decision)

**Portfolio**    Various

## **Subject Matter**

The Minutes of the meeting of the Joint Management Team held on 13 October 2011 were submitted for information.

**Summary of options rejected**    None

## **DECISION**

That the Minutes of the meeting of the Joint Management Team held on 13 October 2011, attached as Appendix B, be received.

## **Reasons for Decision**

Not applicable.

### **EX.157/11    MARKET MANAGEMENT GROUP** (Non Key Decision)

**Portfolio**    Economic Development

## **Subject Matter**

The Minutes of the meeting of the Market Management Group held on 26 October 2011 were submitted for information.

**Summary of options rejected**    None

## **DECISION**

That the Minutes of the meeting of the Market Management Group held on 26 October 2011, attached as Appendix C, be received.

## **Reasons for Decision**

Not applicable.

## **EX.158/11    DATES AND TIMES OF MEETINGS FOR 2012/13** (Non Key Decision)

**Portfolio**    All

## **Subject Matter**

The Assistant Director (Governance) submitted report GD.63/11 on proposed dates and times of meetings of the City Council, the Executive, Overview and Scrutiny Panels and the Regulatory Committees for 2012/13 in order that a recommendation could be made to the City Council.

The Leader moved that the report go forward to the City Council in January 2012 for approval.

**Summary of options rejected**    None

## **DECISION**

That the City Council be requested to agree the schedule of dates and times of meetings in the 2012/13 municipal year as set out in the calendar attached as an Appendix to Report GD.63/11.

## **Reasons for Decision**

In order to recommend to the City Council a schedule of dates and times for meetings covering the 2012/13 Municipal Year as required by Procedure Rule 1.1(ix).

**EX.159/11 REVENUE BUDGET OVERVIEW AND MONITORING  
REPORT: APRIL TO SEPTEMBER 2011**  
(Non Key Decision)

**Portfolio** Governance and Resources

**Subject Matter**

The Assistant Director (Resources) submitted the Revenue Budget Overview and Monitoring Report (RD.62/11) for the period April to September 2011. He outlined the overall budget position, the monitoring and control of expenditure against budget allocations and the exercise of virement. Details of balance sheet management issues, high risk budgets, performance management, and progress against the Comprehensive Spending Review efficiency statement were also provided.

The Assistant Director (Resources) highlighted a number of key issues, including: the Salary Turnover Savings Budget; staffing budgets for 2011/12; a likely income shortfall on rent received from the Lanes; spiralling fuel costs; continuing income shortfall on Development Control fees; John Street Hostel; Disabled Facilities Grants and the release of the Prevention of Homelessness grant funding to be used for enhancement to the current service provision.

He added that the Council's financial position was affected by a number of external factors which had a financial impact during the course of the year and ultimately at the year end. Those included:

- the general effect of the economic climate on the Council's income streams e.g. car parking and leisure activities;
- fuel prices, energy costs and other inflationary issues; and
- the effects of the housing market and property prices, especially with regard to income from land charges and rents.

The Council's financial position would continue to be closely monitored and reported more fully in the next quarterly monitoring report.

The Assistant Director (Resources) further pointed out that the main variances in the Directorates' Budgets were also set out in the report and he gave an overview of the forecast outturn position for 2011/12.

The Governance and Resources Portfolio Holder then moved the report.

**Summary of options rejected** None

**DECISION**

That the Executive:

1. Noted the budgetary performance position of the Council to September 2011.



2. Noted the potential forecast year end position for 2011/12; and
3. Approved the release of grant, £85,000 in 2011/12 and £61,000 in 2012/13, for use in Homelessness as detailed in paragraph 4.9 of Report RD.62/11.

### **Reasons for Decision**

To show that the Executive had been informed of the Council's actual financial position compared with the budgeted position, and to bring to their attention any areas of concern.

### **EX.160/11 CAPITAL BUDGET OVERVIEW AND MONITORING REPORT – APRIL TO SEPTEMBER 2011 (Non Key Decision)**

**Portfolio** Governance and Resources

### **Subject Matter**

The Assistant Director (Resources) submitted report RD.61/11 on the budgetary position of the City Council's capital programme for the period April to September 2011. He outlined for Members the overall budget position for the various Directorates; the capital budget overview; the monitoring and control of expenditure against budget allocations and the exercise of virement.

In particular, the Assistant Director (Resources) drew Members' attention to Appendix A to the report.

The Governance and Resources Portfolio Holder moved the recommendations set out in the report.

**Summary of options rejected** None

### **DECISION**

That the Executive:

1. Noted the budgetary position and performance aspects of the capital programme for the period April to September 2011.
2. Would use the information contained within Report RD.61/11 to inform the budget considerations for 2012/13 onwards.
3. Noted the recommendations to Council to approve the slippage (£4,257,000) as identified in Report RD.66/11 elsewhere on the Agenda.

4. Approved the release of the £200,000 vehicle replacement budget in 2011/12 to be put towards the purchase of vehicles within Local Environment.

### **Reasons for Decision**

To inform the Executive of the Council's actual financial position opposite its Capital Programme for 2011/12.

### **EX.161/11 APPOINTMENT OF HONORARY RECORDER FOR THE CITY OF CARLISLE** (Non Key Decision)

**Portfolio** Leader

### **Subject Matter**

The Assistant Director (Governance) submitted report GD.66/11 concerning the appointment of an Honorary Recorder for the City of Carlisle.

He informed Members that the City Council had the power to appoint a Circuit Judge or a Recorder of the Crown Court as Honorary Recorder for its administrative area. It had been the practice of most large City Councils, including Carlisle, to appoint the Resident Judge to be Honorary Recorder of the City during his tenure of office, thereby continuing the link between the City and its criminal court which had existed throughout the history of the Courts of Quarter Sessions. He added that the Lord Chief Justice had published guidelines in relation to the appointment and was keen to encourage cities without such an appointment to duly appoint an Honorary Recorder.

Carlisle's last Honorary Recorder (Judge A W Bell) was installed in 1990 and that lasted until 1998. Judge Bell was the first person to hold the post since 1986 and prior to that there had not been an Honorary Recorder since 1971. However, up to that point, there had been a more or less unbroken chain of Honorary Recorders since 1617.

The Assistant Director (Governance) stated that the role of Honorary Recorder was essentially a civic and ceremonial one in which he/she was involved in all Civic Processions and events. It was, however, felt that Carlisle's Honorary Recorder could play a much more significant role in the life of the City and with the City Council itself. There was an opportunity for the important role of the Judiciary to be brought into the fabric of the lives of local people, with the recorder being identified with a sense of belonging and local pride; in other words Carlisle's "own" judge. The Honorary Recorder also provided a very useful contact point for the City Council and other public organisations to access the Judiciary in a more open and informal way.

In conclusion, the Assistant Director (Governance) invited the Executive to consider recommending that the Council invite His Honour Judge Paul Batty QC to be appointed as Honorary Recorder for the City of Carlisle during his tenure in the Office as Resident Judge for Carlisle.

The Leader moved the recommendations detailed within the Assistant Director's report.

**Summary of options rejected**    None

## **DECISION**

That the Executive recommended to Council that:

1. His Honour Judge Paul Batty QC be invited to be appointed as Honorary Recorder for the City of Carlisle during his tenure in the Office of Resident Judge for Carlisle;
2. On the acceptance of such an offer, a Special Council Meeting be arranged on a suitable date for the appointment by the Council of the City of Carlisle of Judge Batty QC as Honorary Recorder.

## **Reasons for Decision**

To appoint an Honorary Recorder for the City of Carlisle.

## **PUBLIC AND PRESS**

**RESOLVED** – That in accordance with Section 100A(4) of the Local Government Act 1972 the Public and Press were excluded from the meeting during consideration of the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in the paragraph number (as indicated in brackets against each minute) of Part 1 of Schedule 12A of the 1972 Local Government Act.

**EX.162/11    TULLIE    HOUSE    BUSINESS    PLAN    AND    LEASE  
ARRANGEMENTS**  
(Key Decision)

(Public and Press excluded by virtue of Paragraphs 3 and 4)

**Portfolio**    Community Engagement

## **Subject Matter**

The Assistant Director (Community Engagement) submitted private report CD.26/11 attaching the draft Tullie House Business Plan. He invited the Executive to consider the draft Business Plan and agree its circulation to Overview and Scrutiny Panels for further consideration and comment.

The Leader informed the meeting that the matter would go forward for detailed consideration by Overview and Scrutiny and he looked forward to receiving their comments in due course.

**Summary of options rejected**    None

## **DECISION**

That the Executive had considered the draft Tullie House Business Plan, as appended to Report CD.26/11, and made the Plan available for consideration by Overview and Scrutiny.

## **Reasons for Decision**

The recommendations allow this Report and the associated Business Plan to move forward for wider consultation, including Community and Resources Overview and Scrutiny Panels.

## **EX.163/11    DISCRETIONARY RATE RELIEF** (Key Decision)

(Public and Press excluded by virtue of Paragraph 3)

(With the consent of the Chairman, and in accordance with Rule 15 of the Access to Information Procedure Rules, this item was included on the Agenda as a Key Decision, although not in the Forward Plan)

**Portfolio**    Community Engagement

## **Subject Matter**

The Assistant Director (Community Engagement) submitted private report CE.21/11 (Amended) providing information about charities and non profit organisations in receipt of National Non Domestic Rate Relief. The document modelled the options outlined in report CD.20/11 (Amended) considered earlier on the Agenda.

**Summary of options rejected**    None

## **DECISION**

That the Executive received the content of Report CD.21/11 (Amended) alongside Report CD.20/11 (Amended).

## **Reasons for Decision**

The Executive was required to consider how to target its limited resources and achieve a positive outcome for Carlisle and District's communities.

(The meeting ended at 2.47 pm)