

# AGENDA

## Resources Overview and Scrutiny Panel

**Thursday, 28 November 2013 AT 10:00**  
**In the Flensburg Room, Civic Centre, Carlisle, CA3 8QG**

**Briefing meeting for Members will be at 9.15am in the Flensburg Room**

In view of the volume of business to be transacted, proceedings may continue into the afternoon. Members may therefore wish to consider making their own arrangements for lunch.

### **Apologies for Absence**

To receive apologies for absence and notification of substitutions.

### **Declarations of Interest (including declarations of "The Party Whip")**

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.

### **Public and Press**

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

### **Minutes of previous meetings**

To approve the minute of the meeting held on 29 August 2013  
[Copy Minute in Minute Book Volume 40(3)]

## **PART A**

**To be considered when the Public and Press are present**

### **A.1 CALL-IN OF DECISIONS**

To consider any matter which has been the subject of call-in.

### **A.2 ASSET REVIEW BUSINESS PLAN - REFRESH OF DISPOSAL PROGRAMME**

**9 - 28**

(Finance, Governance and Resources)

The Director of Resources to submit a report seeking consideration of proposed changes to the Disposal Programme. The matter was included in the Notice of Executive Key Decisions and had been considered by the Executive on 28 October 2013.

(Copy Report RD.47a/13 and Minute Excerpt herewith)

*The Chairman and Vice Chairman of the Community Overview and Scrutiny Panel have been invited to attend the meeting for the consideration of this agenda item.*

### **A.3 OVERVIEW REPORT AND WORK PROGRAMME**

**29 -  
40**

To consider a report providing an overview of matters related to the work of the Resources Overview and Scrutiny Panel, together with the latest version of the Work Programme and details of the Key Decisions items relevant to this Panel as set out in the Notice of Executive Key Decisions.

(Copy Report OS.27/13 herewith)

### **A.4 BUDGET 2014/15**

**Members are reminded that the Budget reports were circulated to all Overview and Scrutiny Members on 8 November 2013, Members are asked to bring the relevant budget reports and the Executive Decisions from the 18 November to the meeting.**

(a) **Budget Overview**

The Director of Resources to give a presentation outlining the Budget policy context and key issues to assist Members in their consideration of the Budget 2014/15.

(b) **Minutes of the Community and Environment & Economy Overview and Scrutiny Panels**

To receive the views of the Community and Environment & Economy Overview and Scrutiny Panels on the service implications of the Budget reports.  
(Copy Minutes of 19th<sup>d</sup> November and 21st November 2012 to follow)

(c) **Revenue Budget Reports**

**Pages 1 - 11**

**2013/14 Revised Base Revenue Estimates and Updated Medium Term Financial Plan Projections 2014/15 to 2018/19**

To consider and comment upon the Director of Resources report RD.51/13 containing a summary of the Council's revised revenue base estimates for 2013/14, together with base estimates for 2014/15 and updated projections to 2018/19.

(d) **Summary of New Revenue Spending Pressures**

**Pages 102 - 109**

To consider and comment upon the Director of Resources report RD.53/13 summarising new revenue spending pressures and reduced income projections. The following areas are those where the Panel has service responsibility in addition to its overall budget scrutiny responsibility –

- |   |             |
|---|-------------|
| • Treasury Management                   | p.104       |
| • Asset Review Income                   | p.104 & 105 |
| • Pension Fund Revaluation              | p.104 & 105 |
| • Pensions Auto Enrolment               | p.104 & 105 |
| • RSG Reductions                        | p.104 & 105 |
| • Additional National Insurance Costs   | p.104 & 105 |
| • Apprentice Scheme                     | p.104 & 106 |
| • Continuation of Temporary Post Ending | p.104 & 106 |

(e) **Summary of New Saving Proposals and Additional Income**

**Pages 110 - 116**

To consider and comment upon the Director of Resources report RD.54/13 summarising proposals for savings and additional income generation. The following areas are those where the Panel has service responsibility in addition to its overall budget scrutiny responsibility –

**Summary of Savings Proposed:**

- Pay Award Savings 2014/15 and 2015/16 p.112
- Inflation Savings p.112
- Invest to Save Schemes Completing p.112
- New Transformation Savings Required p.112

**Additional Income Projections:**

- Retained Business Rates and Pooling p.114

(f) **Review of Charges**

To consider and comment upon the individual Charges Review reports as follows –

- Local Environment (LE.30/13) p.12 - 48
- Community Engagement (CD.53/13) p.49 - 57
- Economic Development (ED.35/13) p.58 - 70
- Governance (GD.55/12) p.71 - 87
- Licensing (GD.50/13) p. 94,96 & 100

**Capital Budget Reports -**

(g) **Revised Capital Programme 2013/14 and Provisional Capital Programme 2014/15 to 2018/19**

**Pages 117 - 127**

To consider and comment upon the Director of Resources report RD.56/13 on the revised capital programme for 2013/14, together with the proposed method of financing and the proposed programme for 2014/15 to 2018/19.

**(h) Corporate Assets - 3 Year repair and Maintenance Programme**

**Pages 128 - 134**

To consider and comment upon the Director of Resources report RD.58/13 which sets out the maintenance programme and budget proposals for the Council's Corporate Property assets for the 3 year period 2014/15 to 2017/18, together with an update on building maintenance.

**(i) Treasury Management July - September 2013 and Forecasts for 2014/15 - 2018/19**

**Pages 135 - 148**

To receive the Director of Resources report RD.55/13 which provides the regular quarterly report on Treasury Transactions and also discusses the City Council's Treasury Management estimates for 2014/15 with projections to 2018/19.

**(j) BUDGET MONITORING REPORTS:**

**41 -  
60**

Revenue Budget Overview and Monitoring Report: April to September 2013 (RD.52/13)

**61 -  
76**

Capital Budget Overview and Monitoring Report: April to September 2013 (RD.50 /13)  
(Copy Reports herewith)

**A.5 REVIEW OF RESERVES AND BALANCES**

**Pages 149 - 158 of the budget book**

(Finance, Governance and Resources)

The Director of Resources to submit a report seeking an Executive review of the Council's reserves and balances; and to recommend to Council any reserves which can be released. The matter was included in the Notice of Executive Key Decisions and was considered by the Executive on 18 November 2013.

(Copy Report RD.60/13 in the budget book)

**A.6 CORPORATE PROGRAMME BOARD**

**77 -  
84**

(Cross Cutting Portfolio)

The Town Clerk and Chief Executive to submit an update on the Corporate Programme Board.

(Copy Report CE.14/13 herewith)

**A.7 PERFORMANCE MONITORING REPORTS**

(Finance, Governance and Resources)

**(a) Quarter Two Performance Report 2013.14**

**85 -  
102**

The Policy and Communications Manager to submit performance monitoring reports relevant to the remit of the Resources Overview and Scrutiny Panel.

(Copy Report PC.20/13 herewith)

**(b) Organisational Development Plan 2013-15**

**103 -  
108**

The Organisational Development Manager to submit details of the review of the Organisation Development Plan.

(Copy Report CE.15/13 herewith)

**PART B**

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

- NIL -

### **Members of the Resources Overview and Scrutiny Panel**

**Conservative** – Bowman S, Craig, Layden, Bainbridge(sub), Mallinson J (sub), Mrs Prest (sub)

**Labour** – Mrs Atkinson, Dodd, McDevitt, Watson (Chairman), Forrester (sub), Ms Patrick (sub), Miss Sherriff (sub)

**Liberal Democrat** - Allison, Mrs Luckley(sub)

**Enquiries, requests for reports, background papers,  
etc to Lead Committee Clerk: Rachel Rooney – 817039**





# Resources Overview and Scrutiny Panel

Agenda  
Item:

**A.2**

Meeting Date: 28th November 2013  
Portfolio: Finance, Governance and Resources  
Key Decision: Yes: Recorded in the Notice Ref: KD.026/13  
Within Policy and Budget Framework YES  
Public / Private Public

Title: ASSET REVIEW BUSINESS PLAN - REFRESH OF DISPOSAL PROGRAMME  
Report of: Director of Resources  
Report Number: RD.47A/13

## Purpose / Summary:

In discussion with Portfolio Holders Officers' have undertaken a midterm review of the Disposal Programme to take stock of the current position and progress, reflect changing circumstances and embrace the emerging priorities of the Carlisle Plan 2013 – 2016 to address future housing needs. The attached Executive Report RD.47A/13 sets out details of the update, proposes some changes to the content of the Programme, and suggests ways to bring forward a supply of housing sites from the revised Disposal Programme. The Panel is invited to note the current position, consider and comment on the changes and the plans to bring forward sites with potential for future housing development.

## Recommendations:

1. The Panel notes progress on the Disposal Programme and provides any comment on the current position.
2. Provides the Executive with observations and feedback on the proposed revisions to the content of the Programme, and the plans to bring forward sites for housing, in order to inform the way forward for the Council.

## Tracking

Executive:	16 <sup>th</sup> December 2013
Overview and Scrutiny:	N/A
Council:	7 <sup>th</sup> January 2013

## Report to Executive

Agenda  
Item:

Meeting Date: 28<sup>th</sup> October 2013  
Portfolio: Finance, Governance and Resources  
Key Decision: Yes: Recorded in the Notice Ref: KD.026/13  
Within Policy and Budget Framework: Yes  
Public / Private: Public

Title: Asset Review Business Plan – Refresh of Disposal Programme  
Report of: Director of Resources  
Report Number: RD.47A/13

### Purpose / Summary:

In discussion with Portfolio Holders Officers' have undertaken a midterm review of the disposal programme, stocktaking the current position in the light of progress, changing circumstances, and the emerging priorities in the Carlisle Plan 2013 – 2016 to address future housing needs. This Report provides an update, proposes some changes to the content of the Programme and outlines proposals to bring forward a pipeline supply of future housing development sites from the revised Disposal Programme. The Executive is invited to consider the changes and, following any comments or amendments, forward the Report to Resources Overview and Scrutiny Panel for scrutiny. Observations from the Panel will come back to the Executive and if it so chooses the revised Programme can then be considered by full Council for adoption.

### Recommendations:

1. The Executive note the current position and progress with the Disposal Programme.
2. The Executive considers and comments upon the proposed changes to the Disposal Programme, and the plans to bring forward potential housing development sites to meet the priorities of the Carlisle Plan and address future housing needs, before passing the Report to scrutiny for consideration.

### Tracking

Executive:	<b>28<sup>th</sup> October 2013</b>
Overview and Scrutiny:	<b>ROSP 28<sup>th</sup> November 2013</b>
Executive:	<b>Executive 16<sup>th</sup> December 2013</b>
Council:	<b>7<sup>th</sup> January 2014</b>

## 1. BACKGROUND

### 1. Asset Review Business Plan – Disposal Programme

The citizens and businesses of Carlisle benefit from the City Council owning a substantial property portfolio with a value of circa £130m. This portfolio generates income of approximately £5.5m pa – a substantial contribution to the costs of delivering services in the City.

The Asset Review Business Plan was developed by Montagu Evans, working principally with Property Services and the Chief Executive, and approved by Council on 11<sup>th</sup> January 2011 (Report Ref CE.39/10 refers).

The Plan's objectives are to rationalise and consolidate the portfolio, with a programme of disposals spread over 4 years realising capital receipts of £24 m, and to have:-

- Clear and separate management of the operational, investment and economic development assts.
- Fewer, higher yielding investment assets which are cheaper and easier to manage.
- Maximisation of the embedded value within the portfolio.
- Council owned assets which are well maintained and continue to be attractive for occupiers.
- Increase returns through higher income and lower outgoings.

The capital receipts will be used to fund investment purchases, generating an additional £1m pa to support budget and efficiency savings, and help secure service delivery into the future, and to finance improvements to the operational and economic development portfolios.

A total of 51 assets were identified for disposal over the life of the Plan. The Montagu Evans Business Plan sets out the business case and detailed information on all the assets; this can be accessed on the web link <http://bit.ly/ccc-ARBP>.

Separately there is also an ongoing review of operational property used for service delivery, which includes the Civic Centre office accommodation and the Depots.

## 2. Current Situation

### **Disposal Monitoring Schedule**

The Disposal Monitoring Schedule sets out in **Appendix1** the current position and work in progress for each of the original 51 assets earmarked for disposal. It also shows, for those assets where sales have been completed, the target receipts and

actual outcomes, the impact on rental income and leases, and the cost to date of realising sales.

### Summary Position

The overall position to date in terms of disposals, acquisitions and the impact on the estate and rental income can be summarised in the following table. The cost to date of realising sales including marketing, agency fees and ancillary disbursements amounts to circa £133k which at 2% of gross receipts is within budget targets.

<u>Sales</u>	<u>No Assets</u>	<u>Target Receipt</u>	<u>Actual Receipt</u>
Completed	25	£4.4m	£5.5
In the pipeline	4	£495k	
<u>Purchases</u>			
Completed	7	£2.235m	Rickergate properties, Bhs Woolworth Building, Herbert Atkinson House
In the pipeline	1	£1.1m	Morton land exchange

<u>Rentals</u>	<u>No Assets</u>	<u>No Leases</u>	<u>Amount pa</u>
Losses	25	70	£199k
Gains	7	6	£220k

### Morton

A significant part of the Business Plan delivery, and the re-engineering of the Council's portfolio, hinges on the release and disposal of the latent value in the Council's retail and residential assets at Morton. There is a risk that delays in the disposal of this asset will have a substantial impact on the disposal programme, the capital reinvestment plans and revenue position of the Council. This has been recognised and identified on the Council's Corporate Risk Register and is being carefully monitored.

### Housing Priorities

The Carlisle Plan 2013-16 identifies the delivery of housing as a priority action for the Council going forward. A number of sites earmarked for disposal in the original

Disposal Programme (10 in total) have the potential, subject to market demand and planning to deliver residential development opportunities in the short to medium and longer term. This could be through the private sector, Registered Social Landlords, a mix of both or bespoke initiatives such as self build schemes.

Additionally a recent trawl of the operational portfolio has been undertaken to identify any vacant land, or assets which may become surplus to requirements in the future, and merit consideration for inclusion in the Disposal Programme as a 2<sup>nd</sup> Phase of asset sales, which potentially may be suitable for release as housing development land. The sift has resulted in a further 9 assets being identified for possible inclusion in the Disposal Programme, these are shown listed within the Disposal Monitoring Schedule **Appendix 1** as “Phase 2”.

Bringing forward land for residential development for sale in the market place is commonly a resource intensive and time consuming exercise. Much depends on the planning situation, whether there is a current housing allocation, the prospect if at all for a future allocation and, if this can be realised, whether the timescale is in the short, medium or longer term.

The suitability of the 19 assets in the original Disposal Programme and “Phase 2” to deliver future housing needs has been assessed through a desk top appraisal by Planning, Housing and Property officers. Site locations for all the assets involved are shown on the Plan, attached to this Report as **Appendix 2**, edged in red and shaded either green, red, orange or yellow. Land shaded light pink on the Plan highlights the relationship of these sites with other land in Council ownership.

The desktop evaluation has looked at the pertinent criteria most likely to influence the ability to deliver land for residential development including inter alia current use and occupation, planning, site conditions and constraints, end users, value and market demand, and timescales. The conclusions from the exercise have been assembled and tabled together; they are presented in **Appendix 5** to the Executive for comment with a proposed recommendation in terms of disposal strategy and a pipeline delivery programme.

## **2. PROPOSALS**

### **2.1 Disposal Programme Going Forward**

- **Appendix 3** – This schedule details the asset sales within the original Programme which have been put on hold, delayed or postponed. The position is noted and a future course of action for each is proposed.
- **Appendix 4** – This schedule sets out details for asset which have already received Executive consent to release. Sales are in the pipeline or the preparatory work to bring the assets to the market is already underway. The Executive is invited to note the position.

- **Appendix 5** – This schedule details the 19 assets identified from the original Disposal Programme (10), and the recent trawl of operational property (9), which have been assessed for suitability and viability as potential housing development sites with a view to bringing forward a future delivery programme to meet the Council's housing aspirations and budgetary requirements. For each site under assessment the asset details are set out, together with the current planning position, and other material considerations. A proposed course of action is suggested for each individual asset which can be broken down into the following 5 groupings and proposed outcomes/actions:-
  - **No prospect of housing development** – These assets, shown shaded **red** in Appendix 5, should be released for sale as part of the disposal programme or retained for operational use.
  - **Ripe for immediate sale development** – Most of these assets, shown shaded **dark green** in Appendix 5, are already included in the Disposal Programme and have the benefit, apart from the land at Westwood Road, Morton, of a current planning allocation for primary residential use. The land at Raffles is already in the course of development through the Lovells Partnership Agreement, and the housing site at Lonning Foot, Rockcliffe has been on the market for some time now. It is suggested, for sites which are not already underway, they should be brought forward to the market as soon as possible on the basis of the proposals set out within the schedule. A separate Report RD. 48 A and B/13 has been prepared for the Executive to consider on the Land at Westwood Road.
  - **Strong possibility for development in the short term** – These sites, identified in **light green**, have the potential to be brought forward for housing within the next 2 to 3 years, subject to planning, to meet private house builder demands and also provide a mix of affordable/social housing through Registered Social Landlords. Work to bring these sites forward in order to deliver within the timescale envisaged needs to commence straightaway.
  - **Longer term opportunities** – These are large sites, shown coloured **orange** in the Appendix which, if they are to be brought forward for housing, require a strategic approach worked up over the longer term.
  - **Miscellaneous sites** – Coloured **yellow** in the Appendix these remaining sites, which are relatively small in size, all have intrinsic constraints commonly around access which limit scope for housing purposes unless a special purchaser, such as an Registered Social

Landlord, or specific use for example self build, can be found to unlock any future potential.

### **3. CONSULTATION**

- 3.1.** The Asset Review Business Plan has been endorsed by full Council following an extensive period of consultation with stakeholders and Members. These proposals to refresh the content of the Plan and meet the housing needs of the Carlisle Plan 2013-16 have been discussed at Senior Management Team, Joint Management Team and the Strategic Housing Development Group. Their views and opinions have been incorporated into the Report.

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

- 4.1.** To more effectively manage the Council's assets in pursuit of wider strategic and budgetary objectives, and bring forward land for development to meet the goals of the Carlisle Plan to address housing needs.

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

- 5.1.** It is considered the proposals will support the following priorities:-
- Addressing the current and future housing needs of the City.
  - Promoting partnership working with private and public organisations.
  - Providing capital receipts to support the Asset Business Plan and maintain public services.

**Contact Officer:**                      **Raymond Simmons**                                      **Ext: 7421**

**Appendices**  
**attached to report:**                      Appendix 1 – Disposal Programme Monitoring Schedule  
   Appendix 2 – Housing Sites Location Plan  
   Appendix 3 – Asset Sales on Hold  
   Appendix 4 – Asset Sales Consented and Underway  
   Appendix 5 – Schedule of potential Housing Development Sites

**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: CE 39/10 Draft Asset Business Plan**

## **CORPORATE IMPLICATIONS/RISKS:**

**Chief Executive's** – None

**Community Engagement** – None

**Economic Development** – None

**Governance** – The Council has a fiduciary duty to properly manager its property assets. It has the legal powers to both buy and sell land and, in terms of disposals, should sell surplus land. The Asset Management Plan is part of the Council's reserved Budget & Policy framework and, as such, the Executive is required to consult with Overview & Scrutiny before making a recommendation to Council.

**Local Environment** – None

**Resources** – The asset review business plan has been progressing since its implementation and to date has achieved £1m more capital receipts than originally anticipated (£5.5million against £4.5million). Some of these additional receipts have been utilised to progress the Arts Centre proposals. Seven purchases have been completed at a total cost of £2.25million and new income has been generated of £220,000. Lost rental income on assets sold of £199,000 has been incurred. Further assets have been identified for potential disposal which, if sold will provide additional receipts over and above those originally envisaged.



### Asset Review Business Plan - Disposal Programme - Monitoring Schedule

Disposal Programme														Progress							Comments & Issues	
Item	Property	Year					Target Receipt (£)	Rental Loss (£)	No of Leases / licences / tenancies	Property	Legal	Planning	Communication	Governance	Marketing	Completion	Records	Gross Receipt Net of VAT (£)	% Change on Target Receipt	No of Leases / licences / tenancies sold		
		10	11	12	13	14																
1	Morton Residential Site (Church Commisioners)								1												Montagu Evans. Linkage Morton Retail. Negs close finalising land exchange. Exec consent 11/2/13	
2	Cumbria University - Paternoster Row/Castle St							94,500	2												Historic Quarter. Tullie Trust.	
3	Carlisle Airport								1												Planning. Development prospects.	
4	Rosehill Industrial Estate (part)						100,000		26												Special purchasers. Marriage value. Contamination. Parking. EDU significance	
5	Whinnie House Residential Ground Lease						6,250		1												Rent Review imminent	
6	Doctors Surgery Fusehill Street						10,000		1									20,000	100.00	1	Sold	
7	Depot R/O Old Raffles Parade						30,000		1									24,000	-20.00	1	Sold	
8	Land between Eastern Way and Durrhill Road								0												Planning & Development	
9	Land at Boundary Road								0												Planning & Development	
10	Land at Dene Crescent								0												Planning & Development	
11	Land at Beverley Rise								1												Planning & Development	
12	Land at Kingwater Close Brampton								2												Planning & Development	
13	Doctors Surgery at Eastern Way						137,500	8,250	1									160,000	16.36	1	Sold	
14	James Street Workshops							51,750	7												Auction in February postponed. Hold in abeyance pending further consideration	
15	Cumbria University - Stanwix House/Cottage						19,200		2												Planning & Development	
16	BBC Annetwell Street								1												Hold in abeyance outcome BBC review. Progress sale Exec consent 30th Oct	
17	Port Road Workshops and Storage Land						300,000	29,925	6									275,000	-8.33	6	Sold	
18	Land at Gelt Rise Brampton						200,000											216,000	8.00		Sold	
19	Land at Low Meadow						324,000											360,000	11.11		Sold	
20	Morton Retail Land								1												Montagu Evans. Linkage Morton Residential land & Viaduct Est.	
21	Treasury Court						13,500		1												Tenant pre emption. Bringing to market Auction 16th Oct	
22	Land at Leabourne Road						24,000		1									14,000	-41.67	1	Sold	
23	Land at Wood Street								1												Planning and Development. Community interest	
24	Hewson Street Workshops						200,000	20,000	5									180,000	-10.00	5	Sold	
25	South John Street Workshops & Storage Land						190,000	15,000	8									164,950	-13.18	8	Sold	
26	Land adjoining Morton Petrol Filling Station						50,000	20	1									47,500	-5.00	1	Sold	
27	Land at central Longtown								0												Planning and Development. Marriage adjoining site discussions in hand	
28	17 Scotch Street (Save the Children)							26,000	1												Linkages with City Centre and sale of Lanes	
29	Retail Units 1,2 & 3 Market Place, Brampton						237,000	23,350	2									240,000	1.27	2	Sold	
30	Viaduct Industrial Estate							21,325	2												Hold in abeyance pending Morton retail site linkage	
31	Burgh Road Industrial Estate						1,000		1									500	-50.00	1	Sold	
32	Land at Lonning Foot Rockcliffe								0												Planning Consent. Autumn 2011 marketing. Sale fallen through remarketing	
33	Currock Road Retail Site						1,393,000	77,000	3									1,910,000	37.11	3	Sold	
34	Long Island Park Industrial Estate						157,000	12,600	3									244,800	55.92	3	Sold	
35	Longtown Industrial Estate						90,000	7,200	3									80,000	-11.11	3	Sold	
36	Willowholme Industrial Estate						300,000	28,756	25									544,000		13	sites 8-11, 12, site adj 13, 15, 18, 20, 21 & 22 completed. Remainder Estate bringing to Auction 16th Oct. Show	
37	Airport Industrial Estate						30,000	4,678	2									63,600	112.00	2	Sold	
38	Sub Stations							87	21												Records. Identification	
39	Rigg Street						5,000		1									12,000	140.00	1	Sold	
40	Residential Enclosures							500	203												Records. Identification	
41	Garages at Isabella Street						12,000		5									19,000	58.33	5	Sold	
42	Garages at Gardenia Street								3												Hold linkage Depot Accommdation Review	
43	Garages at Tullie Street						12,000	502	2									18,000	50.00	2	Sold	
44	Garages at Allason Court Brampton						10,000	1,004	4									11,700	17.00	4	Sold	
45	Garages at Broad Street							1,256	10												Withdrawn Auction. Holding pending further consultation	
46	Land at Old Isolation Hospital, Moorhouse						65,000		2									95,000	46.15	2	Sold	
47	Agricultural land at Carlisle Airport						300,000		5									479,760	59.92	5	Sold	
48	Agricultural land at Harker						32,000		1									39,500	23.44	1	Sold	
49	Land at Gelt Bridge Brampton						150,000		1									210,000	40.00	1	Sold	
50	Esk Street Depot						13,000		0									13,000	0.00		Sold	
51	Raffles Development Land								0									65,000	#DIV/0!		Lovells Partnership Agreement. Dalton Ave & Thomlinson Rd	

Disposal Programme								Progress								Comments & Issues						
Item	Property	Year					Target Receipt (£)	Rental Loss (£)	No of Leases / licences / tenancies	Property	Legal	Planning	Communication	Governance	Marketing	Completion	Records	Gross Receipt Net of VAT (£)	% Change on Target Receipt	No of Leases / licences / tenancies sold		
		10	11	12	13	14																
	Annual Loss of Rent:						562,653		Total Gross Receipts:							5,507,310		25	properties sold.	Total no' leases, licences & tenancies sold:	72	
	Annual Sales:						4,272,500		Total Disposal costs:							132,727					Net receipts over estimate:	
							Total no' leases, licences & tenancies:	371	Net Receipts:							5,374,583					£1,102,083.03	
									Costs % of Gross rcpts:							2%					n.b. Net receipts now includes Willowholme - as from 31/03/13	
KEY:																						
Progress Indicator		Red					Not started															
		Yellow					Underway															
		Green					Completed															
Progress Categories:		Property		Property preparatory sale tasks						Inspection; Plans; Boundaries; Occupations; Utility Services; Highways; Drainage; Use; Rates												
		Legal		Legal preparations for sale						Report on title: Registration; Crichel Down; Public Open Space; Legal Pack												
		Planning		Establishing planning position						Local Development Framework; Site Appraisal; Listing; Designations; Advice; Planning Application												
		Communication		Informing relevant parties						Ward Members; Parish Councils; Tenants; Adjoining owners												
		Governance		Consents & approvals						Executive; Council; Statutory approvals												
		Marketing		Undertaking the sale						Valuation; Disposal route (private treaty/tender/auction); Agency appointment; Marketing budget; Sales particulars; Advertising; Marketing; Viewing; Negotiations; Heads of term; Section 123 Valuation												
		Completion		Completion legal documentation						Instructions; draft documentation; Pre contract enquiries; Exchange; Completion;SDLT; Land Registry												
		Records		Update Records						Finance; Asset Register; Property Database; Terrier plans; Insurance												
																			Date of report:		17 October 2013	
Phase 2 - Proposed Disposal Programme																						
n/a	Land at California Road							0												Consideration Exec 28th Oct RD 47A/13		
n/a	Bousteads Grassing Depot							0												Consideration Exec 28th Oct RD 47A/13		
n/a	Land at Westwood Road Morton							0												Consideration Exec 28th Oct RD 47A/13		
n/a	Land at Harraby Community Centre							0												Consideration Exec 28th Oct RD 47A/13		
n/a	Currock Bowling Green							0												Consideration Exec 28th Oct RD 47A/13		
n/a	Hadrians Gardens Brampton Road							0												Consideration Exec 28th Oct RD 47A/13		
n/a	Bog Yard Depot							0												Consideration Exec 28th Oct RD 47A/13		
n/a	Land at Sewell Place							0												Consideration Exec 28th Oct RD 47A/13		
n/a	Land at Greta Avenue							0												Consideration Exec 28th Oct RD 47A/13		







**ASSET REVIEW BUSINESS PLAN – DISPOSAL PROGRAMME****SALES ON HOLD – DELAYED OR POSTPONED**

<b>Monitoring Schedule Ref</b>	<b>Montagu Evans Plan Page Ref</b>	<b>Asset</b>	<b>Position</b>	<b>Proposed Action</b>
45	56	Garages at Broad Street	Members postponed proposed auction sale following interest by local residents group to retain as amenity open space.	<ol style="list-style-type: none"> <li>1. Land – agree terms with Resident Group for lease as amenity open space.</li> <li>2. Dispose of let garages on open market asap.</li> </ol>
16	81	BBC Annetwell Street	Members postponed sale to sitting tenant when cuts threatened future of BBC Radio Cumbria.	BBC position clarified. Progress disposal. Executive consent 30 <sup>th</sup> Sept 2013
14	72	James Street Workshops	Proposed auction sale. Members put on hold pending further consideration on the way forward.	Hold in abeyance on the Disposal Programme pending further consideration of position

<b>Monitoring Schedule Ref</b>	<b>Montagu Evans Plan Page Ref</b>	<b>Asset</b>	<b>Position</b>	<b>Proposed Action</b>
42	58	Gardenia Street Garages	Hold pending Depot Review, possible access / development	Continue to hold in abeyance until decision on Bog Yard made following Depot Review
30	69	Viaduct Industrial Estate	Strategic site pending outcome Morton transactions	Hold in abeyance until Morton outcome materialises
28	36	17 Scotch Street (Save the Children)	Strategic linkages with The Lanes Shopping Centre and Rickergate	Lanes in new ownership. Discuss incorporating asset into Lanes family portfolio.

## **ASSET REVIEW BUSINESS PLAN – DISPOSAL PROGRAMME**

### **ASSET SALES CONSENTED & UNDERWAY**

<b>Monitoring Schedule Ref</b>	<b>Montagu Evans Plan Page Ref</b>	<b>Asset</b>	<b>Position</b>	<b>Proposed Action</b>
36	65	Willowholme Industrial Estate	Remaining sites 1 & 4, 3 7, 6, 13, 14, 16, 17	Bringing to market by auction on 16th October
36	n/a	Willowholme Depot	Sale fell through. Back on market	Bringing to market by auction on 16th October
21	33	Treasury Court	Sale to sitting tenant (right of pre-emption) fallen through	Re-marketing with auction on 16 <sup>th</sup> October
32	117	Lonning Foot, Rockcliffe	Sale fell through. Back on market	Re-marketing for sale by private treaty, possible auction later
40	82	Residential Enclosures	Numerous scattered house / flats freehold reversions. Poor records, resource intensive with little return	Progress sales as priorities & resources allow

## APPENDIX 4

Monitoring Schedule Ref	Montagu Evans Plan Page Ref	Asset	Position	Proposed Action
38	83	Electricity Sub Station Sites	Numerous scattered freehold reversionary sites. Poor records, resource intensive with little return	Progress sales as priorities & resources allow
5	94	Whinnie House Road	Outstanding Rent Review to resolve. Several interested parties	Resolve Rent Review. Bring to market formally

**ASSET REVIEW BUSINESS PLAN – DISPOSAL PROGRAMME**  
**POTENTIAL HOUSING DEVELOPMENT SITES**

LOCTN PLAN REF	MONT. EVANS PLAN PAGE REF	ASSET				PLANNING POSITION				CONSIDERATIONS	PROPOSED ACTION
		Name	Portfolio & Disposal Programme	Area Ha Acs	Use	Local Plan 2001-16	SHLAA Assmt Timing	Density L/M/H	Nos Dwgs		
1	95	Stanwix House & Cottage	Investment <b>Disposal Programme</b>	0.74 1.8	Leased to Cumbria University	Primary Leisure	No	N/A	N/A	Primary Leisure. Hadrians Wall. Redevelopment of buildings acceptable but little prospect on land	Housing scope nil Disposal Programme sale Bring to open market
2	114	Land between Eastern Way & Durrhill Road, Botcherby	Investment <b>Disposal Programme</b>	0.39 0.96	Open space	Amenity Open Space	No	N/A	N/A	No scope. Retain open space or sell to reduce maintenance liabilities	Housing scope nil Review Disposal Programme sale Retain as open space and remove from Disposal Programme
3	N/A	Bousteads Grassing Depot	Operational	1.09 2.69	Depot	Primary Employment	Yes 6-15yrs	M	33	Depot Review. Flood risk. Limited scope for residential.	Housing scope limited Consider future use following accommodation Depot Review
4	N/A	Bog Yard Depot	Operational	0.327 0.81	Depot	White land	No	L	6	Depot Review. Scope but poor access.	Housing scope limited Consider future use following accommodation Depot Review
5	107	Raffles Development Land	Investment <b>Disposal Programme</b>	11.64 28.7	Lovells Dev't Scheme	Residential consent	No	H	248	Lovells Partnership Development Programme. Ph 4,5,6 & Dalton Ave to build out. Affordable houses for sale	Continue to progress housing dev / sales with Lovells Mix affordable Pkte Sector & Social Housing.
6	105	Land at Wood Street	Investment <b>Disposal Programme</b>	0.22 0.55	Former Bowling Green Vacant	Primary Residential	No	L	14	Part Flood Zone. Poor access. Neighbourhood issues. Deliverable	Disposal Programme sale. Bring to market for Partnership social housing/HCA Apprentice Scheme
7	110	Land at English Street, Longtown	Investment <b>Disposal Programme</b>	0.46 1.14	Former Allotments Vacant	Primary Residential	No	H	18	Feasibility of joint development with Catholic Church. Access issues. Consent on neighbouring land issued – see application 11/0279. Deliverable	Pkte Sector Housing Disposal Programme sale. Progress discussions with Church to jointly bring to market
8	117	Land at Lonning Foot, Rockcliffe	Investment <b>Disposal Programme</b>	0.075 0.18	Former Garden land Vacant	Residential	No	L	1	Agreement for sales fallen through Site for 1/2 dwellings	Pkte Sector Housing Disposal Programme sale
9	N/A	Land at Wigton Road, Morton	Operational	0.78 1.93	Open space	Primary Leisure Area	Yes 6-15yrs	M	23	Adjacent Retail Site. Primary leisure area under review Morton – linked with development of Morton allocation. Timing dependant on delivery of	Interest from RSL, Autism provider & nursery use currently being pursued / worked up. Report to Executive on proposals RD 47A/13



										PLA for Morton housing allocation. Developable	
10	100	Land SW of Kingwater Close, Brampton	Investment <b>Disposal Programme</b>	2.32 5.73	Agricultural land	Urban Fringe Landscape	Yes 0-5yrs	M	70	Attractive/desirable site for pvt developers. Access limitations to unpick. Development in conjunction adjoining land.	Pvte Sector Housing Disposal Programme sale. Bring forward into market
11	111	Land at Dene Crescent, Belah	Investment <b>Disposal Programme</b>	2.19 4.93	Open space	Primary Leisure	No	N/A	N/A	Part only assessed for SHLAA . Some potential on part	Mixed Pvte /Social sector Housing scope Disposal Programme sale
12	N/A	Land at California Road, Greymoorhill	Investment	6.54 16.15	Agricultural land	Allotments	Yes 0-5yrs	M	196	Association with Kingstown IE Allotment allocation review. Part only? Access. Possible joint approach but road improvements may be required. Deliverable	Mix Pvte Sector & Social Housing Include in Kingstown / Parkhouse Future Management Options?
13	112	Land at Boundary Road/York Gdns	Investment <b>Disposal Programme</b>	4.70 11.5	Open space	Primary Leisure, Education & Community	Yes 5-10yrs	L	94	Joint opportunity with County. Part Primary Leisure Area. Contamination. May be scope to reconfigure site to retain some open space and allow for limited residential development.	Site for Social Housing. Bring forward longer term with County. Mixed scheme
14	103	Land at Beverley Rise, Harraby	Investment <b>Disposal Programme</b>	2.15 5.30	Agricultural land	Urban Fringe Landscape	Yes 0-5yrs	M	64	Various potential access points. M6 buffer screening required. Deliverable.	Mix Pete Sector & Social Housing Disposal Programme sale. Bring forward to market in longer term.
15	N/A	Land at Harraby Community Centre	Operational	2.92 7.21	Open space	Primary Leisure Community	No	M	88	Harraby Campus Project. <b>Planners to assess in SHLAA.</b>	To assess possibly Mix Pvte Sector & Social Housing
16	N/A	Land at Greta Ave	Operational	0.41 1.00	Former Allotment Vacant	Primary Leisure Area	No	L	8	<b>Planners to review in SHLAA.</b> Scope with limited access. Consider allotment status	Site for Social Housing
17	N/A	Land at Sewell Place, Currock	Operational	0.353 0.87	Former Allotment Vacant	Primary Residential	No	L	7	Vacant Allotment. Access to overcome. Social Housing scope.	Site for Social Housing
18	N/A	Currock Bowling Green	Operational	0.46 1.13	Former Bowling Green Vacant	Primary Leisure Area	No	L	9	Vacant. Review designation. Access restricted, suited to Specialist Housing use? Or small scale open market scheme.	Site for Social Housing unless access can be provided
19	N/A	Hadrians Gardens, Brampton Road	Operational	1.14 2.8	Open space	Not designated	No	L	22	Amenity land. Outside scope. Outside Urban boundary. <b>Planners to review in SHLAA</b>	Site for Social Housing or Self Build or other specialist needs

LEGEND	Red	No Prospect Housing	Dark Green	Immediate Development Sites	Light Green	Short Term Sites
	Orange	Longer term Sites	Yellow	Miscellaneous Housing Sites		

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## **EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 28 OCTOBER 2013**

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**EX.121/13    ASSET REVIEW BUSINESS PLAN – REFRESH OF DISPOSAL  
PROGRAMME**

(Key Decision – KD.026/13)

**Portfolio**      Finance, Governance and Resources

**Relevant Overview and Scrutiny Panel**      Resources

**Subject Matter**

The Finance, Governance and Resources Portfolio Holder reported (RD.47A/13) that, in discussion with Portfolio Holders, Officers had undertaken a mid-term review of the Disposal Programme, stocktaking the current position in the light of progress, changing circumstances, and the emerging priorities in the Carlisle Plan 2013-2016 to address future housing needs.

Members' attention was drawn to the Disposal Monitoring Schedule (Appendix 1) which set out the current position and work in progress for each of the original 51 assets earmarked for disposal. Also shown (for those assets where sales had been completed) were the target receipts and actual outcomes; the impact on rental income and leases; and the cost to date of realising sales.

The Finance, Governance and Resources Portfolio Holder also summarised the overall position to date in terms of disposals, acquisitions and the impact on rental income. The cost to date of realising sales including marketing, agency fees and ancillary disbursements, amounted to circa £133k which at 2% of gross receipts was within budget targets.

A significant part of the Business Plan delivery, and the re-engineering of the Council's portfolio, hinged on the release and disposal of the latent value in the Council's retail and residential assets at Morton. There was a risk that delays in the disposal of that asset would have a substantial impact on the Disposal Programme, the capital reinvestment plans and revenue position of the Council. That had been recognised and identified on the Council's Corporate Risk Register and was being carefully monitored.

Turning to the issue of Housing priorities, the Finance, Governance and Resources Portfolio Holder indicated that The Carlisle Plan 2013-16 identified the delivery of housing as a priority action for the Council going forward. A number of sites earmarked for disposal in the original Disposal Programme (10 in total) had the potential, subject to market demand and planning to deliver residential development opportunities in the short to medium and longer term. That could be through the private sector, Registered Social Landlords, a mix of both or bespoke initiatives such as self build schemes.

Additionally a recent trawl of the operational portfolio had been undertaken to identify any vacant land, or assets which may become surplus to requirements in the future, and merit consideration for inclusion in the Disposal Programme as a 2<sup>nd</sup> Phase of asset sales, which potentially may be suitable for release as housing development land. The sift had resulted in a further 9 assets being identified for possible inclusion in the Disposal Programme, those were shown listed within the Disposal Monitoring Schedule Appendix 1 as “Phase 2”.

Bringing forward land for residential development for sale in the market place was commonly a resource intensive and time consuming exercise. Much depended upon the planning situation, whether there was a current housing allocation, the prospect if at all for a future allocation and, if that could be realised, whether the timescale was in the short, medium or longer term.

The suitability of the 19 assets in the original Disposal Programme and “Phase 2” to deliver future housing needs had been assessed through a desk top appraisal by Planning, Housing and Property Officers. Site locations for all the assets involved were shown on the Plan, attached as Appendix 2, edged in red and shaded either green, red, orange or yellow. Land shaded light pink on the Plan highlighted the relationship of those sites with other land in Council ownership.

The desktop evaluation had looked at the pertinent criteria most likely to influence the ability to deliver land for residential development including inter alia current use and occupation, planning, site conditions and constraints, end users, value and market demand, and timescales. The conclusions from the exercise had been assembled and tabled together; and were presented in Appendix 5 for comment, with a proposed recommendation in terms of disposal strategy and a pipeline delivery programme.

The Finance, Governance and Resources Portfolio Holder then outlined the Disposal Programme going forward, highlighting the undernoted Schedules:

**Appendix 3** – detailed the asset sales within the original Programme which had been put on hold, delayed or postponed. The position was noted and a future course of action for each was proposed.

**Appendix 4** – set out details for assets which had already received Executive consent to release. Sales were in the pipeline or the preparatory work to bring the assets to the market was already underway. The Executive was invited to note the position.

**Appendix 5** – detailed the 19 assets identified from the original Disposal Programme (10), and the recent trawl of operational property (9), which had been assessed for suitability and viability as potential housing development sites with a view to bringing forward a future delivery programme to meet the Council's housing aspirations and budgetary requirements. For each site under assessment the asset details were set out, together with the current planning position, and other material considerations. A proposed course of action was suggested for each individual asset which could be broken down into a number of groupings and proposed outcomes/actions.

In conclusion the Finance, Governance and Resources Portfolio Holder moved the recommendations which were agreed.

**Summary of options rejected**    None

## **DECISION**

That the Executive:

1.      Noted the current position and progress with the Disposal Programme.
2.      Had considered the proposed changes to the Disposal Programme, and the plans to bring forward potential housing development sites to meet the priorities of the Carlisle Plan, and address future housing needs, as set out in Report RD.47A/13, prior to passing the report to scrutiny for consideration.

## **Reasons for Decision**

To more effectively manage the Council's assets in pursuit of wider strategic and budgetary objectives, and bring forward land for development to meet the goals of the Carlisle Plan to address housing needs

# Resources Overview and Scrutiny Panel

Agenda  
Item:

**A.3**

Meeting Date: 28<sup>th</sup> November 2013  
Portfolio: Finance, Governance and Resources  
Key Decision: No  
Within Policy and Budget Framework  
Public / Private Public

Title: OVERVIEW REPORT AND WORK PROGRAMME  
Report of: Overview and Scrutiny Officer  
Report Number: OS 27/13

## Summary:

This report provides an overview of matters related to the Resources O&S Panel's work. It also includes the latest version of the work programme.

## Recommendations:

Members are asked to:

- Decide whether the items on the Notice of Key Executive Decisions should be included in the Panel's Work Programme for consideration.
- Note and/or amend the Panel's work programme

## Tracking

Executive:	-
Overview and Scrutiny:	<b>28<sup>th</sup> November 2013</b>
Council:	-

## 1. Notice of Key Executive Decisions

The most recent Notice of Key Executive Decisions was published on 15<sup>th</sup> November 2013. The following issues fall into the remit of this Panel and full details are attached at **Appendix 1**:

**KD.026/13 Asset Review Business Plan – Refresh of Disposal Programme** - The Executive will be asked to consider and recommend changes to the Disposal Programme for approval by Council. Report is available for this meeting of the Panel.

**KD.027/13 Polling Station Review 2013/14** – the Executive will consider a report at their meeting on 16<sup>th</sup> December and will be asked to make recommendations to Council on polling arrangements within the City Council area.

**KD.030/13 Budget Process 2014/15** – to be considered at this meeting of the Panel and the Panel meeting on 6<sup>th</sup> January 2014.

**KD.031/13 Review of Reserves and Balances** – report available for this meeting of the Panel.

## 2. References from the Executive

Applicable references from the Executive meeting held on 18<sup>th</sup> November will be circulated to all Members and Members of the Panel are requested to bring these along to this meeting.

## 3. Work Programme

The Panel's current work programme is attached at **Appendix 2** for comment/amendment.

**Contact Officer:** Nicola Edwards

**Ext:** 7122

**Appendices**

**attached to report:**

1. Notice of Key Decisions

2. Resources O&S Work Programme 2013/14

**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/RISKS:** None

Items relevant to the Resources Overview and Scrutiny Panel:

**Notice of Key Decisions to be taken by the Executive**

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

Key Decision Reference:	KD.026/13
Decision Title:	Asset Review Business Plan - Refresh of Disposal Programme
Decision to be taken:	The Executive will be asked to consider and recommend changes to the Disposal Programme for approval by Council
Date Decision to be considered:	28 October 2013 (EX.121/13)
Date Decision to be taken:	16 December 2013
Is the Decision Public or Private?:	The decision will be taken in both public and private. The report is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as the report contains exempt information relating to the financial or business affairs of any particular person (including the authority holding that information)
Documents submitted for consideration in relation to the Decision:	Report RD.47A/13 - Asset Review Business Plan - Refresh of Disposal Programme on 28 October 2013
Contact Officer for this Decision:	Director of Resources, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Finance, Governance and Resources (Councillor Dr Tickner)
Relevant or Lead Overview and Scrutiny Panel:	Resources Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact centre of the Civic Centre, Carlisle, the Public Library and on the Council's website [www.carlisle.gov.uk](http://www.carlisle.gov.uk).

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

Items relevant to the Resources Overview and Scrutiny Panel:

**Notice of Key Decisions to be taken by the Executive**

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

Key Decision Reference:	KD.027/13
Decision Title:	Polling Station Review 2013/14
Decision to be taken:	The Executive will be asked to make recommendations to Council on polling arrangements within the City Council area.
Date Decision to be considered:	
Date Decision to be taken:	16 December 2013
Is the Decision Public or Private?:	The decision will be taken in public.
Documents submitted for consideration in relation to the Decision:	The report of the Director of Governance's report will be available five working days before the meeting
Contact Officer for this Decision:	Director of Governance, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Finance, Governance and Resources (Councillor Dr Tickner)
Relevant or Lead Overview and Scrutiny Panel:	Resources Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact centre of the Civic Centre, Carlisle, the Public Library and on the Council's website [www.carlisle.gov.uk](http://www.carlisle.gov.uk).

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



Items relevant to the Resources Overview and Scrutiny Panel:

**Notice of Key Decisions to be taken by the Executive**

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

Key Decision Reference:	KD.030/13
Decision Title:	Budget Process 2014/15
Decision to be taken:	<p>To consider strategic financial issues arising from the budget setting process:</p> <p>(a) Budget Update – Revenue Estimates (18th November 2013)</p> <p>(b) Individual Charges Reviews (Local Environment, Governance , Economic Development, Community Engagement) (18th November 2013)</p> <p>(c) New Revenue Spending Proposals (18th November 2013)</p> <p>(d) New Savings Proposals (18th November 2013)</p> <p>(e) New Capital Spending Proposals and Provisional Capital Programme (18th November 2013)</p> <p>(f) Repair and Maintenance (18th November 2013)</p> <p>(g) Treasury Management and Prudential Borrowing Implications (18th November 2013)</p> <p>(h) Consideration of Overview and Scrutiny Consultation feedback (9th December 2013)</p> <p>(i) Draft Revenue Support Grant Settlement (if available) (16th December 2013)</p> <p>(j) Summary Overall Revenue and Capital Position (16th December 2013)</p> <p>(k) Draft Treasury Management and Investment Strategy including MRP Strategy (16th December 2013)</p> <p>(l) Executive Draft Budget Proposals for consultation (16th December 2013)</p> <p>(m) Final Revenue Support Grant and Final Revenue Budget Summary (15th January 2014)</p> <p>(n) Provisional Capital Programme (15th January 2014)</p> <p>(o) Treasury Management and Investment Strategy including MRP Strategy (15th January 2014)</p> <p>(p) Consideration of Final Budget Consultation (15th January 2014)</p> <p>(q) Pension Fund Revaluation (15th January 2014)</p> <p>(r) Executive's Final Budget Proposals (15th January 2014)</p>
Date Decision to be considered:	18 November 2013, 9 December 2013, 16 December 2013 and 15 January 2014 consultation period to include Overview and Scrutiny as appropriate
Date Decision to be taken:	18 November 2013, 9 December 2013, 16 December and 15 January 2014

Items relevant to the Resources Overview and Scrutiny Panel:

Is the Decision Public or Private?:	The decision will be taken in Public
Documents submitted for consideration in relation to the Decision:	The report of the Director of Resources will be available five working days before the meeting
Contact Officer for this Decision:	Director of Resources, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Finance, Governance and Resources (Councillor Dr Tickner)
Relevant or Lead Overview and Scrutiny Panel:	Resources Overview and Scrutiny Panel, Environment & Economy Overview and Scrutiny Panel and Community Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact centre of the Civic Centre, Carlisle, the Public Library and on the Council's website [www.carlisle.gov.uk](http://www.carlisle.gov.uk).

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

Items relevant to the Resources Overview and Scrutiny Panel:

**Notice of Key Decisions to be taken by the Executive**

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

Key Decision Reference:	KD.031/13
Decision Title:	Review of Reserves and Balances
Decision to be taken:	To review the Council's reserves and balances and to recommend to Council any reserves that can be released.
Date Decision to be considered:	18 November 2013
Date Decision to be taken:	16 December 2013
Is the Decision Public or Private?:	The decision will be taken in Public.
Documents submitted for consideration in relation to the Decision:	The report of the Director of Resources will be available five working days before the meeting
Contact Officer for this Decision:	Director of Resources, Carlisle City Council, Civic Centre, Carlisle, CA3 8QG
Relevant Portfolio Area:	Finance, Governance and Resources (Councillor Dr Tickner)
Relevant or Lead Overview and Scrutiny Panel:	Resources Overview and Scrutiny Panel

All public reports can be viewed in the Customer Contact centre of the Civic Centre, Carlisle, the Public Library and on the Council's website [www.carlisle.gov.uk](http://www.carlisle.gov.uk).

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

# RESOURCES OVERVIEW AND SCRUTINY PANEL WORK PROGRAMME 2013/14

Date last revised: 15 November 2013

Issue	Type of Scrutiny						Comments/Current Status	Meeting Dates								
	Performance Management	Notice of Key Decision /Referred from Executive	Policy Review or Development	Scrutiny of Partnership/ External Agency	Budget	Monitoring		6 Jun 13	18 Jul 13	29 Aug 13	10 Oct 13	28 Nov 13	6 Jan 14	20 Feb 14	3 Apr 14	
Current Meeting – 28 <sup>th</sup> November 2013																
Organisational Development Plan	✓					✓	To consider review of Plan July – monitor performance in Nov & Feb		✓			✓		✓		
Budget					✓		Budget setting 2014/15–2018/19					✓	✓			
Performance Monitoring						✓	Quarterly monitoring of performance within remit of Panel	✓		✓		✓		✓		
Budget Monitoring 13–14					✓	✓	Monitoring of budget			✓		✓		✓		
Corporate Programme Board						✓	Quarterly monitoring of significant projects	✓		✓		✓		✓		
Asset Management		✓				✓	Monitor disposal and investment programme Review of Plan currently					✓				

# RESOURCES OVERVIEW AND SCRUTINY PANEL WORK PROGRAMME 2013/14

Date last revised: 15 November 2013

Issue	Type of Scrutiny						Comments/Current Status	Meeting Dates							
	Performance Management	Notice of Key Decision / Referred from Executive	Policy Review or Development	Scrutiny of Partnership/ External Agency	Budget	Monitoring		6 Jun 13	18 Jul 13	29 Aug 13	10 Oct 13	28 Nov 13	6 Jan 14	20 Feb 14	3 Apr 14
							being undertaken – date TBC by Executive								
<b>Task &amp; Finish Groups</b>															
Saving Paper Task Group			✓				To monitor recommendations and investigate further savings			✓					
<b>Future Meetings</b>															
Corporate Risk Register						✓	Bi-annual Monitoring				✓				✓
Sickness Absence	✓						To consider reports relating to the authority's sickness absence levels to invite OH		✓		✓			✓	
Transformation Board						✓	To receive six monthly updates				✓				✓
Employee Opinion Survey							To inform Members of								?

# RESOURCES OVERVIEW AND SCRUTINY PANEL WORK PROGRAMME 2013/14

Date last revised: 15 November 2013

Issue	Type of Scrutiny						Comments/Current Status	Meeting Dates							
	Performance Management	Notice of Key Decision /Referred from Executive	Policy Review or Development	Scrutiny of Partnership/ External Agency	Budget	Monitoring		6 Jun 13	18 Jul 13	29 Aug 13	10 Oct 13	28 Nov 13	6 Jan 14	20 Feb 14	3 Apr 14
							feedback and action plan								
Significant Partnerships				✓			Bi-Annual scrutiny			✓				✓	
Scrutiny Annual Report							Draft report for comment before Chairs Group								✓
<b>COMPLETED ITEMS</b>															
Member Training Report 2012-13						✓	Annual training report				✓				
Localisation of Business Rates							To consider a report detailing the impact of the policy				✓				
Medium Term Financial Plan		✓			✓					✓					
Asset Management Plan		✓			✓		2013-18 Plan			✓					
Carlisle Leisure Ltd				✓			Continued scrutiny of	✓							

# RESOURCES OVERVIEW AND SCRUTINY PANEL WORK PROGRAMME 2013/14

Date last revised: 15 November 2013

Issue	Type of Scrutiny						Comments/Current Status	Meeting Dates							
	Performance Management	Notice of Key Decision / Referred from Executive	Policy Review or Development	Scrutiny of Partnership/ External Agency	Budget	Monitoring		6 Jun 13	18 Jul 13	29 Aug 13	10 Oct 13	28 Nov 13	6 Jan 14	20 Feb 14	3 Apr 14
							contract monitoring – Audit Report and update								
Treasury Management Counterparties		✓					Scrutinise report recommending amendments to Treasury Management	✓							
2012/13 Provisional Outturn Reports					✓		Outturn reports and requests to Council	✓							

For Information	





# Resources Overview and Scrutiny Panel

Agenda  
Item:

**A.4**  
**(j)**

Meeting Date: 28<sup>th</sup> November 2013  
Portfolio: Finance, Governance and Resources  
Key Decision: No  
Within Policy and Budget Framework YES  
Public / Private Public

Title: REVENUE BUDGET OVERVIEW & MONITORING REPORT:  
APRIL TO SEPTEMBER 2013  
Report of: DIRECTOR OF RESOURCES  
Report Number: RD52/13

**Purpose / Summary:** This report provides an overview of the Council's General Fund revenue budgetary position for the period April to September 2013 and was considered by the Executive on 18<sup>th</sup> November 2013.

## Questions for / input required from Scrutiny:

Members are asked to note the variances contained within this report.

## Recommendations:

The Members of the Resources Overview and Scrutiny Panel are asked to note the overall budgetary position for the period April to September 2013.

## Tracking

Executive:	18 <sup>th</sup> November 2013
Overview and Scrutiny:	28 <sup>th</sup> November 2013
Council:	n/a

## Report to Executive

Meeting Date: 18<sup>th</sup> November 2013  
Portfolio: Finance, Governance and Resources  
Key Decision: No  
Within Policy and Budget Framework YES  
Public / Private Public

Title: REVENUE BUDGET OVERVIEW & MONITORING REPORT:  
APRIL TO SEPTEMBER 2013  
Report of: DIRECTOR OF RESOURCES  
Report Number: RD52/13

**Purpose / Summary:** This report provides an overview of the Council's overall budgetary position for the period April to September 2013 for revenue schemes only. The revenue report includes details of balance sheet management issues, high-risk budgets and performance management.

### Recommendations:

The Executive is asked to:

- (i) Note the budgetary performance position of the Council to September 2013.

### Tracking

Executive:	18 <sup>th</sup> November 2013
Overview and Scrutiny:	28 <sup>th</sup> November 2013
Council:	n/a

## 1. BACKGROUND INFORMATION AND OPTIONS

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

## 2. REVENUE BUDGET OVERVIEW

- 2.1 The following statement shows the total annual revenue budget as at September 2013:

2013/14 Revenue Budget	£
Approved Budget (Council resolution – February 2013)	12,755,000
Carry forward requests (2012/13 out-turn)	677,400
<b>Council Resolution 2013/14</b>	<b>13,432,400</b>
Non-Recurring Expenditure (note 1)	
Transformation Costs (Transformation Reserve)	181,700
<b>Updated Budget 2013/14</b>	<b>13,614,100</b>

Note (1) use of earmarked reserves to fund 2013/14 expenditure

### 3. 2013/14 BUDGET MONITORING

3.1 The summarised budgetary position as at September 2013 is shown below:

Directorate / Appendix		Annual Net Budget (£)	Net Budget to date (£)	Net Spend to date (£)	Adjusted Variance (£)
Chief Executive's Team	A1	176,200	58,023	66,410	8,387
Community Engagement	A2	7,260,000	3,494,211	3,457,556	(36,655)
Economic Development	A3	1,688,500	765,353	823,871	58,518
Governance	A4	1,811,100	811,100	784,281	(26,819)
Local Environment	A5	6,011,400	3,400,881	3,256,353	(144,528)
Resources	A6	(3,333,100)	(3,529,672)	(3,689,963)	(160,291)
<b>Total</b>		<b>13,614,100</b>	<b>4,999,896</b>	<b>4,698,508</b>	<b>(301,388)</b>

3.2 Further details for each directorate can be found in **Appendices A1 – A6**. Each appendix shows a breakdown of the variance for the Directorate, with comments and a note of any performance issues.

3.3 The figures for the Resources directorate in the above table and attached **Appendix A6** include corporate budgets held centrally.

### 4. KEY ISSUES

4.1 The corporate Salary Turnover Savings target for 2013/14 is £242,500, and savings from staffing budgets across the authority are measured and transferred to it throughout the year. Spending on employees' salaries and related employers' on-costs is a significant proportion of the Council's gross expenditure and the management of this resource is a key component of the budget monitoring process. A detailed analysis of the spend against these budgets is provided for SMT on a monthly basis and a broad summary of the direct staffing expenditure to the end of September 2013, including the transfers to Salary Turnover Savings, is provided in the table below.

Direct Employee Expenditure Directorate	Updated Budget £	Budget to date £	Actual to date £	Variance to date £	STOS to date £	(Under)/Overspend £
Chief Executive's Team	701,700	347,311	348,893	1,582	1,600	(18)
Community Engagement	1,887,800	924,557	925,119	562	(6,300)	6,862
Economic Development	1,512,500	739,213	683,602	(55,611)	(2,200)	(53,411)
Governance	1,114,700	541,690	522,819	(18,871)	(16,600)	(2,271)
Local Environment	4,738,000	2,373,601	2,162,698	(210,903)	(140,400)	*(70,503)
Resources	2,698,200	1,302,805	1,263,389	(39,416)	(27,800)	(11,616)
<b>Total</b>	<b>12,652,900</b>	<b>6,229,177</b>	<b>5,906,520</b>	<b>(322,657)</b>	<b>(191,700)</b>	<b>(130,957)</b>
Savings transferred to fund the Purple Sacks Review*						69,500
<b>Net (Under)/Overspend</b>						<b>(61,457)</b>

- 4.2 Members are reminded that Council, at its meeting on 10<sup>th</sup> September, approved the Savings Strategy which will focus on three areas to deliver savings, including the Asset Review, Service Delivery Models and, as part of the transformation programme, a review of those services that are neither core priorities nor statutory requirements. The recurring impact of these savings forms part of the 2014/15 budget process and are included in report RD54/13 elsewhere on the agenda.

## 5. FORECAST OUTTURN POSITION 2013/14

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

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

- 5.2 The Council's financial position continues to be closely monitored and a detailed analysis is given in the following table of the major variances from last year's outturn, alongside the current projections for these and other areas of concern for this year end. However, these projections will be updated in the next quarterly report when the figures up to the end of December 2013 are available to give a clearer indication of the potential year end position.

Potential Additional Costs/Shortfall in Income	Over/(Under) Outturn 12/13 £	Over/(Under) Projection 13/14 £
Enterprise Centre lettings & NNDR costs	68,000	25,800
Tourist Information Centres - ticket sales	41,000	45,300
Recycling & Waste collection income	37,030	59,000
Off Street Parking	148,300	280,000
Countywide Parking Contracts	70,100	50,000
ICT Printing Recharges	150,000	0
Investment Income	37,500	200,000
Minimum Revenue Provision	29,200	0
Lanes Income Shortfall	97,700	77,000
Resource Centre Legal Fees	43,700	0
Arts Centre costs	8,800	0
NNDR charges	(27,160)	34,300
Bousteads Grassing rent income	10,200	10,200
<b>Total additional costs/income shortfalls</b>	<b>714,370</b>	<b>781,600</b>
<b>Potential Reduction in costs/Additional income</b>		
Bereavement Services income	(52,600)	(49,000)
Industrial Estates Rents	(76,900)	0
Development Control Inquiry Costs & Fees	(15,500)	(32,500)
CCTV Transmission & Maintenance costs	(40,800)	0
Sewerage & Water Charges	(58,560)	(49,500)
Transport Repairs & Hire Costs	(101,100)	(51,300)
Transport Fuel Costs	(27,600)	(6,300)
Travel Review and Leased Cars	(20,400)	(44,000)
Tipping Charges	2,670	(25,700)
ICT Connect Shared Service	(37,100)	0
Revenues & Benefits Shared Service	(81,100)	(61,600)
Benefits Payments & Subsidies	(84,600)	0
Salary Turnover Savings/Pay Award	(544,100)	(195,500)
Pension Deficit Funding	(166,800)	(174,000)
Direct Revenue Financing	(48,300)	0
Lanes Income	(197,700)	(62,900)
City Lighting - Energy and New Lighting	(53,500)	(47,500)
City Centre Events	(4,940)	(5,800)
Miscellaneous (under)/overspends	(15,401)	0
<b>Total reduced costs/additional income</b>	<b>(1,624,331)</b>	<b>(805,600)</b>
<b>Other Year End Implications/Requirements:</b>		
Highways Maintenance & Claimed Rights	235,000	0
VAT recovery Claims (Trade Waste)	236,220	195,000
Insurance Excess Provision	175,000	(100,000)
Bad Debt Provision increase	43,300	0
Inflation / Transformation Savings	(104,500)	(72,000)
<b>Total requirements/(reductions)</b>	<b>585,020</b>	<b>23,000</b>
<b>Total (under)/over spends</b>	<b>(324,941)</b>	<b>(1,000)</b>

## 6. HIGH RISK BUDGETS

6.1 A number of high-risk budgets have been identified which require detailed monitoring throughout the year. These particularly include income budgets, some of which have been adjusted by recurring and non-recurring bids, approved in the 2013/14 Council Resolution.

6.2 The summarised position of income budgets deemed to be high risk is as follows:

Budget Area	Directorate	Annual Budget £	Budget to date £	Actual to date £	Variance £	para.
Hostels	CE	(550,800)	(289,033)	(266,597)	22,436	6.3
Building Control	ED	(322,400)	(182,708)	(160,316)	22,392	6.4
Development Control	ED	(545,800)	(280,242)	(316,654)	(36,412)	6.5
Enterprise Centre	ED	(140,700)	(70,382)	(54,341)	16,041	6.6
Tourist Information Centres	ED	(133,600)	(77,374)	(51,809)	25,565	6.7
Land Charges	Gov	(165,700)	(82,884)	(81,757)	1,127	6.8
Cemeteries	LE	(272,300)	(125,647)	(126,325)	(678)	6.9
Crematorium	LE	(852,800)	(392,288)	(411,597)	(19,309)	6.9
Off Street Parking	LE	(1,299,200)	(680,524)	(528,098)	152,426	6.10
On Street Parking	LE	(364,700)	(196,682)	(139,353)	57,329	6.10
Bring Sites	LE	(192,200)	(97,791)	(67,347)	30,444	6.11
Garden Waste	LE	(485,100)	(353,878)	(408,112)	(54,234)	6.11
Bulky Waste/Special Collections	LE	(36,300)	(18,158)	(17,921)	237	6.11
Plastics & Card	LE	(241,600)	(120,523)	(88,082)	32,441	6.11
Green Box Collection	LE	(343,300)	(178,170)	(159,571)	18,599	6.11
Industrial Estates	Res	(2,445,600)	(1,223,123)	(1,226,411)	(3,288)	6.12
Lanes	Res	(1,383,300)	(691,650)	(684,359)	7,292	6.13

6.3 There is a delay in the implementation of the new charging structure for the **Hostels** and although the income target is lower than for the previous year, income is falling short of the new target by more than 7%.

6.4 The reduced income levels from **Building Control** fees continue to challenge the service managers and spending is held at the lowest possible level in an attempt to offset the anticipated shortfall, currently running at 12%.

6.5 Fee income from **Development Control** charges has declined in recent years, with fewer planning applications received throughout the economic downturn, however there has been a slight upturn in recent months and this is now achieving almost 13% more than the target set for the first half of the year.

6.6 Local small businesses continue to feel the ongoing effects of the recession, this is reflected in the number of empty units at the **Enterprise Centre** and there is a significant drop in income (23% down on the budget to date) from lettings.

- 6.7 Income generated from sales at Carlisle's **Tourist Information Centre** was affected by its relocation whilst building improvements were carried out at the Old Town Hall and although it was expected that the refurbishment and changes would reverse this position on re-opening, the income has dropped and there is a shortfall of 33% up to the end of September 2013.
- 6.8 The annual budget for income from **Land Charges** has been reduced over the past few years to reflect the continuing impact of the economic climate on the housing market. However, there was a year end surplus of £6,000 on the budget set for 2012/13 and the target for this year includes an increase of 10% in anticipation of further recovery in this sector. The current activity levels are just falling short of the improved target by 1.4%.
- 6.9 There was a small surplus of 1.5% on **Bereavement Services** income at the end of last year and the budget uplift for 2013/14 was set at a lower rate than this level. The first six months' receipts for the current year have exceeded the updated target by almost 4%.
- 6.10 Income generated from **Car Parking** has been consistently lower than the level budgeted for a number of years and significant changes to the charging strategy were introduced after a review undertaken in 2012. However, the combined impact of the recession and internet shopping on the high street and visitor numbers, and increasing private sector parking facilities makes it difficult to quantify any benefit that may have been realised from the changes. In addition, the budget for parking income increased by £45,300 for this year and there is now a deficit of 22% against the new level up to the end of September 2013.
- 6.11 The total income from the various **Waste and Recycling Collection Services** is lower than the expected levels, with income from the Bring Sites, down by more than 31% against the first six months' target, being one of the areas of most concern. The recent review of the Bring Site service determined that there was an over provision and only those sites providing best value to the public are to be retained. There has also been a significant drop in market prices for plastics and other recyclables and the credits from Plastics and Card is 27% lower than the budget levels set.
- 6.12 Adjustments for rent recovered from **Industrial Estates** now sold helped in 2012/13 to offset the full effects of the downturn in the property market. Although the income from the corporate properties is currently achieving to the budget level, until new



sites have been identified for purchase and marketed, it is likely that there will be a shortfall against the expected rent levels by the year end.

- 6.13 The high street and town centres continue to be affected by the economic recession and changing trends in consumer spending. Shop vacancy rates are averaging 14% across the country and recent research indicates that the number of shops is likely to fall by as much as 20% over the next five years. In spite of a credit in the region of £63,000 due following the reconciliation after the end of last year, rental income from the **Lanes** is down 1% against the target for the first six months.

## 7. S.106 COMMUTED SUMS

- 7.1 As at 30<sup>th</sup> September 2013 balances totalling £1,715,465 are held in respect of Section 106 agreements and other commuted sums, with a further £4,942,939 expected. The expected sums, for the most part, relate to agreements for sites yet to be developed and include negotiated items that, in view of the terms of the agreement, may not be due until later phases of development. These sums are to be used for the provision and future maintenance of public open spaces, school buildings, children's play areas, cycleways and transport facilities etc.
- 7.2 The City Council acts as custodian only for £1,194,096 of the sums held, in respect of projects for which Cumbria County Council is responsible, including the Public Realm and Castle Way. Should the County Council not progress these projects, or they remain incomplete within the agreed deadlines, the custodial sums must be repaid, along with a premium for interest, to the Developers. A summary of the balances retained is set out in the table below:

Commuted Sums 2013/2014	Opening Balance & Receipts	Spend	Retained Balance 30/09/13	Expected Sums
	(£)	(£)	(£)	(£)
Affordable Housing Contributions	15,000	0	15,000	254,373
Castle Way & Public Realm	732,841	0	732,841	0
Education	0	0	0	3,500,000
Play Areas & Facilities	239,009	4,728	234,281	69,310
Public Open Spaces Provision/Maintenance	326,125	54,037	272,088	421,762
Sports Provision/Maintenance	0	0	0	48,584
Transport & Pedestrianisation	475,337	14,082	461,255	321,785
<b>Total</b>	<b>1,788,312</b>	<b>72,847</b>	<b>1,715,465</b>	<b>4,615,814</b>

## 8. DIRECTION OF TRAVEL

- 8.1 Balance Sheet Management

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

Balance Sheet item	Balance at 31/03/2013	Balance at 30/09/2013	Note
Investments	£18.7m	£23.4m	(i)
Loans	£15.0m	£15.0m	(ii)
Debtors	£1.07m	£1.82m	(iii)
Creditors	£0.06m	£0.31m	

- (i) The anticipated return on these investments is estimated at £473,100 for 2013/14 with current projections anticipated to be significantly below this target.
- (ii) The cost of managing this debt, in terms of interest payable, is budgeted at £1,319,000 in 2013/14 with costs currently on target. There are no proposals for further borrowing during 2013/14, although the position will need to be kept under review.
- (iii) There may be a significant impact on the cash flow of the Council if outstanding debts are not received. Any debts deemed to be irrecoverable are written off against a bad debt provision set up specifically for this purpose. Other significant debts relate to Council Tax, NNDR and Housing Benefit overpayments, and the level of the Council's Bad Debt Provision will need to be reviewed in response to recent changes in the welfare system.
- (iv) Use of Reserves: The usage and level of all Council reserves are set out in the Medium Term Financial Plan (RD36/13), approved by Council in September 2013. It is anticipated that £0.4m will be required from the Council's Revenue Reserves to fund expenditure in 2013/14, including £667,400 of 2012/13 carry forwards. Any under or overspend at the year end will adjust the balance transferred to or from the reserve. Council reserves are under significant pressure for 2013/14 and the savings strategy approved in February 2013 will help to resolve the projected deficit. However, further savings must be identified to replenish usable revenue reserves to the minimum required.
- (v) The Council's VAT partial exemption calculation for the period ending 30<sup>th</sup> September 2013 is still being calculated but is likely to be well below the 5% limit set by HMRC.

## 9. CONSULTATION

9.1 Consultation to date.

SMT and JMT have considered the issues raised in this report.

9.2 Consultation Proposed

Resources Overview and Scrutiny Panel will consider the report on 28<sup>th</sup> November 2013.

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

10.1 The Executive is asked to:

- (i) Note the budgetary performance position of the Council to September 2013.

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

11.1 The Council's budget is set in accordance with the priorities of the Carlisle Plan and the position for the first six months of 2013/14 shows the delivery of these priorities within budget.

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**Appendices A1 to A6  
attached to report:**

**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/RISKS:** SMT and JMT have been involved in the preparation of this report. Risks to budgets and development of ongoing impact of issues identified are monitored carefully and appropriate action taken.

**Chief Executive's – N/A**

**Community Engagement – N/A**

**Economic Development – N/A**

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

**Local Environment – N/A**

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

## REVENUE BUDGET MONITORING 2013/14

CHIEF EXECUTIVE'S TEAM	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2013	£	£	£	£
Annual Budget	1,499,800	(33,100)	(1,290,500)	<b>176,200</b>
Budget to date	716,100	(19,340)	(638,737)	<b>58,023</b>
Total Actual	717,728	(21,379)	(629,939)	<b>66,410</b>
<b>Adjusted Variance</b>	<b>1,628</b>	<b>(2,039)</b>	<b>8,798</b>	<b>8,387</b>

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Policy and Communications	1	20,594	(160)	247	20,681
Miscellaneous	2	(18,966)	(1,879)	8,551	(12,294)
<b>Total Variance to date</b>		<b>1,628</b>	<b>(2,039)</b>	<b>8,798</b>	<b>8,387</b>

Note	Chief Executive's Team - Comments
1.	Shortfall against savings target
2.	Various net minor underspends across the service.

## REVENUE BUDGET MONITORING 2013/14

COMMUNITY ENGAGEMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2013	£	£	£	£
Annual Budget	13,267,400	(4,685,700)	(1,321,700)	<b>7,260,000</b>
Budget to date	7,195,033	(3,039,704)	(661,118)	3,494,211
Total Actual	7,218,207	(3,099,816)	(660,836)	3,457,556
<b>Adjusted Variance</b>	<b>23,174</b>	<b>(60,112)</b>	<b>282</b>	<b>(36,655)</b>

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Hostels & Homeshares	1	15,686	37,317	0	<b>53,003</b>
Customer Contact Section	2	(77)	(35,348)	208	<b>(35,217)</b>
Revenues and Benefits Shared Service	3	(14,700)	(14,635)	0	<b>(29,336)</b>
Miscellaneous	4	22,266	(47,445)	74	<b>(25,105)</b>
<b>Total Variance to date</b>		<b>23,174</b>	<b>(60,112)</b>	<b>282</b>	<b>(36,655)</b>

Note	Community Engagement - Comments
1.	Overspends include service review costs, staffing and charging structure changes not yet implemented.
2.	Additional income for reception services provided in 2011/12 and 2012/13
3.	Underspent shared services staffing costs; and increased contributions
4.	Net underspend relates to miscellaneous variances and grant income to be allocated across services.

## REVENUE BUDGET MONITORING 2013/14

ECONOMIC DEVELOPMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2013	£	£	£	£
Annual Budget	3,503,400	(1,203,700)	(611,200)	<b>1,688,500</b>
Budget to date	1,730,065	(658,986)	(305,726)	<b>765,353</b>
Total Actual	1,775,833	(646,362)	(305,600)	<b>823,871</b>
<b>Adjusted Variance</b>	<b>45,768</b>	<b>12,624</b>	<b>126</b>	<b>58,518</b>

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Building Control	1	(6,150)	22,392	0	<b>16,242</b>
Enterprise Centre	2	1,954	16,041	0	<b>17,995</b>
Tourist Information Centres	3	(7,285)	30,511	0	<b>23,227</b>
Development Control	4	59,279	(35,590)	0	<b>23,689</b>
Miscellaneous	5	(2,031)	(20,729)	126	<b>(22,634)</b>
<b>Total Variance to date</b>		<b>45,768</b>	<b>12,624</b>	<b>126</b>	<b>58,518</b>

Note	Economic Development - Comments
1.	Fees' income shortfall
2.	Income shortfall from lettings due to empty business units
3.	Underspent staffing and supplies; offset by shortfalls on accommodation bookings' commission and ticket sales.
4.	Overspend includes £61,800 Airport application legal expenses, partly offset by fees' income surplus.
5.	Net variance includes income shortfall against budgets to date.

## REVENUE BUDGET MONITORING 2013/14

GOVERNANCE	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2013	£	£	£	£
Annual Budget	3,227,700	(590,300)	(826,300)	1,811,100
Budget to date	1,610,530	(386,110)	(413,320)	811,100
Total Actual	1,591,672	(394,245)	(413,146)	784,281
<b>Adjusted Variance</b>	<b>(18,858)</b>	<b>(8,135)</b>	<b>174</b>	<b>(26,819)</b>

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Miscellaneous	1	(18,858)	(8,135)	174	(26,819)
<b>Total Variance to date</b>		<b>(18,858)</b>	<b>(8,135)</b>	<b>174</b>	<b>(26,819)</b>

Note	Governance - Comments
1.	Underspent expenses and surplus income across the services



## REVENUE BUDGET MONITORING 2013/14

LOCAL ENVIRONMENT	Gross Expenditure	Gross Income	Recharges	Total
Position as at 30th September 2013	£	£	£	£
Annual Budget	14,668,000	(6,076,500)	(2,580,100)	<b>6,011,400</b>
Budget to date	7,916,045	(3,223,288)	(1,291,876)	<b>3,400,881</b>
Total Actual	7,557,727	(3,010,022)	(1,291,353)	<b>3,256,353</b>
<b>Adjusted Variance</b>	<b>(358,318)</b>	<b>213,266</b>	<b>523</b>	<b>(144,528)</b>

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Bereavement Services	1	(18,692)	(18,591)	38	<b>(37,246)</b>
Neighbourhoods and Green Spaces	2	(24,616)	(23,227)	97	<b>(47,746)</b>
Off Street Parking	3	(22,190)	151,508	62	<b>129,380</b>
On Street Parking	4	(15,602)	57,329	0	<b>41,726</b>
Misc Environmental Expenses	5	(19,452)	0	0	<b>(19,452)</b>
City Lighting	6	(45,483)	0	0	<b>(45,483)</b>
Recycling & Waste Collection	7	(66,446)	8,136	110	<b>(58,201)</b>
Street Cleaning	8	(17,371)	(990)	0	<b>(18,361)</b>
Clean Up Carlisle	9	(30,524)	(3,912)	61	<b>(34,375)</b>
Miscellaneous	10	(97,941)	43,014	155	<b>(54,771)</b>
<b>Total Variance to date</b>		<b>(358,318)</b>	<b>213,266</b>	<b>523</b>	<b>(144,528)</b>

## REVENUE BUDGET MONITORING 2013/14

Note	Local Environment - Comments
	<ol style="list-style-type: none"> <li>1. Underspent premises repairs and improvement in cremations' fees income.</li> <li>2. Underspent premises, equipment and materials; grants and surplus miscellaneous income</li> <li>3. Underspent staffing (£52,100) into Salary Turnover Savings; windfall (£45,500) from Lower Viaduct and John Street car parks backdated sewerage charge rebate offset by NNDR £27,600 increase; shortfall on ticket sales and PCNs' income.</li> <li>4. Net overspend after savings in administration costs and income shortfall from PCNs etc.</li> <li>5. Underspends on Councillors' small scale community schemes</li> <li>6. Underspent lighting maintenance and energy savings. Charging mechanism to be introduced for County works.</li> <li>7. Efficiency savings on tipping charges (£28,800), transport hire and repairs (£33,000), partly offset by income shortfall.</li> <li>8. Efficiency savings on transport and cost of materials following purchase of new fleet of vehicles.</li> <li>9. Underspent expenses, any residual at the year end to be rolled forward to fund the scheme's completion.</li> <li>10. Various minor underspends more than offset income shortfalls across the services.</li> </ol>

## REVENUE BUDGET MONITORING 2013/14

RESOURCES	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2013	£	£	£	£
Annual Budget	38,807,100	(35,333,000)	(6,807,200)	<b>(3,333,100)</b>
Budget to date	18,416,604	(18,328,985)	(3,617,291)	<b>(3,529,672)</b>
Total Actual	18,224,931	(18,326,089)	(3,588,805)	<b>(3,689,963)</b>
<b>Adjusted Variance</b>	<b>(191,673)</b>	<b>2,896</b>	<b>28,486</b>	<b>(160,291)</b>

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Public Conveniences	1	(17,069)	202	0	<b>(16,867)</b>
Treasury & Debt Management	2	(3,711)	107,887	0	<b>104,176</b>
Non Distributed Costs	3	(95,033)	0	0	<b>(95,033)</b>
Other Financial Costs	4	(87,409)	(69,647)	0	<b>(157,056)</b>
Corporate Management	5	25,393	0	0	<b>25,393</b>
Miscellaneous	6	(13,844)	(35,546)	28,486	<b>(20,903)</b>
<b>Total Variance to date</b>		<b>(191,673)</b>	<b>2,896</b>	<b>28,486</b>	<b>(160,291)</b>

Note	Resources - Comments
	<ol style="list-style-type: none"> <li>1. Underspent premises expenses and (£9,700) provision for final Superloo lease charge</li> <li>2. Continued decline in average interest rates is having a negative impact on investment income target.</li> <li>3. Includes savings on shared service pension costs.</li> <li>4. Improvements in savings from Salary Turnover (£70,400) and Living Wage costs (£19,700); and surplus income includes (£32,200) New Homes Bonus, (£19,800) Transition Grant for Rural LA's, (£16,400) New Burdens' Grants and (£11,500) compensation, offset by £6,800 shortfall on Council Tax Freeze Grant.</li> <li>5. Overspend on bank and credit card charges.</li> <li>6. Various minor overspends and surplus income, partly offset by recharged expenses shortfall.</li> </ol>

# Resources Overview and Scrutiny Panel

Agenda  
Item:  
  
**A.4**  
**(j)**

Meeting Date: 28 November 2013  
Portfolio: Finance, Governance and Resources  
Key Decision: No  
Within Policy and Budget Framework YES  
Public / Private Public

Title: CAPITAL BUDGET OVERVIEW AND MONITORING REPORT:  
APRIL TO SEPTEMBER 2013  
Report of: DIRECTOR OF RESOURCES  
Report Number: RD50/13

## Purpose / Summary:

This report provides an overview of the budgetary position of the City Council's capital programme for the period April to September 2013 and was considered by the Executive on 18 November 2013.

## Questions for / input required from Scrutiny:

Members are asked to note the variances contained within this report.

## Recommendations:

Members of the Resources Overview and Scrutiny Panel are asked to note the overall budgetary position for the period April to September 2013.

## Tracking

Executive:	<b>18 November 2013</b>
Overview and Scrutiny:	<b>28 November 2013</b>
Council:	<b>n/a</b>

# Report to Executive

Agenda  
Item:

Meeting Date: 18 November 2013  
Portfolio: Finance, Governance and Resources  
Key Decision: No  
Within Policy and Budget Framework YES  
Public / Private Public

Title: CAPITAL BUDGET OVERVIEW AND MONITORING REPORT:  
APRIL TO SEPTEMBER 2013  
Report of: DIRECTOR OF RESOURCES  
Report Number: RD50/13

## Purpose / Summary:

This report provides an overview of the budgetary position of the City Council's capital programme for the period April to September 2013. Some of the issues in this report are considered elsewhere on the agenda in RD56/13.

## Recommendations:

The Executive is asked to:

- (i) Note and comment on the budgetary position and performance aspects of the capital programme for the period April to September 2013;
- (ii) Use the information in this report to inform the budget considerations for 2014/15 onwards;
- (iii) Note the recommendations to Council to approve reprofiling of £710,000 from 2013/14 as detailed in RD56/13 elsewhere on the agenda;
- (iv) Note the Director of Resources has approved a virement of £18,300 from the vehicle replacement programme to purchase route optimisation software for Waste Services. This is not included in the figures in the report;
- (v) Approve a virement of up to £60,000 from projected underspends on the 2013/14 vehicle replacement programme to fund the one off capital costs of leisure initiatives.

## **1. BACKGROUND**

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

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

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

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

## **2. CAPITAL BUDGET OVERVIEW**

- 2.1 The following statement shows the annual capital programme for 2013/14:

<b>2013/14 Capital Budget</b>	<b>£</b>
<b>Original 2013/14 Programme (approved Feb 2013)</b>	<b>9,280,000</b>
Carry forwards from 2012/13 (RD11/13 Council 16/7/13)	1,828,700
Removal of budgets (RD11/13 Council 16/7/13)	(6,348,500)
<b>2013/14 Capital Programme (RD11/13 Council 16/07/13)</b>	<b>4,760,200</b>
Direct Revenue Financing - Customer Contact Centre (OD 014/13 26/03/13)	40,000
Direct Revenue Financing - Employee Payment & Resource Management System (RD07/13 Executive 7/05/13)	70,000
Bring Sites Review (LE21/13 Council 16/07/13)	227,000
Reprofiling of Arts Centre (CD47/13 Council 10/09/13)	(200,000)
Purple Sacks Review (LE28/13 Council 10/09/13)	69,500
Empty Property Initiative (CD42/13 Council 16/07/13)	305,700
Asset Review Business Plan Reinvestment (RD20/13 Executive 05/08/13)	1,312,500
Asset Review Business Plan Reinvestment	1,400,000
<b>Revised 2013/14 Capital Programme (at Sept 2013)</b>	<b>7,984,900</b>
Carry forwards into 2014/15 (Subject to Council Approval)	(710,000)
Old Town Hall Phase 2 Reprofiling (Subject to Council Approval ED236/13 5/11/13)	62,000
Cenotaph Funding (Subject to Council Approval RD43/13 5/11/13)	67,000
<b>Revised 2013/14 Capital Programme (Sept 2013 RD56/13)</b>	<b>7,403,900</b>

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

### 3. 2013/14 BUDGET MONITORING

3.1 The position statement as at September 2013 can be summarised as follows:

<b>Directorate</b>	<b>Revised Annual Budget £</b>	<b>Budget to Date £</b>	<b>Spend to date £</b>	<b>Variance to date £</b>	<b>Carry forwards identified £</b>	<b>Para. Ref.</b>
Resources	3,939,400	372,172	323,780	(48,392)	0	3.4
Community Engagement	2,469,400	982,729	838,624	(144,105)	0	3.5
Local Environment	434,600	18,211	457	(17,754)	0	3.6
Economic Development	560,500	298,500	301,331	2,831	0	3.7
<b>Total</b>	<b>7,403,900</b>	<b>1,671,612</b>	<b>1,464,192</b>	<b>(207,420)</b>	<b>0</b>	

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

3.2 As at the end of September, expenditure of £1,464,192 has been incurred. When considered against the profiled budget of £1,671,612 this equates to an underspend of £207,420.



- 3.3 A projected outturn position has been undertaken which has identified that £710,000 as needing profiled into future years. This relates to Castle Way S106 (£300,000), Public Realm S106 (£360,000) and Enhancements to Council Properties (£50,000). Carry forwards will be limited to the amount of underspend at the year end. **(The Executive is asked to consider, for recommendation to Full Council, these carry forwards requests).**

The revised annual budget of £7,403,900 incorporates the findings of the review of the 2013/14 capital programme. The unspent balance remaining of the revised annual budget of £7,403,900 is £5,939,708 as at September 2013. This will be closely monitored over the following months to identify accurate project profiles and any potential slippage into future years.

- 3.4 The variance in Resources is attributable to the following:

- (i) An underspend on Planned Enhancements to Council Properties. Some work planned for the Civic Centre has been delayed and will now be carried out in 2014/15.
- (ii) An overspend on Town Clocks Invest to Save initiative. Funding is provided for this project from revenue savings generated from the work.
- (iii) An underspend on vehicle replacement purchases to date. The Director of Resources has approved a virement (£18,300) from the vehicle replacement programme to fund the purchase of route optimisation software. The software will allow the Council to fulfil a legal requirement for route risk assessment and allow performance management and modelling of domestic waste collection service rounds.
- (iv) **The Executive is asked to approve a virement of up to £60,000 from a projected underspend at year end on the 2013/14 vehicle replacement to fund the one-off capital costs of leisure initiatives.**

- 3.5 The variance in Community Engagement is attributable to the following:

- (i) An underspend on Disabled Facilities Grants. The take up of DFGs has been slower at the start of this financial year compared to other years and the position will be closely monitored to determine whether this will be an ongoing trend.

- 3.6 There are no significant variances to date in Local Environment.

- 3.7 There are no significant variances to date in Economic Development.

- 3.8 One scheme is included in the capital programme for 2013/14 that requires a report to be presented to the Executive for the release of funding before the project can go ahead.

Scheme	Budget £	Note
Public Realm	100,000	
<b>Total</b>	<b>100,000</b>	

- 3.9 The information used in this report will be used to inform the 2014/15 budget process with initial budget reports being considered elsewhere on the agenda.

#### 4. FINANCING

- 4.1 The 2013/14 capital programme can be financed as follows:

	£
<b>Total Programme to be financed (para 2.1)</b>	<b>7,403,900</b>
<u>Financed by:</u>	
Capital Receipts (including PRTB receipts)	5,623,800
Capital Grants	
• Disabled Facilities Grant	663,000
• General	320,600
Direct Revenue Financing	314,800
Other Contributions	56,800
Earmarked Reserves	424,900
Internal Borrowing	0
<b>Total Financing</b>	<b>7,403,900</b>

#### 5. CAPITAL RESOURCES

- 5.1 The following table shows the position as at September 2013 of the capital resources due to be received during 2013/14:

	2013/14 Budget	2013/14 Revised Budget	2013/14 Actual	2013/14 Not yet received	Note
	£	£	£	£	
Capital Receipts					
· General	(660,000)	(660,000)	(5,000)	655,000	1
· Asset Review	(21,218,000)	(2,218,000)	0	2,218,000	1
· Vehicle Sales	0	0	(147,884)	(147,884)	2
· Renovation Grants repaid	0	0	(1,488)	(1,488)	
· PRTB Sharing agreement	(150,000)	(150,000)	(3,443)	146,557	3
Capital Grants					
· Disabled Facilities Grant	(663,000)	(663,000)	(667,717)	(4,717)	
· Old Town Hall	(33,700)	(33,700)	0	33,700	
· General	(255,700)	(282,700)	(255,724)	26,976	
Capital Contributions					
· Section 106	(716,800)	(56,800)	0	56,800	4
· General	0	0	(1,370)	(1,370)	
<b>Total</b>	<b>(23,697,200)</b>	<b>(4,064,200)</b>	<b>(1,082,626)</b>	<b>2,981,574</b>	

Notes:

1. Receipts for 2013/14 are anticipated to be received from the Lovells agreement (£160,000), general capital receipts (£250,000) and Hostel replacement (£250,000). The asset review sales anticipated to be received have been revised downwards to reflect delays in realising receipts.
2. Included within vehicle sales are receipts of £81,468 for individual vehicle sales that are below the deminimis of £10,000 for capital receipts. These will be transferred to revenue at the year end and will be used to fund the capital programme in line with the capital strategy.
3. PRTB income for the year is received on 28 April following the year-end but is accrued into the relevant year. It should be noted that Riverside Group are currently preparing forecasts for PRTB receipts for 2013/14 and the current payment due to the Council is £238,913 based on 11 sales to date as at 30 September. This position is being monitored regularly and forecast projections for 2013/14 will be provided in a future report to the Executive. The income received to date relates to an adjustment on the 2012/13 receipts received.
4. Contributions from Section 106 agreements to Castle Way scheme (£46,800) and Public Realm S106 (£10,000). Although the monies have been received this will be a year end accounting adjustment. The reductions relate to reprofiling into 2014/15.

## **6. BALANCE SHEET MANAGEMENT**

- 6.1 In line with CIPFA guidance and best practice, information relating to significant capital items on the Council's balance sheet is provided in this section. The information concentrates on those items that may have a material impact on the Council if not reviewed on a regular basis and will ensure that the Council is using its resources effectively and that appropriate governance arrangements are in place around the use of Council assets and liabilities.
- 6.2 Fixed assets are revalued on a five-year rolling programme to ensure that an up to date value is held in the balance sheet. The revaluation programme is the responsibility of Property Services. It should be noted that some expenditure will be incurred during the course of the year which can be correctly classified as capital expenditure, but which will not increase the value of any of the Council's assets. This expenditure is written off to the revaluation reserve or through the Comprehensive Income and Expenditure Account as appropriate.
- 6.3 The value of fixed assets is a significant part of the balance sheet. In the 2012/13 accounts, fixed assets totalled £153million (2011/12 £167million). This represents 91% of the net current assets of the City Council.
- 6.4 Debtors  
This relates to the amount of income due to the Council that has not yet been received. For capital items, this mainly relates to grants and contributions that the Council is able to claim towards funding capital expenditure, and receipts for the Council's share of the PRTB (Preserved Right to Buy) agreement. Generally capital debtors arise due to timing differences where a cut off point occurs (e.g. the financial year-end) and/or expenditure has been incurred in advance of making the grant claim. As at 30 September 2013 debtors of £90,974 (£399,769 at 31 March 2013) were outstanding for capital grants, contributions and receipts. PRTB receipts for 2012/13 were received in April in accordance with the agreement.
- 6.5 Creditors  
This is the amount of money due to be paid by the Council for goods and services received from its external customers and contractors. For capital schemes this also includes retentions i.e. the amount due to the contractor after a specified period (normally one year) following the completion of a project; this time is used to assess and correct any defects outstanding on the scheme. Amounts earmarked for retention as at June 2013 totalled £112,644 (£388,758 at 31 March 2013).

## **7. PERFORMANCE**

- 7.1 The 2013/14 programme has been kept to a level that takes account of the Council's ability to deliver schemes with regard to capacity and available resources. Work is ongoing to continue to monitor the profiling of budgets, and these are adjusted to reflect progress in current capital schemes. It is likely that there will still be a requirement for some carry forwards at the year end due to further slippage and delays on projects.
- 7.2 Senior Management Team will provide strategic overview and monitor the effectiveness of the overall programme of work in delivering the Council's priorities and objectives. Technical project support and quality assurance of business cases and associated project management activities will be managed by a Corporate Programme Board chaired by the Chief Executive. Decisions to proceed or otherwise with proposed projects will be made in the usual way in accordance with the Council decision making framework.
- 7.3 A review of all capital expenditure incurred is ongoing to ensure that the expenditure has been correctly allocated between revenue and capital schemes. This will facilitate the year end classification of assets.

## **8. CONSULTATION**

- 8.1 Consultation to Date  
SMT & JMT have considered the issues raised in this report.
- 8.2 Consultation Proposed  
Resources Overview & Scrutiny Panel will consider the report on 28 November 2013.

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

- 9.1 The Executive is asked to:
- (i) Note and comment on the budgetary position and performance aspects of the capital programme for the period April to September 2013;
  - (ii) Use the information in this report to inform the budget considerations for 2014/15 onwards;
  - (iii) Note the recommendations to Council to approve reprofiling of £710,000 from 2013/14 as detailed in RD56/13 elsewhere on the agenda;
  - (iv) Note the Director of Resources has approved a virement of £18,300 from the vehicle replacement programme to purchase route optimisation software for Waste Services. This is not included in the figures in the report.

- (v) Approve a virement of up to £60,000 from projected underspends on the 2013/14 vehicle replacement programme to fund the one off capital costs of leisure initiatives.

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

- 10.1 The Council's capital programme reflects the current priorities in the Carlisle Plan e.g. Arts Centre and Public Realm work.

**Contact Officer:** Emma Gillespie

**Ext:** 7289

**Appendices** A to E  
**attached to report:**

**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/RISKS:**

**Chief Executive's** – Not applicable

**Community Engagement** – Not applicable

**Economic Development** – Not applicable

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

**Local Environment** – Not applicable

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

Scheme	Original Capital Programme 2013/14 £	Carry Forwards from 2012/13 £	Other Adjustments 2012/13 Outturn £	Other Adjustments £	Proposed Carry Forwards £	Revised Capital Programme 2013/14 £
<b>Current non-recurring commitments</b>						
Public Realm (S106)	330,000	40,000	0		(360,000)	10,000
Clean Up Carlisle	12,000	8,500	0			20,500
	<b>342,000</b>	<b>48,500</b>	<b>0</b>	<b>0</b>	<b>(360,000)</b>	<b>30,500</b>
<b>Recurring commitments</b>						
Asset Review Purchases/Expenditure	6,272,500	0	(6,272,500)	2,712,500		2,712,500
Planned Enhancements to Council Property	300,000	0	0		(50,000)	250,000
Vehicles, Plant & Equipment	259,500	311,000	0			570,500
ICT Shared Service	114,000	108,300	0			222,300
IT Equipment	79,000	0	(76,000)			3,000
	<b>7,025,000</b>	<b>419,300</b>	<b>(6,348,500)</b>	<b>2,712,500</b>	<b>(50,000)</b>	<b>3,758,300</b>
<b>New non-recurring commitments</b>						
Arts Centre	250,000	0	0	(200,000)		50,000
Public Realm Work	100,000	0	0			100,000
Paternoster Row	100,000	0	0			100,000
Harraby School and Community Campus contribution	600,000	0	0			600,000
Customer Contact Centre	0	0	0	40,000		40,000
Employee Payment & Resource Management System	0	0	0	70,000		70,000
Bring Sites Review	0	0	0	227,000		227,000
Purple Sacks Review	0	0	0	69,500		69,500
Empty Property Initiative	0	0	0	305,700		305,700
Cenotaph	0	0	0	67,000		67,000
Old Town Hall Phase 2	0	0	0	62,000		62,000
	<b>1,050,000</b>	<b>0</b>	<b>0</b>	<b>641,200</b>	<b>0</b>	<b>1,691,200</b>
<b>Disabled Facilities Grants</b>						
Private Sector Grants	863,000	0	0			863,000
	<b>863,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>863,000</b>
<b>Continuing Schemes</b>						
Play Area Developments	0	6,200	0			6,200
Old Town Hall	0	298,500	0			298,500
Trinity Church MUGA	0	2,100	0			2,100
Castle Street Public Realm	0	10,000	0			10,000
Female & Families Accommodation	0	608,600	0			608,600
Kingstown Industrial Estate	0	32,900	0			32,900
PCIDSS Capital	0	30,600	0			30,600
Document Image Processing	0	13,500	0			13,500
Connect 2 Cycleway	0	11,700	0			11,700
Castle Way (S106)	0	346,800	0		(300,000)	46,800
	<b>0</b>	<b>1,360,900</b>	<b>0</b>	<b>0</b>	<b>(300,000)</b>	<b>1,060,900</b>
<b>TOTAL</b>	<b>9,280,000</b>	<b>1,828,700</b>	<b>(6,348,500)</b>	<b>3,353,700</b>	<b>(710,000)</b>	<b>7,403,900</b>

**RESOURCES**

Scheme	Annual Budget	Proposed Carry Forwards	Revised Annual Budget	Budget to date	Expenditure to date	Variance to date	Details of major variance
IT Shared Service	225,300	0	225,300	2,262	(3,056)	(5,318)	Part of Shared Service Business Case. Credit received for expenditure charged in 2012/13.
Planned Enhancements to Council Property	300,000	(50,000)	250,000	85,506	39,665	(45,841)	Budget released by Executive 8/4/13 (RD01/13). Slippage of £50,000 into 2014/15 for improvements to Civic Centre.
Town Clocks Invest to Save	0	0	0	0	12,799	12,799	To fit auto-winding and regulation of town clocks. Revenue savings will be generated to repay the capital investment.
Vehicles & Plant	570,500	0	570,500	270,000	261,584	(8,416)	Underspend to date on replacements.
Document Image Processing	13,500	0	13,500	6,754	8,929	2,175	Phased implementation in progress.
PCIDSS Capital	30,600	0	30,600	7,650	3,858	(3,792)	Implementation costs for a new security standard in line with the Payment Card Industry (RD26/12 Executive 6/8/12).
Employee Payment & Resource Management System	70,000	0	70,000	0	0	0	Approved by Executive 7/5/13 (RD07/13).
Asset Management Plan	2,712,500	0	2,712,500	0	1	1	A five year Development and Investment Plan for the City Council's property portfolio with the aim of delivering additional income or reduced costs in the revenue account on a recurring basis. The budgets have been returned to reserves and earmarked for asset purchases to be released back into the programme by Executive when such acquisition opportunities become available.
Cenotaph	67,000	0	67,000	0	0	0	Recommended by Executive (RD34/13) on 30/09/13 to Council for approval on 5/11/13.
<b>Grand Total</b>	<b>3,989,400</b>	<b>(50,000)</b>	<b>3,939,400</b>	<b>372,172</b>	<b>323,780</b>	<b>(48,392)</b>	



COMMUNITY ENGAGEMENT

Scheme	Annual Budget	Proposed Carry Forwards	Revised Annual Budget	Budget to date	Expenditure to date	Variance to date	Details of major variance
Customer Services	40,000	0	40,000	20,012	26,163	6,151	Improvements to Civic Centre reception/foyer area funded from additional revenue income generated. (OD 14/13 26.03.13)
Disabled Facilities Grants	863,000	0	863,000	431,673	277,180	(154,493)	The take up of DFGs has been slower at the start of this financial year compared to other years and the position will be closely monitored to determine whether this will be an ongoing trend.
Housing - Investment in Empty Homes	0	0	0	0	1,000	1,000	Outstanding commitment from previous year schemes.
Empty Properties Initiative	305,700	0	305,700	0	4,980	4,980	Approved by Council 16/07/13 (CD42/13) to allow the provision of loans and grants to be made to owners of empty property and assist in bringing them back into use..
Families Accommodation Replacement	608,600	0	608,600	529,994	527,907	(2,087)	Project complete. Opening day held 15/07/13. Final account awaited.
Trinity Church Multi Use Games Area	2,100	0	2,100	1,050	0	(1,050)	Budget provided to allow replacement of existing seat and grass resurfacing.
Harraby School and Community Campus Contribution	600,000	0	600,000	0	1,394	1,394	Budget released by Executive 11/13/13 (SD02/13). Contribution to project expected to be made December 2013.
Art Centre	50,000	0	50,000	0	0	0	Revised scheme approved by Council (CD47/13 10/09/13)
<b>Grand Total</b>	<b>2,469,400</b>	<b>0</b>	<b>2,469,400</b>	<b>982,729</b>	<b>838,624</b>	<b>(144,105)</b>	

LOCAL ENVIRONMENT

Scheme	Annual Budget	Proposed Carry Forwards	Revised Annual Budget	Budget to date	Expenditure to date	Variance to date	Details of major variance
Play Areas	6,200	0	6,200	3,103	0	(3,103)	Budget provided for additional furniture/equipment at St James Park and Richmond Green play areas.
Chances Park	0	0	0	0	(1,000)	(1,000)	Retention less than expected.
Kingstown Industrial Estate Roads	32,900	0	32,900	0	0	0	To complete refurbishment of Kingstown Broadway North carriageway to 10 year design life including additional works to a number of access crossings.
Castle Street Public Realm Improvements	10,000	0	10,000	5,002	1,052	(3,950)	To complete scheduled works carried over from 2012/13.
Connect 2 Cycleway	11,700	0	11,700	5,854	0	(5,854)	To ensure works required to ensure adoption of the cycleway can be completed.
Clean Up Carlisle	20,500	0	20,500	4,252	0	(4,252)	Approved by Council 17/07/12 (LE22/12). Budget required to ensure the 2 year Clean Up Carlisle Campaign can be completed and full benefits received.
Public Realm (S106)	370,000	(360,000)	10,000	0	350	350	Approved by Executive 3/9/12 (RD34/12). Funded by Section 106 monies. Slippage into 2014/15.
Castle Way (S106)	346,800	(300,000)	46,800	0	55	55	Approved by Executive 11/4/12 (RD01/12). Funded by Section 106 monies. Slippage into 2014/15.
Bring Sites Review	227,000	0	227,000	0	0	0	Approved by Council 16/07/13 (LE21/13) to purchase vehicle and equipment required to provide an in-house service. Use of capital receipts will be repaid from revenue savings.
Purple Sacks Review	69,500	0	69,500	0	0	0	Approved by Council 10/09/13 (LE28/13) to purchase additional wheeled bins and gull sacks.
<b>Grand Total</b>	<b>1,094,600</b>	<b>(660,000)</b>	<b>434,600</b>	<b>18,211</b>	<b>457</b>	<b>(17,754)</b>	

**ECONOMIC DEVELOPMENT**

Scheme	Annual Budget	Proposed Carry Forwards	Revised Annual Budget	Budget to date	Expenditure to date	Variance to date	Details of major variance
Public Realm Work	100,000	0	100,000	0	0	0	Budget still to be released by Executive.
Old Town Hall - Strategic TIC	298,500	0	298,500	298,500	300,879	2,379	Revised project approved by Council 13/11/12. There is potential for an overspend on this project due to the funding partner changing their mind about supporting additional work agreed over the original tender amount.
Old Town Hall Phase 2	62,000	0	62,000	0	0	0	Recommended by Executive (ED27/13) on 30/09/13 to Council for approval on 5/11/13.
Paternoster Row	100,000	0	100,000	0	0	0	Approved by Executive 17/12/12 (ED37/12).
EA Central Plaza	0	0	0	0	452	452	Implementation on an Urgent Works Notice under Section 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990 to be funded from the Conservation Fund approved by Executive 30.08.11 (ED29/11)
<b>Grand Total</b>	<b>560,500</b>	<b>0</b>	<b>560,500</b>	<b>298,500</b>	<b>301,331</b>	<b>2,831</b>	



# Resources Overview and Scrutiny Panel

Agenda  
Item:

**A.6**

Meeting Date: 28th November 2013  
Portfolio: Finance, Governance and Resources  
Key Decision:  
Within Policy and Budget Framework  
Public / Private Public

Title: CORPORATE PROGRAMME BOARD  
Report of: Chief Executive  
Report Number: CE 14/13

## Purpose / Summary:

The Corporate Programme Board ensures that there are effective governance arrangements in place for the projects that the Council undertakes.  
This report provides an update of projects currently being undertaken.

## Recommendations:

The Panel is asked to

- i) Note and comment on the most recent summary of projects and governance arrangements in place as contained within Appendix A and also the actions being taken to support projects with issues.

## Tracking

Executive:	-
Overview and Scrutiny:	<b>Resources 28<sup>th</sup> November 2013</b>
Council:	-

## **1. BACKGROUND**

- 1.1** The Corporate Programme Board has an advisory and high level monitoring role in relation to the projects delivered by Carlisle City Council.  
As requested by the Panel, a progress update on projects has been provided by the Corporate Programme Board.

## **2. PROPOSALS**

### **2.1 Projects dossier / status**

A summary of the dossier of projects is detailed in Appendix A.

This dossier contains a summary of current project status. The majority of Council projects are progressing to schedule. Those that have issues are shown with a rating of amber for some issues and red for major issues. A summary of action that is being taken is also provided.

The key activities in the last quarter are:

1. Civic Centre Foyer Redesign is now complete.
2. The Dalton Avenue contract with Riverside has been agreed and is ready for formal sign off.
3. Planning permission has been granted for the gypsy and traveller transit site. A timetable is in place with Homespace for delivery of the site, as per their contract.

The appendix shows the governance arrangements in place for the listed projects.

## **3. CONSULTATION**

Corporate Programme Board meeting 23<sup>rd</sup> October 2013.

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

##### **4.1 The Panel is asked to**

- (i) Note the most recent summary of projects, as contained within Appendix A and the actions being taken to progress projects with issues.

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

##### **5.1 The Corporate Programme Board works to ensure quality assurance, alignment to key objectives and sound risk management in the delivery of the Carlisle Plan.**

**Contact Officer: Sarah Mason**

**Ext: 7053**

**Appendices  
attached to report:**

**Appendix A: Dossier of Projects October/November 2013**

**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/RISKS:**

- **None**

Appendix A Dossier of Projects - Status - October / November 2013						
	Project / Initiative Name	Project description	Directorate	Recent project activity	Status	Project Governance
			<b>Key to Status</b> Red Overdue; Significant issues Amber Some issues Green On schedule; In progress			
1	<b>Local Plan (including City Centre Master Plan)</b>	<p>The new Local Plan (LP) is being produced in accordance with guidance introduced in the National Planning Policy Framework in 2012. It replaces the portfolio of documents that were to be produced under the Local Development Framework system with one, single development plan document containing strategic policies, general development management policies, site allocations and the proposals map.</p> <p>To include Employment Land Review to identify and agree strategic employment sites. To ensure that sufficient land is identified to provide for the housing needs of the area.</p> <p>To develop a revised City Centre Master Plan which will form part of the LP. Identifying opportunities for the development of sites for office, leisure and retail accommodation</p>	Economic Development	<p>16/10/2013: Consultation was undertaken 29 July to 16 September 2013. Exploratory Compliance Meeting with Planning Inspector 17 September 2013. Initial consultation feedback of issues raised to LP Members Working Group 10 October 2013.</p> <p>Following the public consultation on the LP (preferred options) and a compliance meeting with an inspector, it is recommended to insert an additional stage of consultation in the LP programme and thereby reduce the risk of any future challenge to the process of the LP being prepared. This would delay the programme by approximately six months. It is anticipated that a report outlining the additional stage of consultation would reach Full Council on 4th March with a period of consultation to commence thereafter.</p>		<p>Local Plan Member Working Group.</p> <p>Full Council 16th July 2013.</p> <p>Detailed project plan.</p>
2	<b>Promoting Carlisle</b>	Includes projects Discover Carlisle / Sense of Place / Carlisle Prospectus	Economic Development	10/10/2013: The Carlisle Prospectus is being developed implementing the Carlisle Story. A brief has been submitted to the designer.		JMT Sense of Place presentation 23rd May 2013.
3	<b>Public realm improvements</b>	Develop and deliver a programme of public realm improvements in key areas of the City: 3 main work packages - Signage and interpretation, Botchergate and Rickergate	Economic Development	<p>10/10/2013: The first set of designs for street signage for winter lighting scheme will be used to display / identify business sponsorship.</p> <p>Gateway signage and interpretative signage in the City Centre at key entry points are being progressed.</p> <p>Business Case for set of public realm improvement projects is being developed. Partnership working with County Council will be key with these projects.</p>		
4	<b>Old Town Hall Phase 1</b>	This project will help secure the fabric of the building in the short to medium term, and enhanced repairs and work to the interior parts of the building. The total cost of the project is £490,200, consisting of City Council and LABGI funding and grant from English Heritage. Project completion to be by 14th June 2013.	Economic Development	08/10/2013: TIC relocated and reopened from the Old Town Hall on the agreed date of 1st July 2013. Successful TIC opening event held on 17th July 2013. Final account agreed with the Main Contractor. Potential overspend of £16,441 due to a notified reduction in grant offer of £17,848 by English Heritage. Notification received on 25th June 2013 when the works were substantially complete thereby preventing the introduction of cost reduction measures. Notified reduction in grant offer by English Heritage due to a 'change of policy' reflected in the projected overspend. Increase in budget will be required to cover any shortfall in English Heritage grant offer. The City Council still needs to make a decision on how it responds to English Heritages notified grant reduction.		Business Case and PID.
5	<b>Old Town Hall Phase 2</b>	Develop options to refurbish and modernise the Tourist Information Centre	Economic Development	Inception meeting 11th July . Draft business case and PID prepared. Reprofiting expenditure.		Business Case and PID. Executive approval 30/09/2013.
6	<b>Economic Development Transformation 2013/14</b>	Restructure Grant reductions O/T reduction	Economic Development	Currently in the process of readvertising the Investment and Policy Manager post. Interim post to remain in place.		Transformation Board



Appendix A Dossier of Projects - Status - October / November 2013						
	Project / Initiative Name	Project description	Directorate	Recent project activity	Status	Project Governance
7	<b>Economic Development Transformation 2014/5</b>	Parish Council and village hall grant reduction Access Officer review Tourism review Business and employment support and redevelopment TIC stock review	Economic Development	Transformational savings have been identified and plans are being developed to deliver them.		
8	<b>Arts Centre</b>	Work with partners to select a suitable site or property. Develop governance, operational and business plans. Continue to support the development of the Arts Centre through a 3 year programme of development works.	Deputy Chief Executive's Team	08/10/2013: Budget approved by Full Council on 10th Sept. North West Construction Hub procurement process was used (first time for City Council). Due to lack of response to Expressions of Interest (1 out of 9), now utilising Chest procurement (due back November) with no impact on timescale. Emerging pilot projects up to March 2014 before close down and refurbishment to gauge interest in using the Arts Centre. Managing reputation is a risk during the pilot programme. A proforma / risk assessment for each user or potential user is being used to mitigate the risk.		Executive 1st July 2013. COSP 11th July. Full Council 10th September. Initial outline Business Case to PAG. Project plan.
9	<b>Housing Strategy - Delivery of the Affordable Housing Programme including DALTON AVENUE</b>	The Affordable Homes Programme should deliver at least 109 affordable homes at various sites throughout the city by 2015 .	Economic Development	14/11/2013: Dalton Avenue - the legalities between partners have been agreed and formal sign off will be completed in November. Legal contracts have been prepared by the Council's legal team. A decision on the planning application (submitted 23 July) will be made by end of November.		Full Council approval / report of Housing Strategy 6th March 2012. Project Brief.
10	<b>Housing Strategy - Empty Homes</b>	Bringing empty homes back into use. There are 2 funding schemes - Cluster of Empty Properties initiative has a target of 45 empty properties to be returned back to occupation by April 2014. The City Council is the accountable body. The YMCA making homes programme has a target of 45 to be delivered by December 2014. The YMCA is the accountable body and the City Council offers technical support and referrals.	Economic Development	28/10/2013: 1. The Cluster of Empty Homes Scheme has approved 15 grants having committed £75k of grant. 30 live applications are being progressed by clients. New enquiries continue to be inspected. 2. Progress with the YMCA making homes programme remains slow. Although 15 schedules of work have not yet been produced YMCA is confident that a number of approvals will be issued this quarter. Meetings are currently being held with YMCA to discuss progress and future outcomes.		Full Council approval / report of Housing Strategy 6th March 2012. Project Brief.
11	<b>Housing Strategy - Gypsy and Traveller transit site</b>	The design, development and implementation of a seven pitch site for transit provision for the Gypsy and Traveller community.	Economic Development	22/10/2013: Planning permission for the transit site has been granted. As per the contract, Homespace now have eight weeks to deliver the hard standing. A staged timetable is in place for the remaining development.		Full Council approval / report of Housing Strategy 6th March 2012. Project Brief.

Appendix A Dossier of Projects - Status - October / November 2013						
	Project / Initiative Name	Project description	Directorate	Recent project activity	Status	Project Governance
12	<b>Homelife HIA</b>	A Home Improvement Agency provided by Carlisle City Council. Set up of services to keep people at home and to aid hospital discharge. A partnership model. Funding for the project is external.	Economic Development	16/10/2013: Helped 73 clients including 35 home visits. Delivered work under the Electrical Safety Council Grant funding. Delivered work under the Sanctuary Scheme for victims of domestic and sexual violence. Delivered work under the Keep Safe scheme for victims of anti-social behaviour. Recruited 5 volunteers with a further 11 volunteers in process under the Community Neighbour programme. Recruited Housing Caseworker. Advertised for a Customer Services Apprentice. Installed HIA Case manager software for case workflow management. Selected SIG Energy as Carlisle's ECO provider, potentially leading to an investment of £5m of affordable warmth and energy efficiency measures. Appointed a Graphic Designer to develop the marketing of the HIA. Difficulties experienced in initiating the marketing of our managed repair services due to gaining agreement on a code of conduct that we can use with our contractors. There is a need to reduce the set up time for services as this puts pressure on the working capital and delays the establishment of income streams.		Business Case
13	<b>Civic Centre Foyer Redesign</b>	To develop and expand existing reception facilities to assist customers in dealing with demands of Welfare Reform changes. To develop a multi working space for supporting agencies at one point of contact.	Chief Executive's Team	09/10/2013: The foyer is now operational and has been refurbished to the required standard. The doors and appropriate heating have been ordered and due delivery. This project is now closed.		SMT
14	<b>Automating Services</b>	Project aims to migrate services from transactional written, telephony and face-to-face contact towards electronic means. Phase 1 has focussed on Council Tax including e-billing. Phase 2 will focus on Environmental Health, smarter use of social media and taking self serve out to community venues.	Chief Executive's Team	09/10/2013: A report was presented to SMT on 1st October outlining the progress so far within this project and recommending longer term aims for the project. The project manager is meeting with each Directorate DMT over the next two weeks. A project plan will then be developed based around demand and key priorities within each directorate. Software will be utilised to build a front end interactive website, whilst a programme of work is carried out to "clean up" existing pages. Funding for a development officer has been authorised for the next 3 years to support the project manager on this project and other corporate priorities.		PID
15	<b>Sports Activation Fund</b>	This is a 3 year funded project to deliver a range of sports activities to Carlisle's most deprived communities. The total cost of the project is £275k and includes contributions from partners and a grant of £183k from Sports England. Carlisle City Council will manage the project and the service will be delivered by a partner appointed via a procurement process.	Deputy Chief Executive's Team	07/11/2013: A new Asian men's football session has started. This is the first phase of the project to provide sports and physical activities for Asian men and people that may not want to join a sports club but want to take part in sport in a social setting. The Activate young people clubs are going well.		Business Case
16	<b>Hostel Review</b>	Review of the current hostel provision.	Economic Development	07/11/2013: Draft outline proposals are in development. Joint work with Impact Housing Association at John St Hostel is ongoing to ensure seamless service provision. The review has been delayed to ensure proper focus and scoping. An external report on homelessness received late September 2013 concluded that Carlisle operates a good, well run high performing homeless service.		

Appendix A Dossier of Projects - Status - October / November 2013						
	Project / Initiative Name	Project description	Directorate	Recent project activity	Status	Project Governance
17	<b>Sports Strategy and delivery plan</b>	Carlisle City Council's vision for sport and how it will be delivered by partners. Sets out priorities and targets for sport development and participation. Projects to be delivered include sport and leisure facilities at Harraby, pool provision and additional sports hall and Sports Activation Fund.	Deputy Chief Executive's Team	19/10/2013: The Sport and Physical Activity strategy is being delivered. This includes priority Sports such as Athletics, rounders, tennis, football, cycling, swimming and Badminton (but this list is not exhaustive). The sports facility strategy is in final draft stage as is the playing pitch strategy. Both documents feed into the overarching sport and Physical Activity Strategy. Key successes of the strategy include projects to be delivered by British cycling for the skyride local scheme, £183 000 from sport England to deliver the sports activation fund (see no. 15) and £3000 from England rounders to develop rounders as a sport for adults to participate in. The delivery of activities with this funding works hand in hand with the development of a facility strategy to ensure Carlisle has fit for purpose facilities that have a thought through rational that are part of a city wide partnership strategic approach. The Facility strategy and playing pitch strategy are going through the process of being presented to Executive so a clear direction can be agreed and the documents can be agreed as council policy.		Report to Executive Nov 2013. Then consultation.
18	<b>Harraby Campus Development</b>	Support the delivery of key sport and leisure facilities via Harraby School and Community Project.	Deputy Chief Executive's Team	The agreement between the two Councils was signed 11th July.		Report to Executive 11th Mar 2013.
19	<b>Clean up Carlisle</b>	3 themes with 2 years of funding: - Education - Enforcement - Enhanced Clean Up	Local Environment	23/10/2013: Since 1st April there has been 14 prosecutions and 76 fixed penalty notices. The team is currently focussing on dog fouling at different locations around Carlisle including Harraby, Brampton and Currock.		Executive reports 17th Feb and 2nd July 2012. Full Council 23rd Feb and 17th July 2012.
20	<b>Historic Quarter - Castle St Public Realm Improvements</b>	Enhancements to the Historic Core of the City with particular emphasis on Castle Street: - Restricted zone for traffic - Pedestrianising and stone paving using traditional materials	Local Environment	09/10/2013: Slight amendments to the draft traffic order to ensure accuracy, following discussions with the County Council. The City Council will now carry out the consultation once the draft is completed. Formal objections will be considered by the Highways and Transport Working Group on 16th December with formal approval by the Local Committee on 23rd January. Priority on workload within City Engineers team for submission to working group on 16th December.		Business Case
21	<b>Local Environment Transformation 2014/15</b>	Play Areas Review Bereavement Services Review Bring Sites Review	Local Environment	Bring Sites – Review is now complete and in house service is set to commence April 2014. Bereavement Services – Redrafting of non statutory paperwork and review of administrative procedures are underway. Play Areas – Report has been to Community O&S and Executive 28th October. Analysis of the data is complete for all play areas and Executive approved approach to adopt.		Transformation Board. Bring Sites Executive 5th August. Full Council 10th Sept. Play areas Executive 28th Oct 2013.
22	<b>Kingstown Industrial Estate</b>	To bring roads and pavements at Kingstown Industrial Estate up to an adoptable standard.	Local Environment	Carry forward of £30k (residual budget from road repairs) approved to repair footpaths.		PID

Appendix A Dossier of Projects - Status - October / November 2013						
	Project / Initiative Name	Project description	Directorate	Recent project activity	Status	Project Governance
23	Resources Transformation 2013/14	HR support. Finance and Accountancy. Keepers.	Resources	All complete.		Transformation Board
24	Resources Transformation 2014/15	Financial Services restructure Closure of stores ICT Savings	Resources			
25	Public Realm Caldewgate	Section 106 money from Sainsbury's to improve hard landscaping in Caldewgate.	Resources	Project design to be progressed following outcomes of other public realm work and Sense of Place.		
26	Financial services and HR projects	- Implementation of phased Electronic Document Management System (EDMS) - Conversion from Trent 6 to iTrent	Resources	17/10/2013: <b>EDMS</b> - Training has been carried out by some Service Support Team staff. Back scanning of creditors is now complete and indexing is continuing. <b>iTrent</b> - Software has been procured through government framework agreement. Initial training of iTrent is complete. The system should be built for testing by end of November.		
27	Digital Information Services projects	Projects include - - Shared Licensing - Civic WiFi Installation - Cash receipting Hosted Service PCIDSS Compliance - Open Source CMS - Business Continuity Planning for IT - Service desk improvement	Resources	No issues		ICT Strategy / light business cases
28	Chief Executive's Team Transformation 2014/15	Review of budgets.	Chief Executive's Team	Non staff savings have been identified.		Transformation Board
29	Governance Transformation 2014/15	Review of Governance Civic Admin post	Governance	Staff review underway.		Transformation Board

# Resources Overview and Scrutiny Panel

Agenda  
Item:  
  
**A.7(a)**

Meeting Date: 28 November 2013  
Portfolio: Finance, Governance and Resources  
Key Decision: No  
Within Policy and Budget Framework: Yes  
Public / Private: Yes

Title: Quarter Two Performance Report 2013/14  
Report of: Policy and Communications Manager  
Report Number: PC 20/13

## Purpose / Summary:

This Performance Report updates the Panel on the Council's service standards that help measure performance and customer satisfaction. It also includes updates on key actions contained within the Carlisle Plan.

Details of each service standard are in the table at Appendix 1. The table illustrates the cumulative year to date figure, a month-by-month breakdown of performance and, where possible, an actual service standard baseline that has been established either locally or nationally. The updates against the actions in the Carlisle Plan follow on from the service standard information in Appendix 2.

## Recommendations:

1. Consider the performance of the City Council presented in the report with a view to seeking continuous improvement in how the Council delivers its priorities.

## Tracking

Executive:	16 December 2013
Overview and Scrutiny:	Community – 19 November 2013 Environment and Economy – 21 November 2013 Resources – 28 November 2013

## **1. BACKGROUND**

Service standards were introduced at the beginning of 2012/13. They provide a standard in service that our customers can expect from the City Council and a standard by which we can be held to account. The measures of the standard of services are based on timeliness, accuracy and quality of the service we provide in areas that have a high impact on our customers.

A new service standard will be introduced from the winter – Customer Satisfaction with Environmental Services. This will be measured from customer feedback from the website and through the Carlisle Focus magazine reader's survey.

Regarding the information on the Carlisle Plan, the intention is to give the Panel a brief overview of the current position without duplicating the more detailed reporting that take place within the Overview and Scrutiny agendas and Portfolio Holder reports.

## **2. CONSULTATION**

The report was reviewed by the Senior Management Team at their meeting on 29 October 2013 and was considered by the Overview and Scrutiny Panels on the following dates:

Community Overview and Scrutiny Panel	14 November 2013
Economy and Environment Overview and Scrutiny Panel	21 November 2013
Resources Overview and Scrutiny Panel	28 November 2013

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

The Panel are asked to comment on the 2<sup>nd</sup> Quarter Performance Report prior to it being presented to Executive.

<b>Contact Officer:</b>	<b>Steven O'Keeffe / Gary Oliver</b>	<b>Ext: 7258 / 7430</b>
<b>Appendices</b>	<b>Appendix 1 – 2013/14 Quarter 2 Service Standards</b>	
<b>attached to report:</b>	<b>Appendix 2 – Carlisle Plan Update</b>	

**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:**  
None



## **CORPORATE IMPLICATIONS/RISKS**

**Chief Executive's** – Responsible for monitoring and reporting on service standards, customer satisfaction and progress in delivering the Carlisle Plan whilst looking at new ways of gathering and reviewing customer information.

**Community Engagement** – Responsible for managing high level projects and team level service standards on a day-to-day basis.

**Economic Development** – Responsible for managing high level projects and team level service standards on a day-to-day basis.

**Governance** – Responsible for corporate governance and managing team level service standards on a day-to-day basis.

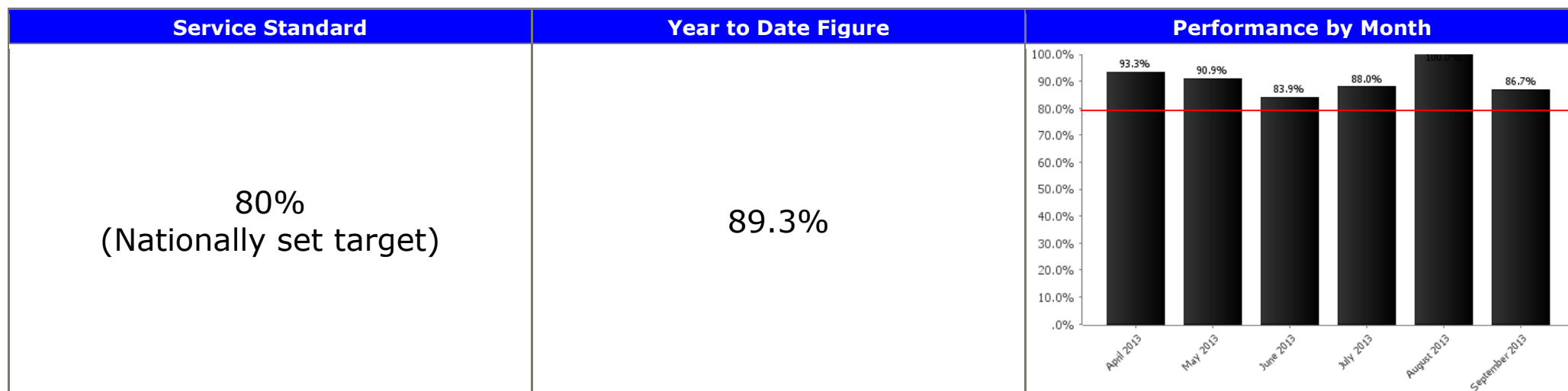
**Local Environment** – Responsible for managing high level projects and team level service standards on a day-to-day basis.

**Resources** – Responsible for managing high level projects team level service standards on a day-to-day basis.

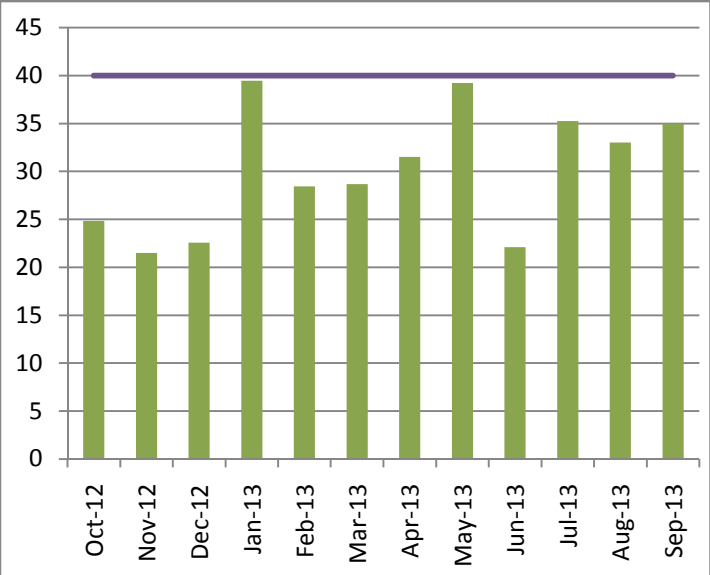


## APPENDIX 1: 2013/14 QUARTER 2 SERVICE STANDARDS

***Service Standard: Percentage of Household Planning Applications processed within eight weeks***



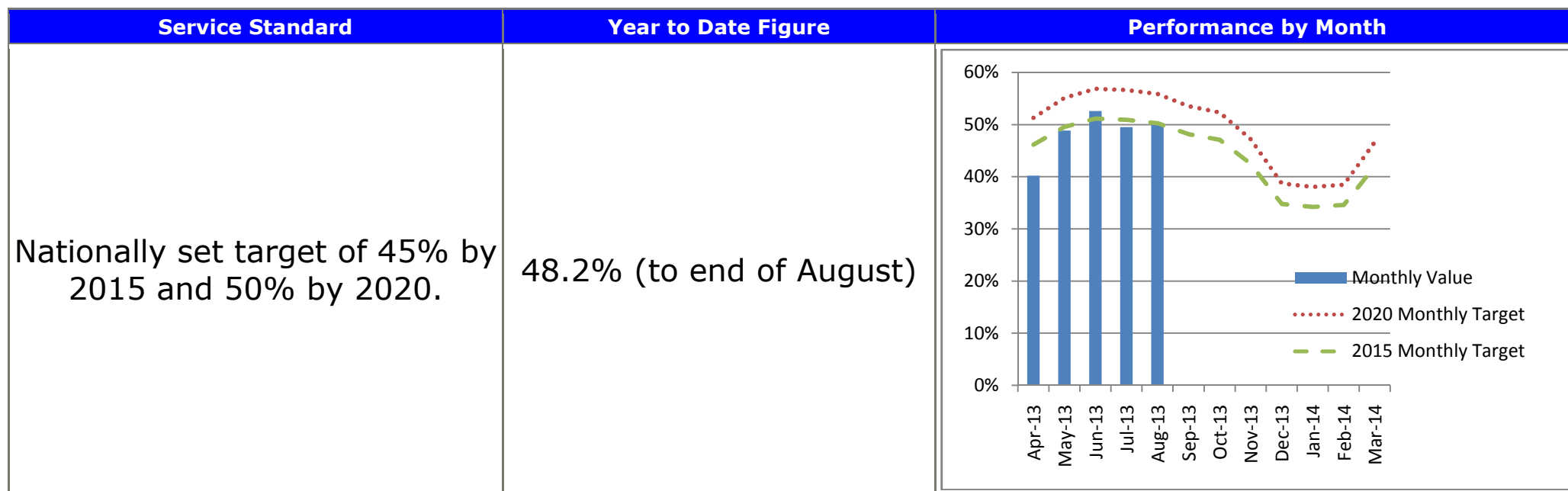
***Service Standard: Number of missed waste or recycling collections***

Service Standard	Year to Date Figure	Performance by Month																										
40 missed collections per 100,000 (Industry Standard)	35 missed per 100,000 (2013/14 mean average)	 <table><thead><tr><th>Month</th><th>Missed Collections per 100,000</th></tr></thead><tbody><tr><td>Oct-12</td><td>25</td></tr><tr><td>Nov-12</td><td>22</td></tr><tr><td>Dec-12</td><td>23</td></tr><tr><td>Jan-13</td><td>39</td></tr><tr><td>Feb-13</td><td>28</td></tr><tr><td>Mar-13</td><td>29</td></tr><tr><td>Apr-13</td><td>32</td></tr><tr><td>May-13</td><td>39</td></tr><tr><td>Jun-13</td><td>22</td></tr><tr><td>Jul-13</td><td>35</td></tr><tr><td>Aug-13</td><td>33</td></tr><tr><td>Sep-13</td><td>35</td></tr></tbody></table>	Month	Missed Collections per 100,000	Oct-12	25	Nov-12	22	Dec-12	23	Jan-13	39	Feb-13	28	Mar-13	29	Apr-13	32	May-13	39	Jun-13	22	Jul-13	35	Aug-13	33	Sep-13	35
Month	Missed Collections per 100,000																											
Oct-12	25																											
Nov-12	22																											
Dec-12	23																											
Jan-13	39																											
Feb-13	28																											
Mar-13	29																											
Apr-13	32																											
May-13	39																											
Jun-13	22																											
Jul-13	35																											
Aug-13	33																											
Sep-13	35																											

This service standard was previously measured as a percentage of all collections made whereas the industry standard is measured per 100,000 collections. To allow an easier comparison to be made with the industry standard and for benchmarking purposes the standard is now measured in the same format as the target.

On average there are approximately 0.4 million collections made every month.

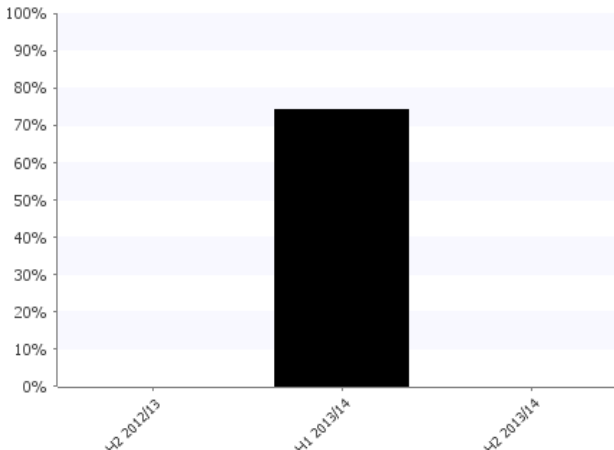
## Service Standard: Percentage of household waste sent for recycling



The graph above shows what the monthly target would be in order to achieve the EU 2015 target of 45% and the 2020 target of 50%. The monthly target changes to reflect seasonal variations of recycling rates; particularly garden waste tonnages. Work will be done to calculate the annual targets over the next six years in order to achieve a 50% recycling rate by 2020. The regional targets are also due to be reviewed in the winter of 2013/14.

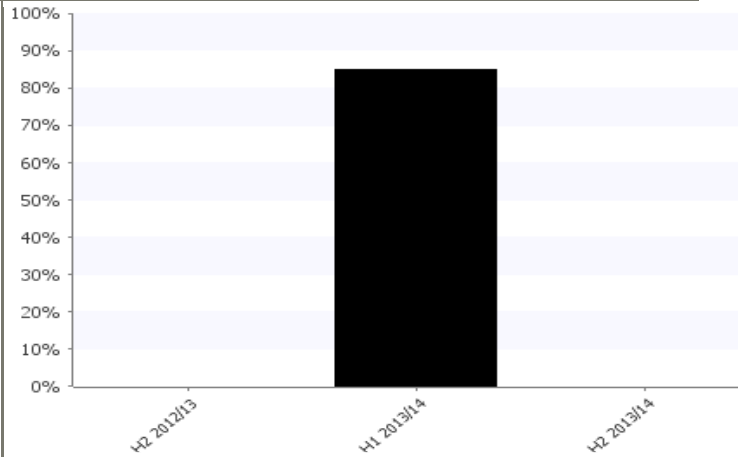
In reference to the 2013/14 performance, dry recycling (kerbside, bring site and third party) figures are down while bulky waste is up. Analysis has shown that the reduction is mainly in paper and cans (both part of the green box scheme). Figures for plastic, card and glass are similar to last year. The most obvious reason for the downturn in paper is due to more people using paperless systems.

***Service Standard: Customer satisfaction with street cleanliness***

Service Standard	Year to Date Figure	Performance to date								
There is currently no national standard for satisfaction with street cleanliness.	74%	 <table><tr><th>Period</th><th>Performance (%)</th></tr><tr><td>H2 2012/13</td><td>0%</td></tr><tr><td>H1 2013/14</td><td>74%</td></tr><tr><td>H2 2013/14</td><td>0%</td></tr></table>	Period	Performance (%)	H2 2012/13	0%	H1 2013/14	74%	H2 2013/14	0%
Period	Performance (%)									
H2 2012/13	0%									
H1 2013/14	74%									
H2 2013/14	0%									

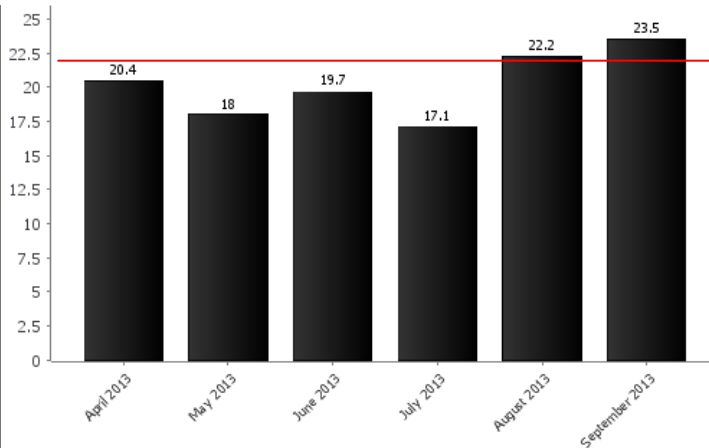
Based on 960 responses in the Carlisle Focus Readers’ Survey and an online survey.

**Service Standard: Customer satisfaction with waste services**

Service Standard	Year to Date Figure	Performance to date								
There is currently no national standard for satisfaction with waste services.	85%	 <table><tr><th>Period</th><th>Performance (%)</th></tr><tr><td>H2 2012/13</td><td>0%</td></tr><tr><td>H1 2013/14</td><td>85%</td></tr><tr><td>H2 2013/14</td><td>0%</td></tr></table>	Period	Performance (%)	H2 2012/13	0%	H1 2013/14	85%	H2 2013/14	0%
Period	Performance (%)									
H2 2012/13	0%									
H1 2013/14	85%									
H2 2013/14	0%									

Based on 1010 responses in the Carlisle Focus Readers’ Survey and an online survey.

## Service Standard: Average number of days to process new benefits claims

Service Standard	Year to Date Figure (Average)	Performance by Month														
All new claims should be processed within 22 days	19.9 days	 <table><thead><tr><th>Month</th><th>Average Days</th></tr></thead><tbody><tr><td>April 2013</td><td>20.4</td></tr><tr><td>May 2013</td><td>18</td></tr><tr><td>June 2013</td><td>19.7</td></tr><tr><td>July 2013</td><td>17.1</td></tr><tr><td>August 2013</td><td>22.2</td></tr><tr><td>September 2013</td><td>23.5</td></tr></tbody></table>	Month	Average Days	April 2013	20.4	May 2013	18	June 2013	19.7	July 2013	17.1	August 2013	22.2	September 2013	23.5
Month	Average Days															
April 2013	20.4															
May 2013	18															
June 2013	19.7															
July 2013	17.1															
August 2013	22.2															
September 2013	23.5															

This standard was previously measured in 2012/13 as the proportion of new claims that were processed within 28 days. This was a specific measure defined locally and consequently did not enable us to easily benchmark with other authorities. As a result we have now adopted the industry standard way of measuring the performance of this service. The Department for Work and Pensions (DWP) ranks authorities into quartiles and Carlisle's target is to not fall lower than the 2<sup>nd</sup> quartile.

Below shows the quartile ranges based on 2012/13 data. Carlisle's performance from April to September of 19.9 days would put us in the 2<sup>nd</sup> quartile. The slight deterioration in performance during the 2<sup>nd</sup> quarter is due mainly to annual leave.

DWP official figures for 2012/3:

- 6–18 days – Top Quartile
- 18-22 days – 2<sup>nd</sup> Quartile
- 22-28 days – 3<sup>rd</sup> Quartile
- >28 days – Bottom Quartile

## **Appendix 2: Carlisle Plan Update**

**PRIORITY – We will support the growth of more high quality and sustainable business and employment opportunities**

The Council's Key Decisions will support business growth, with its services being viewed as 'business friendly' through working more closely with them to meet business' needs.

The public consultation on developing the Local Plan (LP) ended on 16 September. An exploratory Compliance Meeting with the planning inspector took place the following day. Initial consultation feedback of issues was raised to the LP Members Working Group on 10 October 2013. Following this it is recommended to insert an additional stage of consultation in the LP programme and thereby reduce the risk of any future challenge to the process of the LP being prepared. This would delay the programme by approximately six months. It is anticipated that a report outlining the additional stage of consultation would reach Full Council on 4 March 2014 with a period of consultation to commence thereafter (update 10 Oct 2013).

A Prospectus for Carlisle has been commissioned with the content currently being developed. This document will reflect the positive messages from the Carlisle Story. The first draft was due by the end of October 2013.

**PRIORITY - We will develop vibrant sports, arts and cultural facilities, showcasing the City of Carlisle**

This priority supports tourism, the arts and creative industries. It is recognised that arts and leisure are important in making Carlisle a great place to work, live and visit. Developing public realm improvements is a key piece of work under this priority. This involves the City and County councils working together.

The first set of designs for street signage has been received and will be used to display / identify business sponsorship for the winter lighting scheme. Gateway signage and interpretative signage in the City Centre at key entry points is also being progressed (update 8 Oct 2013).

The Tourist Information Centre (TIC) relocated and reopened within the Old Town Hall on the agreed date of 1<sup>st</sup> July 2013. The work was overspent by £16k due to a notified reduction in grant offer of £18k by English Heritage. This notification was received on 25<sup>th</sup> June 2013 when the works were substantially complete thereby preventing the introduction of any cost reduction measures.

An inception meeting for phase 2 was held on 11<sup>th</sup> July 2013. A draft business case and Project Initiation Document (PID) have been prepared with the tender process already underway. Implementation will take place during 2014/15 with the work focussing on the interior of the building and providing a more modern and enhanced tourist information facility.

The budget for the Arts Centre was approved by Full Council on 10<sup>th</sup> September 2013. There has been a delay in the procurement process but this is not anticipated to impact on the timescale for the project. A pilot arts programme will run until May 2014 before close down for refurbishment. Managing reputation has been identified as a risk during the pilot programme. To mitigate this risk a pro forma / risk assessment has been designed for each user. A user-satisfaction stream is also being developed.



Other activity regarding this priority includes organised projects for young people in Harraby, Longtown, Brampton, Castle ward, Belah and Morton. These activities will engage young people aged 14-19 and take place in the evening to offer positive activities and the chance to participate in sport. This will be an initial engagement period to launch the schemes during the summer holidays. Disability sessions have also been organised at the Sands Centre and James Rennie School.

The Sport and Physical Activity Strategy is now finalised. The delivery plan has also been finalised to include elements of the 'facility needs assessment' and the 'playing pitch needs assessment'. All projects are aligned to meet the headlines of the Sport and Physical Activity Strategy and projects are being set up and monitored accordingly.

Harraby campus work is progressing well after agreement being signed between the two Councils on 11<sup>th</sup> July 2013. A business plan is being written with the Harraby sports group to include sports development to drive the business.

Tenders were received to build the cycleway ramp at Willowholme on 2<sup>nd</sup> August 2013. All came in over budget. After a value engineering exercise, the lowest tender was still circa £35k over the construction budget of £330k. A new project will be developed in line with the aims and objectives of the s106 funding. Options will be taken through the normal decision making process (update 10 Oct 2013).

**PRIORITY - We will work more effectively with partners to achieve the City Council's priorities**

The City Council wants to establish Carlisle as a nationally recognised sub-regional capital by becoming an effective partner in the key areas of housing and economic growth.

The Home Improvement Agency (HIA) has helped 73 clients to date including 35 home visits. Work has been delivered under the Electrical Safety Council Grant funding, the Sanctuary Scheme for victims of domestic and sexual violence, and the Keep Safe scheme for victims of anti-social behaviour.

Five volunteers have been recruited with a further eleven volunteers in process under the Community Neighbour programme. Other staff resource issues include the recruitment of a Housing Caseworker, while the position for a Customer Services Apprentice has been advertised. A Graphic Designer has been appointed to develop the marketing of the HIA.

There have been difficulties in initiating the marketing of the managed repair services due to the delay in gaining agreement on a code of conduct with contractors (update 6 Oct 2013).

A HIA case manager software system for case workflow management has been installed and SIG Energy has been selected as Carlisle's ECO provider, potentially leading to an investment of £5m of affordable warmth and energy efficiency measures.

**PRIORITY - We will work with partners to develop a skilled and prosperous workforce, fit for the future**

The City Council continues to work closely in partnership both locally and regionally.

The City Council continues to work closely with partners through the Carlisle Economic Partnership (CEP). Part of the CEP action plan of key priorities sets out actions to address skills gaps by identifying skills needs for growth and encouraging provision which meets those needs. One of the outputs for this priority is to hold a careers event where young people can meet representatives of local businesses.

The City Council has worked in partnership to establish a Business Interaction Centre (BIC) at Paternoster Row which opened for business in August 2013. University of Cumbria Business School are based there and activity is about stimulating enterprise. Small businesses are already renting space and there is a waiting list for hot desk spaces.

The Edge initiative is being delivered as part of the Carlisle Growth Hub. This project is a collaboration of Cumbrian Colleges, the University of Cumbria and training providers. It is a Skills Support for the Workforce Project funded by European Social Fund and co-financed by the Skills Funding Agency. This was delivered through the CEP as key priority 1, action 1 for business. There are additional actions within this priority which will continue to engage partners in exploring options for funding or opportunities to support business growth. For example, the City Council is supporting the Knowledge Transfer Project which will help maximise the potential of 'e'-commerce by supporting local retailers (SMEs) and especially independents to make use of the internet to promote and grow their business. This two year project will support businesses to develop specific products together with experts from the University of Cumbria with the aim of maximising the use of proposed City Centre WiFi, using apps, for example, to support the local economy.

## **PRIORITY - Together we will make Carlisle clean and tidy**

The City Council recognises the shared responsibility between it and the community and is committed to a pro-active approach to making Carlisle a place that its residents can be proud of.

### **Clean up Carlisle**

An update from the Enforcement and Education Team is provided on the next page. Presentations have also been given to 1200 junior school children and an anti-litter project has been carried out with 230 Year 7 students.

A new tactic of 'bagging and flagging' dog waste has been used to draw attention to the problem in specific areas such as Hammond's Pond. As the small flags draw attention to the dog waste, owners are more likely to clear up after their dog.

A new batch of 30 litter bins has been delivered with built-in ashtray to catch smoking-related litter. These will replace existing bins as they become unserviceable.

### **Public Realm Improvements – Castle Street / Historic Quarter**

Slight amendments have been made to the draft traffic order to ensure accuracy, following discussions with the County Council. The City Council will now carry out the consultation once the draft is completed. Formal objections will be considered by the Highways and Transport Working Group on 16th December with formal approval by the Local Committee on 23rd January 2014 (update 9 Oct 2013).

**Enforcement Update 2013/14 to end of September**

<b>Enforcement Area</b>	<b>Year to Date</b>
<b>Dog Fouling</b>	
No. of Dog Fouling Complaints received	<b>281</b>
No. of Dog Fouling Fixed Penalties Issued	<b>22</b>
No. of Dog Fouling Prosecutions	<b>8</b>
No. of Fixed Penalties Issued for failing to keep a dog on a lead	<b>7</b>
No. of Prosecutions for failing to keep a dog on a lead	<b>3</b>
<b>Fly Tipping</b>	
No. of Fly Tipping Complaints received	<b>174</b>
No. of Fly Tipping Prosecutions	<b>1</b>
<b>Litter</b>	
No. of Littering Fixed Penalties Issued	<b>31</b>
Warning letters issued to Juveniles	<b>5</b>
No. of Littering Prosecutions	<b>1</b>
<b>Fly Posting</b>	
No. of Warnings delivered for Fly Posting	<b>7</b>
No. of Fixed Penalties Issued	<b>8</b>
<b>Waste Receptacles</b>	
No. of Waste Receptacle Complaints received	<b>54</b>
No. of Fixed Penalties Issued	<b>8</b>
No. of Waste Receptacle Prosecutions	<b>1</b>

There are also prosecutions pending for the following:

Fly Tipping/Duty of Care x 1

Dog Fouling x 1

Dogs off lead x 4

Litter x 3

Waste Receptacles x 1

**PRIORITY - We will address Carlisle's current and future housing needs**

The City Council recognises the need to provide several hundred homes per year to support economic growth. It is committed to planning for this future housing need by working with key partners to ensure that these plans deliver high quality homes that are affordable, energy efficient and sustainable. The Council's Housing Strategy is key to this priority. Under this strategy are several programmes focusing on certain areas.

**Delivery of the Affordable Housing Programme:**

Riverside has reached agreement with Lovell to deliver and manage 37 affordable homes in the Raffles area at Dalton Avenue. A planning application was submitted on 23rd July 2013 for these properties; 23 two-bed homes, 6 three-bed homes, 4 four-bed homes and 4 two-bed bungalows. An early timetable anticipates that contracts will be exchanged by November 2013, with a start on site by February 2014. The programme has a tight timeframe of completion by 31<sup>st</sup> March 2015 in order to meet the stipulation of the Homes and Communities Agency (HCA) funding.

**Empty Homes:**

The Cluster of Empty Homes Scheme has approved 13 grants (target is 45) having committed £64,579 of grant.

Twenty six live applications are being progressed by clients, while new enquiries continue to be inspected (update 14 Oct 2013).

By the end of September 2013 the YMCA were due to have delivered 20 units (four have been delivered, another ten are in progress). The overall target is to deliver 45 units by the end of December 2014 (i.e. five per quarter). A meeting with Carlisle YMCA will be held during October to discuss ensuring that targets are reached. The impact of a loss of funds by the YMCA (funded by Tribal) to deliver their grant scheme is outside of the control of Carlisle City Council (update 10 Oct 2013).

**Gypsy and Traveller Transit Site:**

Delivery of the transit site is an integral part of the City Council's contract with Homespace. Progress has been slow to date but planning permission has now been granted and, as per the contract, Homespace now have eight weeks to deliver the hard standing. A staged timetable is in place for the remaining development.

## Resources Overview and Scrutiny Panel

Agenda  
Item:

**A.7(b)**

Meeting Date: 28 November 2013  
Portfolio: Finance, Governance and Resources  
Key Decision: No  
Within Policy and Budget Framework: No  
Public / Private: Public

Title: Organisational Development Plan 2013-15  
Report of: Organisational Development Manager  
Report Number: CE 15/13

### **Purpose / Summary:**

The Organisational Development (OD) Plan 2013-15 sets out key objectives, outcomes for employees, key actions and measures of success for organisational development issues. It builds on the work done in the OD Plan 2011-13.

Progress against the Plan is reported to Resources Overview and Scrutiny Panel on a quarterly basis.

### **Recommendations:**

Consider the Organisational Development Plan Report.

### **Tracking**

Executive:	
Overview and Scrutiny:	
Council:	

## **1. BACKGROUND**

### **1.1 Introduction**

1.1.1 In 2011, the Organisational Development Plan 2011-13 was developed. The priorities for this were based on the five strategic priorities of the Local Government Workforce Strategy: organisational development, leadership development, skills development, recruitment and retention, and pay and rewards. The key actions in the plan have been delivered and a new plan for 2013-15 has been developed. A copy of the Plan is included as Annex A.

### **1.2 Organisational Development Plan 2013-15**

1.2.1 The new Organisational Development Plan 2013-15 reflects the vision and priorities of the Carlisle Plan. It also references other organisational initiatives. The priorities are now organisational culture, partnership working, a skilled workforce and health and wellbeing.

1.2.2 A range of performance indicators were used to measure performance in several of the areas covered by the previous Organisational Development Plan and these have been amended slightly for the new plan to reflect the changing priorities.

1.2.3 Several of the key actions build on actions from the previous plan e.g. *Continue to identify areas of the Council where apprenticeships and graduate traineeships could be introduced* in the Skilled Workforce priority and *Improve promotion of existing employee benefits and research new benefits* in the Health and Wellbeing priority.

1.2.4 Other new actions have come from issues identified in the Employee Opinion Surveys e.g. *Continue to improve communication at all levels of the organisation* in the Organisational Culture priority and *Develop a stress management plan including assessing staff stress levels* in the Health and Wellbeing priority.

1.2.5 The need to make savings is reflected in several actions including *Work with partners to share costs of training courses* in the Partnership Working priority and *Introduce a postgraduate loan scheme for staff wanting to do relevant postgraduate courses* in the Skilled Workforce priority.

### **1.3 Organisational Culture**

1.3.1 The Work Together, Get Results project will support *1.1 – Develop new organisational principles and values*. Workshops are being held at the Civic Centre, Bousteads Grassing depot and in west Cumbria for Revenues and Benefits staff in the Shared Service, ensuring that all staff have the opportunity to help define the desired future culture. This process will result in a clear understanding of the principles, values and



behaviours of staff that are consistent with future high performance and a commitment from staff to working in these ways.

1.3.2 As part of *1.3 – Support staff to manage change at an organisational and individual level*, a Personal Resilience e-learning module has been developed. A workshop on Building Resilient Teams will take place in January which will help managers explore and better understand the factors associated with long term success in the face of change.

1.3.3 A monthly staff newsletter was introduced in April 2013 which supports *1.4 – Continue to improve communication at all levels of the organisation*. Quarterly Chief Executive briefings also take place at the Civic Centre, Bousteads Grassing depot and in west Cumbria for Revenues and Benefits staff in the Shared Service.

## **1.4 Partnership Working**

1.4.1 Work has started on *2.1 – Work with partners to develop a coaching network in Cumbria*. On 6 November staff from Carlisle City Council, Allerdale Borough Council, South Lakeland District Council, Carlisle College, Tullie House, Carlisle Leisure Ltd. Cumbria Constabulary and North West Employers came together for an initial meeting to discuss setting up a coaching network for Cumbria.

1.4.2 The Carlisle City Council Training Directory is shared with community centres, councils in Cumbria and other partners in support of *2.4 – Work with partners to share costs on training courses*. Staff from Lake District National Park, Allerdale Borough Council, Eden District Council and community centres have come on courses put on by the City Council in recent months.

## **1.5 A Skilled Workforce**

1.5.1 The Organisational Development Team works with managers across the City Council on *3.1 – Support managers to develop their staff*, suggesting learning opportunities to meet the development needs of their staff. This has included arranging internal workshops, qualifications and external courses.

1.5.2 The Organisational Development Team also works with managers and staff across the City Council on *3.2 – Work with managers to identify internal promotion opportunities and support staff to apply for these*. This has included arranging CV and interview skills workshops for staff and working with individual staff who are interested in applying for internal vacancies.

1.5.3 Another apprentice has been recruited to the City Council, joining the Home Improvement Agency on 18 November. This supports *3.3 – Continue to identify areas of the Council where apprentices and graduate traineeships could be introduced*. A budget bid has been made to take on four apprentices in 2014/15.

1.5.4 Work is taking place on 3.4 – *Update the qualification study policy* to revise the policy developed in 2004.

## **1.6 Health and Wellbeing**

1.6.1 Work is taking place on 4.1 – *Develop an annual programme of health and wellbeing activities*. The City Council has organised some regular health and wellbeing activities e.g. the annual Wellbeing and Learning day in May as well as ad hoc events such as Healthy Christmas cookery workshops, but an annual programme is now being developed. This will include national health campaigns e.g. Stoptober (the stop smoking campaign which takes place in October) as well as City Council initiatives e.g. body stats and health checks.

1.6.2 The HR Team Leader did a presentation to Management Briefing in September on Improvements to Managing Attendance and the Managers' Role as part of 4.2 – *Support managers to implement the revised attendance management procedures*. A dedicated Attendance Management section has been set up on the intranet which contains the attendance management policy, procedures and a toolkit of resources to support managers.

1.6.3 Work has started on 4.4 – *Improve promotion of existing employee benefits and research new benefits*. The Organisational Development Team will be working with staff in the Digital and Information Services Team to develop an employee benefits intranet site and also with the graphic designer in the Policy and Communications Team to develop a employee benefits booklet for staff without access to computers. The booklet can also be used as a pdf document on the City Council's internet job vacancies page to advise prospective employees of the benefits the Council offers.

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

2.1 The new OD Plan 2013-15 reflects the vision and priorities of the Carlisle Plan and references other organisational initiatives. The Resources Overview and Scrutiny Panel is asked to consider the report.

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

3.1 The OD Plan 2013-15 contributes to the Carlisle Plan priority of working with partners to develop a skilled and prosperous workforce, fit for the future.

**Contact Officer:** Emma Titley

**Ext:** 7597

**Appendices attached to report:** Organisational Development Plan 2013-15

**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/RISKS:**

**Chief Executive's -**

**Community Engagement –**

**Economic Development –**

**Governance –**

**Local Environment –**

**Resources –**

# ORGANISATIONAL DEVELOPMENT PLAN 2013-15

Vision	To promote Carlisle as a prosperous City, one in which we can all be proud.			
Our priorities	<b>Organisational Culture</b>	<b>Partnership Working</b>	<b>A Skilled Workforce</b>	<b>Health and Wellbeing</b>
Our key objectives	<p>Develop the culture and performance of the organisation</p> <p>Empower staff to improve the organisation</p>	<p>Identify opportunities to work with partners to develop the organisation</p> <p>Improve the partnership working skills of our staff</p>	<p>Continue to develop a skilled workforce</p> <p>Support internal promotions</p> <p>Focus qualification budget on staff with lower level skills</p>	<p>Promote health and wellbeing in the workplace</p> <p>Early intervention to prevent long term sickness absence</p> <p>A flexible benefits package to suit the life stages and lifestyles of employees</p>
Outcomes for our employees	Engaged and motivated with a clear understanding of what is expected of them	Understand the value of partnership working	Opportunities for career development including gaining qualifications in the workplace	Increased sense of feeling supported in the workplace
Our key actions	<p>Develop new organisational principles and values</p> <p>Embed the management competency framework including using the competencies in future management level job descriptions and interviews</p> <p>Support staff to manage change at an organisational and individual level</p> <p>Continue to improve communication at all levels of the organisation</p> <p>Develop the commercial awareness and commissioning skills of staff</p>	<p>Work with partners to develop a leadership programme for Cumbria</p> <p>Work with partners to develop a coaching network in Cumbria</p> <p>Work with partners to identify skill shortage areas and develop solutions</p> <p>Work with partners to share costs of training courses</p> <p>Develop e-learning modules on partnership working</p>	<p>Support managers to develop their staff</p> <p>Work with managers to identify internal promotion opportunities and support staff to apply for these</p> <p>Continue to identify areas of the Council where apprenticeships and graduate traineeships could be introduced</p> <p>Update the qualification study policy</p> <p>Identify areas of the Council with development needs and offer relevant opportunities</p> <p>Introduce a postgraduate loan scheme for staff wanting to do relevant postgraduate courses</p> <p>Build on the leadership and management programmes to further develop the skills of managers</p>	<p>Develop an annual programme of health and wellbeing activities</p> <p>Support managers to implement the revised attendance management procedures</p> <p>Develop a stress management plan including assessing staff stress levels</p> <p>Introduce a workplace health and wellbeing agreement</p> <p>Improve promotion of existing employee benefits and research new benefits</p> <p>Make better use of technology to support staff who want to work flexibly</p>
Our key measures of success	<p>From annual Employee Opinion Survey:</p> <ul style="list-style-type: none"> <li>% of employees rating the City Council as a good employer</li> <li>% of employees who feel valued</li> <li>% of employees who say SMT provides strong leadership</li> <li>% of employees who say their line manager supports them in their role</li> </ul>	<p>Management information for:</p> <ul style="list-style-type: none"> <li>Number of organisations worked with</li> <li>Income from other organisations sending their staff on City Council courses</li> </ul>	<p>Management information for:</p> <ul style="list-style-type: none"> <li>Number of employees working towards a higher level qualification</li> <li>% of employees with qualifications</li> </ul>	<p>Management information for:</p> <ul style="list-style-type: none"> <li>Number of employees taking part in health and wellbeing activities</li> <li>% of working days lost per FTE per year</li> <li>Number of employees taking up employee benefits</li> </ul>