

## CITY COUNCIL – SPECIAL MEETING

TUESDAY 15 JUNE 2021 AT 6.45 PM

PRESENT: The Mayor (Councillor Birks), Councillors Alcroft, Allison, Atkinson, Bainbridge, Betton, Bomford, Mrs Bowman, Brown, Christian, Collier, Dr Davison, Ellis, Ms Ellis-Williams, Mrs Finlayson, Mrs Glendinning, Glover, Higgs, Lishman, Mrs Mallinson, Mallinson J, Mrs McKerrell, Meller, Mrs Mitchell, Mitchelson, Morton, Nedved, Patrick, Paton, Robson, Shepherd, Miss Sherriff, Southward, Sunter, Mrs Tarbitt, Dr Tickner, Tinnion and Miss Whalen.

ALSO

PRESENT: Town Clerk and Chief Executive  
Deputy Chief Executive  
Corporate Director of Finance and Resources  
Corporate Director of Governance and Regulatory Services  
Corporate Director of Economic Development

### **C.96/21 APOLOGIES FOR ABSENCE**

An apology for absence was submitted on behalf of Councillor Denholm.

### **C.97/21 PUBLIC AND PRESS**

RESOLVED – That the Agenda be agreed as circulated.

### **C.98/21 DECLARATIONS OF INTEREST**

In accordance with the Council's Code of Conduct the following declarations of interest were submitted:

Councillors Glover and Meller declared an interest in respect of agenda item 6 – Tullie House and Levelling Up Fund. The interest related to their Trusteeship of Tullie House Museum and Art Gallery Trust Board. Both Councillors recorded that they would not vote on the matter.

### **C.99/21 ANNOUNCEMENTS**

#### **(i) The Mayor**

The Mayor reported the recent death of former Councillor Crawford who was a Member of the City Council during the period 2018 - 19 and represented the Currock Ward. The Council stood for a minute silence as a mark of respect to her memory.

Councillors Dr Tickner, Mallinson (J), Alcroft and Glover paid tribute to the work and memory of former Councillor Crawford.

#### **(ii) The Leader of the Council**

There were no announcements from the Leader.

#### **(iii) Members of the Executive**

There were no announcements from Members of the Executive.

(iv) Town Clerk and Chief Executive

There were no announcements from the Town Clerk and Chief Executive.

**C.100/21 TULLIE HOUSE AND LEVELLING UP FUND**

Pursuant to the Leader's Decision Notice – LD.04/21, consideration was given to recommendations concerning the submission of an application in the first round of the Government's Levelling Up Fund (LUF) to provide capital support for the Tullie House Museum and Art Gallery Trust's Project Tullie. A copy of report ED.17/21 had been circulated.

In moving the recommendations as set out in the report the Culture, Heritage and Leisure Portfolio Holder highlighted that were the LUF bid to be successful, the monies would provide for a major remodelling of Tullie House as part of the wider 'Project Tullie'. Project Tullie was an ambitious cultural regeneration programme for Carlisle, with strong social, educational and civic outcomes. It would draw people into the heart of the Historic Quarter and give the area a stronger identity.

The financial implications of the bid were set out in the report, the Culture, Heritage and Leisure Portfolio Holder noted that the Council's contribution was capped at £1.5M or 10% of the funding received, whichever was the lower amount. It was recommended that the Council's contribution be funded from external borrowing rather than the use of Council Reserves or internal borrowing, the cost of repaying and servicing the debt would add a maximum to the revenue budget of £79,500 per annum.

Tullie House's assets (buildings and the collections) were valued at just over £25 million. The application to the Levelling Up Fund may bring up to £20 millions' worth of enhancements to those assets and as such, was considered to offer the Council exceptional value for money.

The LUF bid afforded the opportunity to support an excellent project, which had been honed and refined over a number of years. Carlisle needed to be ambitious, and the project connected strategically with the Council's cultural, recovery and regeneration plans. It was a commercially sound project, bringing investment into the Historic Quarter of the city and enhancing the Council's assets with a generous cost-benefit ratio; and it was a project with the potential to generate revenue savings in the future.

The Culture, Heritage and Leisure Portfolio Holder thanked all those whose hard work had gone into the production of the report and formally moved the recommendations as set out in the report.

The Environment and Transport Portfolio Holder also gave his support to the application for funding, he seconded the recommendations.

The Culture, Heritage and Leisure Portfolio Holder responded to questions from Members. The general consensus of Members was in support of the bid.

A vote was taken, and it was:

RESOLVED – That Carlisle City Council agreed to:

- 1) Be the project applicant for the LUF bid behalf of Tullie House;
- 2) Provide a 10% capital contribution to fund the project up to a maximum of £1.5 million against the requirement that:

- the bid is for a single project for less than £20 million and produced in accordance with funding guidance;
- the programme of works is initiated in 2021/22;
- all bid documents be submitted by noon on 17 June 2021 (one day in advance of the Levelling Up submission date);

- 3) Subject to Executive approval, provide an accountable body function for the LUF funded Project Tullie and enter into a grant funding arrangement with the Tullie House to deliver the project;
- 4) Note that the Corporate Director of Governance and Regulatory Services when undertaking a surrender of the current Tullie House lease and grant a new lease of both Tullie House and Herbert Atkinson House following consultation with the Leader of the Council and the Portfolio Holder for Economy, Enterprise and Housing will take into account the revised arrangements as detailed in this report (Executive minute reference EX.55/19);
- 5) Increase the 2021/22 and 2022/23 capital programme as a commitment to contribute up to £1.5 million to support the Levelling Up Fund bid for Project Tullie;
- 6) Accept the potential, at risk, forward funding requirements to contribute to the Development Phase (exact amount to be determined), prior to knowing the outcome of the Levelling Up Fund bid, which may then be a call on the revenue budget;
- 7) Approve the increase to the Council's borrowing limits (operational boundary and authorised limits for external debt) as set out in the financial implications section of the report;
- 8) Approve the use of the Council Reserves to fund the potential recurring external borrowing costs of up to £79,500 per annum over the length of the borrowing terms, if external debt is taken out to fund this contribution, with the final decision being delegated to the Corporate Director of Finance and Resources.
- 9) That the Culture, Leisure and Heritage Portfolio Holder provide Councillor Dr Tickner with a written response to the following questions:
  - In respect of recommendation 6 what is the "potential at risk" forward funding requirement;
  - What is the estimated cost of the full contract;
  - Would Carlisle City Council staff deliver the accountable body function, and had funding of that role been included in the bid;
  - Did the Executive consider the bid as a "spend to save scheme" which would enable the Council to reduce the level of annual subsidy it provided to Tullie House;
  - If the City Council is the accountable body would it be liable for any contract price overruns;
  - Had any discussions taken place regarding costs for full repairing, insurance and lease costs for Tullie House and Herbert Atkinson House in respect of future subsidy payments?
- 10) That the Culture, Leisure and Heritage Portfolio Holder provide Councillor Dr Davison with a written response to the following question:
  - What implications were anticipated in relation to the rise of charge for Council Tax Band D?

## **C.101/21 COMMUNICATIONS**

There were no communications or items of business brought forward by the Mayor as a matter of urgency to be dealt with at the meeting.

[The meeting ended at 7:33pm]