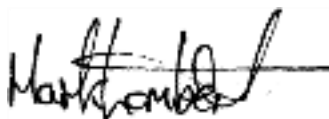


COUNCIL

SUMMONS

To the Mayor and Members of Carlisle City Council

You are summoned to attend the Meeting of Carlisle City Council which will be held on **Tuesday, 19 July 2022** at **18:45**, in the **Cathedral Room, Civic Centre, Carlisle, CA3 8QG**



Corporate Director of Governance and Regulatory Services

AGENDA

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

3. **Minutes**

The Council will be asked to receive the Minutes of the meeting of the City Council held on 26 April 2022 and 16 May 2022.

4. **Public and Press**

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

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

5. Declarations of Interest

Members are invited to declare any disclosable pecuniary interests, other registrable interests and any interests, relating to any item on the agenda at this stage.

6. Announcements

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

7. Questions by Members of the Public

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

Question to Councillor John Mallinson

*"In response to a question at the Executive on 27 September 2021 regarding the Council's the exclusion of the James Street Baths from the maintenance programme, you replied that **"the Victorian and Turkish Baths has been taken out of the maintenance programme while the capital works are undertaken as part of the Borderlands Station gateway project as there won't be any need for maintenance during this period. Once these works are completed and assessed, the Baths will be included in the programme."***

As the Borderland Station gateway project capital works are due to commence - and may conclude - before the vesting date for the Cumberland Council, what budgetary provision has been made for the maintenance of the James Street Baths in the maintenance programme that will be transferred to the Cumberland Council?"

Question to Cllr Liz Mallinson

“What steps are being taken by Carlisle City Council, in partnership with NHS England and the North Cumbria Clinical Commissioning Group, to assess the role the aqua-thermal and hydro-therapeutic facilities of Carlisle Turkish Baths play in supporting the health and wellbeing of local people”

8. Presentation of Petitions and Deputations

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

9. Questions from Members of the Council

Pursuant to Procedure Rule 11.2, the Corporate Director of Governance and Regulatory Services to report that the following question has been submitted by Councillor Pickstone:

“Could the Leader inform members what measures the Council, both through its own work and by working with partners, is able to put in place to help residents who are struggling as a result of the current cost of living crisis, both in general and also those for residents in rural areas?”

Pursuant to Procedure Rule 11.2, the Corporate Director of Governance and Regulatory Services to report that the following question has been submitted by Councillor Dr Davison:

“Following the detailed and informative presentation to Council from the Friends of the Victorian and Turkish Baths on 26 April 2022:

1. Would the council leader give Council an update on action that the Executive has taken to ensure that the baths don't close when the baths at the Sands Centre open?

2. Has the Executive found the anticipated required monies from the council budget to pay for GLL to continue to run it and avoid the risk that it will never be able to be re-opened if it stops operating, losing this precious asset to our community permanently?

3. What is the Executive's view on the Friends' group proposal that two years' funding for the baths, to keep them open whilst the second stage of their viability study is completed, be included in the City Council's investment plan for the £4.1 million the council will be receiving from the government's UK Shared Prosperity Fund?”

10. Minutes of the Executive

The Council will be requested to receive the Minutes of the meeting of the Executive held 25 April, 25 May and 27 June 2022 and ask questions of the Leader and Portfolio Holder on those Minutes.

11. Executive - Portfolio Holder Reports

The Council will be asked to receive reports from the following Portfolio Holders and ask questions of the Leader and Portfolio Holders on those Reports:

- | | |
|---|----------------|
| 11.(i) <u>Culture, Heritage & Leisure</u> | 9 - 12 |
| (Copy Report herewith) | |
| 11.(ii) <u>Communities, Health and Wellbeing</u> | 13 - 16 |
| (Copy Report herewith) | |
| 11.(iii) <u>Environment & Transport</u> | 17 - 20 |
| (Copy Report herewith) | |
| 11.(iv) <u>Economy, Enterprise and Housing</u> | 21 - 24 |
| (Copy Report herewith) | |
| 11.(v) <u>Local Government Reorganisation Transition</u> | 25 - 26 |
| (Copy Report herewith) | |
| 11.(vi) <u>Finance, Governance & Resources</u> | 27 - 28 |
| (Copy Report herewith) | |
| 11.(vii) <u>Leader's Portfolio</u> | 29 - 30 |
| (Copy Report herewith) | |

12. Minutes

The Council will be asked to receive the Minutes of the meetings as detailed within Minute Book Volume 49(1); and ask questions of the Leader, Portfolio Holders and Committee Chairs.

For ease of reference the Minutes are:

Committee	Meeting Date
Cumberland Joint Committee (to note)	30 March, 14 April, 12 May 2022
Health and Wellbeing Scrutiny Panel	7 April 2022
Economic Growth Scrutiny Panel	14 April 2022
People Panel	9 June 2022
Place Panel	16 June 2022
Regulatory Panel	20 April 2022
Licensing Committee	20 April 2022
Development Control Committee	6 April, 8 April, 11 May, 13 May, 22 June 2022
Appeals Panels	20 April, 28 April, 3 May 2022
Standards Committee	29 June 2022

13. Scrutiny

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

13.(i) Chair of the People Panel 31 - 32

(Copy Report herewith)

13.(ii) Chair of the Place Panel 33 - 34

(Copy Report herewith)

13.(iii) Chair of the Resources Panel 35 - 36

(Copy Report herewith)

14. Notice of Motion

Pursuant to Procedure Rule 12, the Corporate Director of Governance and Regulatory Services to report that no motions have been submitted on notice by Members of the Council.

15. Proposals from the Executive in relation to the Council's Budget and Policy Framework

15.(i) Provisional General Fund Revenue Outturn 2021/22 - Carry Forwards 37 - 54

Pursuant to Minute EX.70/22, to consider recommendations from the Executive concerning the Provisional General Fund Revenue Outturn 2021/22 as set out in Report RD.23/22.
(Copy Report RD.23/22 and Minute Extracts herewith)

15.(ii) Provisional Capital Outturn 2021/22 - Carry Forwards 55 - 64

Pursuant to Minute EX.71/22, to consider recommendations from the Executive concerning the Provisional Capital Outturn 2021/22 and revised Capital Programme 2022/23 as set out in Report RD.24/22.
(Copy Report RD.24/22 and Minute Extract herewith)

15.(iii) Treasury Management Outturn 2021/22 65 - 86

Pursuant to Minute EX.72/22, to consider the recommendation of the Executive that the City Council approve the Treasury Management Outturn for 2021/22 as required under both the Financial Procedure Rules and the CIPFA Code of Practice on Treasury Management.
(Copy Report RD.05/22 herewith and Minute Extracts herewith / to follow)

16. Code of Conduct Matter - Cllr Robert Betton 87 - 90

Pursuant to Minute ST.04/22, to consider a report of the Monitoring Officer setting out the decision of the Standards Committee following their consideration of a Code of Conduct Complaint.
(Copy Report GD.43/22 herewith)

17. Proposed change to the start time of the Regulatory Panel

The City Council to note and approve a nomination to change the start time of the Regulatory Panel from 2.00pm to 4.00pm. The Licensing Committee will continue to take place on the rising of the Regulatory Panel.

18. Committee Nominations

The City Council to note and approve nominations for changes to the following committee membership:

Development Control Committee:

Councillor Collier to replace Councillor Shepherd

Regulatory Panel:

Councillor Shepherd to replace Councillor Collier

Licensing Committee:
Councillor Shepherd to replace Councillor Collier

19. Appointment of Chair

Pursuant to Minute AUC.19/22, and in accordance with Procedure Rule 7.3, the Council is asked to appoint a Chair of the Audit Committee for the 2022/23 Municipal year.
(Copy Minutes to follow)

20. Operation of the provisions relating to call-in and urgency 91 - 94

Pursuant to Overview and Scrutiny Procedure Rule 15 (j), the Corporate Director of Governance and Regulatory Services to report on the operation of call in and urgency procedures over the past year.
(Copy Report GD.21/22 herewith)

21. Communications

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

PART 'B'

To be considered in private

22. Proposals from the Executive in relation to the Council's Budget and Policy Framework

22.(i) Disposal of Property Assets

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)

Pursuant to EX.89/22 to consider a recommendation from the Executive for the approve of the disposal of two property assets.
(Copy Report GD.34/22 and Minute Extract herewith)

23. Appeals Panel Decision

The report is not for publication by virtue of paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, as the report contains exempt information relating to an individual.

Pursuant to AP.15/22, to consider a recommendation from the Appeals Panel following the consideration of a complaint.
(Copy Report RD.28/22 herewith)

Meeting Date: 19th July 2022

Public/Private*: Public

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

TULLIE HOUSE

Tullie has had an excellent start to the new financial year, with footfall in April and May reaching 86% of pre-Covid levels and paid admissions exceeding pre-Covid. Retail and catering figures are also climbing, setting us up for what will hopefully be a strong recovery year for the Museum. These numbers are in large part down to the popularity of the two Hadrian's Wall 1900 exhibitions, with 'Uncovering Roman Carlisle' in particular capturing the enthusiasm of locals and tourists alike.

Our summer exhibition '**Once Upon A Planet**' opened to the public on 25th June. This exhibition is part of a two-year project funded by the prestigious Esmée Fairbairn Collections Fund and will see Tullie work with the community to explore the issues of climate change using the Museum's Designated Natural Science Collections.

The Museum's **Project Tullie** capital programme continues to gain significant momentum. In the last fortnight we have received Permission to Start from the National Lottery Heritage Fund for Phase 3 and are nearing the end of contract preparations for the Castle Street Properties for Phase 2. In addition, we are currently working on a submission to the Levelling Up Fund in early July.

Finally, the Museum had its annual **Visit England VAQAS** inspection this period and achieved a fantastic 92% rating. In addition, the Museum has been nominated by the Assessor for Visit England's Best Told Story Award.

UNCOVERING ROMAN CARLISLE PROJECT

- The Uncovering Roman Carlisle Project finished exhibition in Tullie House on 11th June and has moved to a new phase with a travelling exhibition celebrating the community excavation at Carlisle Cricket Club

- The exhibition will take place between June and September and visit six venues in the Carlisle district
- More information is available at www.tulliehouse.co.uk/urc

CUMBRIA'S MUSEUM OF MILITARY LIFE

- Cumbria's Museum of Military Life held its first Military Festival over the Platinum Jubilee weekend. Re-enactors, military vehicles and a talks programme attracted visitors to the Museum and Castle on the Friday and Saturday
- The Museum supported the City Council's event in Bitts Park working alongside the Local branch of the Duke of Lancaster's Regimental Association
- June's Veteran's lunch saw 24 attendees at a Platinum Jubilee Picnic Lunch in the grounds of the Castle, which also kickstarted Armed Forces Week
- The Museum supported Armed Forces Day in the City Centre on Saturday, 25th June and hosted Carlisle Veterans Hub on Sunday, 26th June

EVENTS PROGRAMME

The Events Programme is well underway in Carlisle. The Easter International Market was the first large scale event of the year. Over the Easter weekend footfall in the City Centre was 78,500 up 22,800 on the previous weekend. The Hawker Festival was also a great success with an increase in footfall of 6,500 over the previous weekend.

Carlisle's celebration of Queen Elizabeth II Platinum Jubilee commenced on Thursday, 2nd June with the lighting of beacons by the Mayor and Mayoress at Carlisle Castle. On Sunday, 5th June the City Council delivered the "Community and Hope" event at Bitts Park. This event brought the community together to celebrate the Jubilee and see the Pageant in London live on a big screen.

Armed Forces Day was celebrated in the City Centre on 25th June. The event was supported by Cumbria Museum of Military Life, the Military Vehicles Trust, Devil's Porridge Museum, Cumbria CVS and the Royal British Legion

Food at the Frontier – This project links with the Hadrian's Wall 1900 Celebrations, and links food production to the changing landscape, soils, climate and elevation along the Wall from West to East. Following a soft launch at the Queen's Platinum Jubilee event in Bitts Park, an event was hosted at Stanwix School to talk about food and the Romans. The children prepared and ate food similar to that which the Romans would have eaten, made and prepared by local chef John Crouch. STEM Ambassador, Tony Dixon, inspired the children through demonstrations of Roman engineering, including Roman building.

The Street Art Festival took place at Tribe Carlisle over a period of five days, showcasing nine local, national and international artists. This gave an opportunity for people to view live art in progress.

Future Events

Plans are coming together well for a 'City of Lights' event in October, the return of the Fireshow in November and a Christmas Market in November/December.

Meeting Date: 19th July 2022

Public/Private*: Public

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

**DEFENCE EMPLOYER RECOGNITION SCHEME AND THE ARMED FORCES
COVENANT UK SHARED PROSPERITY FUND APPLICATION (UKSPF)
COLLABORATIVE FUNDING MODEL PILOT**

A proforma for the first round of UKSPF funding was submitted to support the Collaborative Funding Model (Pilot) supporting our Corporate Plan. The Pilot would be uniquely placed to support SPF interventions around Communities & Place with a focus on Carlisle & District in the first year 2022 - 2023, with potential to scale 2023 – 2024 to meet the new Cumberland footprint and can be adapted to support the Peoples & Skills Pillar in 2024 - 2025.

Responding to funder and community need this project will explore a **Collaborative Funding Model** (CFM) to test a new way of investing in our place. An approach that simplifies the application process for organisations across the sectors and community groups to apply for funding and for funders and local budget holders to better understand our place and invest. Focusing on collaboration – convening funders to connect, contribute and co-operate together, to help people across our communities to live better lives - championing the importance of 'place'.

The CFM is well placed to support strategic programmes to enable Carlisle's businesses, people and communities to be resilient to economic, social and environmental challenges including climate change, economic exclusion and unemployment, digital exclusion, and recovery from the Covid-19 pandemic.

Key aims of the project:

1. Developing a collaborative online portal with an agreed single application form that provides a place for community groups to access funding opportunities, as well as funders to access community projects, with some set priorities based around local

need. Funders would be able to select the applications that are most relevant to them for assessment, using the online portal, where they can search by geography, theme, size of request and by equity characteristic. Funders then make their own grant decisions, communicate directly with grantees, and can reconcile the data onto their own grant management systems. Reporting will be light touch (again reducing time and cost for organisations) and incorporate some key agreed questions so that in the coming year, we can look together at impact and learning.

2. Providing a way of pooling funds and aligning funds and supporting transformational programmes and process. Joint investment to “create positive and transformative change in our place by bringing businesses, community organisations, funders and the public sector together”. An infrastructure that will provide vital information and data for funders and local budget holders to better understand our place and help inform funding programmes/priorities.
3. Bringing together a range of stakeholders and funders to support Place Based Giving - based on the notion that we all have something to give - whether that be time, skills, expertise or money – place-based giving schemes bring communities together to channel those resources into aligned action and build a better place for everyone.
4. An external funding search engine that will enable voluntary, community organisations and social enterprises to search and apply for their own funding, adding value to the already very successful business portal hosted by Carlisle City Council.

LOCAL FOCUS HUB AND ANTI-SOCIAL BEHAVIOUR

Following agreement to transfer the leadership of the Local Focus Hub from the Police to the Council, interviews were held for our new role of Local Focus Hub Manager and I am delighted to report that following his retirement from the Police, former Sergeant Chris Blain will be joining the Council in this new role from the start of September. Chris was instrumental in setting up and driving forward the work of the Local Focus Hub in Carlisle, bringing together a range of partners, sharing local intelligence and co-ordinating responses to shared challenges. Chris will be able to continue this excellent work in his new role working for the Council as part of our Neighbourhoods Team.

Members will also be aware that the Council agreed to set aside funding this year to tackle anti-social behaviour in the City Centre. I can now report that following consultation with our Team of eight Civil Enforcement Officers, our Staff have agreed to take on additional responsibilities for challenging anti-social behaviour in the City Centre. As part of this change, Officers will be renamed Civil Enforcement / Community Protection Officers and will provide a visible presence in the City Centre, seven days per week at targeted times during the day, based on intelligence from the Local Focus Hub. Officers will receive additional training and be provided with new uniform and PPE to ensure they are safe, competent and confident before taking on this challenging role.

RECRUITMENT OF SAFER STREETS OFFICERS

The Council is currently advertising for Safer Streets Officer vacancies to work on Saturday evenings from 5.00 p.m. through to early Sunday morning, to offer advice and support to vulnerable people, with a particular emphasis on reducing violence to women and girls. The Officers will also work other evenings for example when it is a Bank Holiday weekend or if there are local events on. This is the second time the posts have been advertised. Unfortunately, no applications were received in the first round, but the role has been revised and salary increased to hopefully attract interest this second time. These are fixed term appointments supported by external funding from the Office of the Police and Crime Commissioner. The Safer Streets Officers will join our Neighbourhoods Team, complementing the work of the Local Focus Hub and the new activity during the day to challenge anti-social behaviour.

REGULATORY SERVICES

The new **Short Term Care Needs** grant that was introduced at the start of the year, is being very well received by our customers and our partners. The focus since its introduction has been to continue our work with partners such as **The Cumberland Infirmary, Hospice at Home and Eden Valley Hospice**, to support those in their care to remain at home for as long as possible, and where possible to support their last wishes to die at home, surrounded by their loved ones and family. The new Grant has been able to provide short term stairlifts and move furniture and beds to support ground floor living. Thumb-turn locks and key safe to assist with Hospice Discharge, Formal Care accessibility and Emergency Services access have also been provided. Housing and Pollution are about to install a modular wash pod, an alternative product aimed to meet a huge need in the market for palliative care. The wash pods enable short-term, re-useable washing facility in someone's home where they are receiving palliative care or end of life treatment.

HEALTH & WELLBEING

Queen's Platinum Jubilee 'Community & Hope' – Bitts Park, Sunday, 5th June

The Healthy City Team worked with partners to deliver a community celebration to mark the Queen's Platinum Jubilee. We were joined by just under 20 different community organisations ranging from the likes of Carlisle College, Multicultural Cumbria, Carlisle Cathedral, Active Cumbria and many more. The event was attended by over 5,000 people. We were delighted to welcome the Lord Lt for Cumbria alongside the Mayor of Carlisle.

Food Carlisle

Food Carlisle supported the Queen's Jubilee event in Bitts Park with a stall themed on encouraging people to try to grow their own food, with 500 plants given out to the public. The smoothie bike was also on loan from Carlisle Youth Zone, which gave us a good opportunity to engage with young people on eating more fruit and veg.

Space to Talk

Analysis of the Space to Talk Programme in 2021 / 22, a partnership of Carlisle Vineyard Church, Carlisle Health Care Social Prescribing Team and Carlisle City Council, showed that it delivered 2,345 interventions through 24 sessions in Carlisle City Centre.

During these sessions a team of trained volunteers held conversations ranging from 5 to 30 minutes with each beneficiary allowing them space to talk about a wide range of experiences, but mostly around their work, family and health. This allowed people to be signposted to statutory health services as well as numerous third sector organisations that work within the area.

Heysham Park Rose Planting

The Lookout Community Hub (based on Shadygrove Road) volunteers along with members of the Green Spaces Team carried out a planting day in Heysham Park. These raised formal beds were previously overgrown and with the help of the Lookout Community Hub volunteers, the beds were weeded and prepared to receive numerous roses and hostas. The Lookout Community Hub have committed to assisting with the upkeep of the rose beds in the future.

Active Spaces

- £32,000 has been invested in the replacement safety surfacing in Bitts Park Play Area (Cathedral and Castle Ward), with works to resurface approximately half the site being completed in early June. The existing surface had become worn due to the heavy usage the site has received since opening in 2016
- Work commenced in mid-June to install new outdoor fitness equipment costing £35,000 at Hammond's Pond (Currock and Upperby Ward). The new equipment, consisting of an exercise bike, wheelchair accessible arm bike and a fitness rig, will be in the area previously occupied by a football kick wall and seating
- Dale End Field multi-use games area (Dalston and Burgh Ward) has been completely renovated with new fencing, a teen shelter, lighting upgrades and some resurfacing. The multi-use games area was constructed in 2004 and has been extremely well used since. Works to upgrade the area were completed in May and cost approximately £41,000.

Meeting Date: 19th July 2022

Public/Private*: Public

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

CLIMATE CHANGE / TRANSPORT

Carlisle City Council is part of a wider partnership of public bodies that come together under the banner of 'One Public Estate' to exploit opportunities for efficiency in operations and service delivery. One example of the work of OPE is the roll-out of electric vehicle charging points across the county of Cumbria in anticipation of the ban on new petrol and diesel cars from 2030. Phil Gray of the Health & Wellbeing Team is the City Council's Lead Officer on the charge point project.

Notable achievements to date include a submission to the Government's Local Electric Vehicle Infrastructure (LEVI) fund with the aim of rapidly expanding the number of publicly accessible charge points in the county. Currently at the 'pilot project' stage, the LEVI fund will eventually provide £400m nationally to support the roll-out of EV charge points.

The current bid is for £1.4m, with match funding of £0.47m to be provided by the private sector partners. Further bids will be submitted as the project evolves.

The overall aims of the project are to make it easier for residents of rural areas or dense residential streets to access a public charge point; to support the county's tourism economy; to make the choice of an electric vehicle more viable (as the cost of petrol and diesel escalates rapidly); and to improve air quality by reducing the proportion of petrol/diesel cars on our roads.

PARKING AND ENFORCEMENT

We are now into month four of the free weekend parking offer. All indications confirm an increase in use of our car parks at the weekends and anecdotal reports of increased footfall in the City Centre. It is too early to draw any clear conclusions from this and further work is planned from August to assess the impact of this, seeking feedback from visitors and businesses.

The Courts have worked hard on the backlog and apart from a handful of cases we are now mostly up to date, regular communication has been sent from the Team to Members on these updates. A reminder of a few of these cases are as follows –

- A man from Gateshead who failed to attend a PACE interview into the investigation of fly-tipping at Moor Road, Longtown has been found guilty and fined £2,000 together with costs of £1,000 and a victim surcharge of £190. **Total £3,190**
- Failing to attend PACE interview into the investigation of fly-tipping at Burgh Road, Carlisle has been found guilty and fined £660 with costs of £504.30 and a victim surcharge of £66. **Total £1,230.30**
- A woman who dropped litter in Carlisle City Centre was found guilty of the offence and fined £440 with costs of £295.55 and a victim surcharge of £44. **Total £779.55**
- A woman who failed to clean up after her dog had fouled was found guilty of the offence and was fined £220 with costs of £364.16 and a victim surcharge of £34. **Total £618.16**

The Team and colleagues have also been working with Trinity School. On 30th June 2022 Enforcement Officers visited the school to speak to Year 8 about ASB and Enviro-Crime, as well as this a number of events were carried out with 200 pupils as part of their Community Leaders Award, the Teams worked with Street Cleaning to carry out litter picks, the Health and Wellbeing Team to help with weeding and pollination surveys.

REGULATORY SERVICES

Export Certificates – As part of the work undertaken by the Food and Public Protection Team, the Authority issues Export Certificates to enable local manufacturers to export certain food commodities abroad; with the main exporter being Nestle based in Dalston. The Authority perform routine inspections of the food businesses to ensure compliance with relevant food hygiene legislation. The certification issued is a declaration from the Authority that the product is safe and meets the required hygiene requirements required by the importing country. The Council can charge for issuing an export certificate. A recent review of the service has shown a significant increase in the number of export certificates issued in the past five years, which is an indication of the growth of the worldwide market for certain food products. In 2017 /18 the Food and Public Protection Team issued 174 export certificates, last year that had risen to 335.

GREEN SPACES AND GROUND MAINTENANCE

£80,000 of capital works to transform the former 9-hole golf course and driving range at The Swifts in central Carlisle (Cathedral and Castle) were completed in May. Work undertaken on the site over the past two years includes: thinning out dense stands of non-native trees and shrubs; seeding of grassland areas to start the transition from amenity grass to hay meadows; planting native flowering tree species; and the creation of habitat scrapes for wetland flora and fauna. The project has been completed with the aim of providing habitat and feeding opportunities for pollinating insects and has been delivered in partnership with Cumbria Wildlife Trust.

Improvement works to park infrastructure at Hammond's Pond (Currock and Upperby) are now complete. The project, costing approximately £230,000, has involved: resurfacing poor quality paths; constructing a new path to allow safe pedestrian access to the Western side of the park; replacing four end of life timber foot bridges with new steel examples; and replacing collapsing sections of bank edge around the pond with new materials which are more environmentally friendly. A small number of additional minor works will be completed during the summer.

Leading up to the Cumbria Wildlife Trusts Pollinator Festival in September, Green Space Officers have been working with four schools and five classes to design a raised bed in Bitts Park specifically for pollinators. So far, the Officers have been into two schools and three classes, delivering half day sessions on the importance of Council work, green spaces, pollinators, wildflowers and wildflowers. Officers have worked with 95 school children (the plan is to work with 60 more) with interactive environmental education projects.

Quote from Year 4 Teacher: 'thank you very much for coming in on Friday to work with the children. *"I was back teaching in Year 4 again today and they all commented about how much they enjoyed the activities. Having something so different to the school day was great (even with the bad weather in the afternoon!)"*

Conservation grassland - Carlisle City Council aims to reduce cutting regimes in green spaces to better manage grassland habitat for wildlife. Over the Spring / Summer of 2022, a total of seven green spaces will be targeted to reduce the frequency of mowing, from regular cutting, to cutting the grass once a year in September and removing the grass cuttings. Eight hectares of conservation grassland will be created for the benefit of pollinators and other wildlife. This will be in addition to the 17 hectares of hay meadows, diverse woodland, and wet grassland that has already been carried out in the Swifts. These projects will provide essential habitat for pollinating insects and will also offer feeding and nesting opportunities for a wide range of bird and mammal species. Interpretation Boards and signage will be erected over the Summer informing local residents why the grass is not being cut and explain the benefits to wildlife. It is the intention of the Green Spaces Team that even more areas of amenity grassland will contain conservation grassland in future years.

The 'Festival of Nature' took place at Talkin Tarn Country Park over the weekend of 18th and 19th June. The two-day Festival celebrated nature around the themes of water, woodland and meadows. The Festival was organised by the North Pennines AONB together with Carlisle City Council, Eden Rivers Trust and in partnership with Cumbria Biodiversity Data Centre. The University of Cumbria, 4Eden, Cumbria Wildlife Trust, Green PLACE, RSPB, Sustainable Brampton, and Carlisle Youth Zone were also in attendance. Activities included guided walks, nature spotting, species identification, family games and geology activities. The Festival was aimed at families, budding

naturalists, farmers, environmental organisations and the local community. The Festival was exceptionally well attended and the Team has received positive feedback from attendees.

Meeting Date: 19th July 2022

Public/Private*: Public

Title: **Economy, Enterprise & Housing Portfolio Holder's Report –
Councillor Marilyn Bowman**

TOWN DEAL

Good progress continues to be made on the delivery of £19.7m Carlisle Town Deal.

The six business cases that were submitted in March have been approved by Government and will now move into the implementation phase. These are:-

- Carlisle Business Exchange Centre (Citadels Campus) – University of Cumbria
- Lighting Up Carlisle – City Council
- Digital and Community Learning Hub – County Council
- Southern Gateway – County Council
- Project Tullie – Tullie House Trust
- Start with the Park (St Cuthbert's GV) City Council

The seventh business case is being progressed for the Market Hall Project with an extension for submission to Government agreed.

FUTURE HIGH STREETS FUND

Good progress continues to be made on the delivery of the £9.1m Future High Street Fund.

There are 4 projects in the programme:-

Market Square (City Council / County Council)

- Consultants have been appointed to progress the designs and cost plan for the project – the 1st stage of consultation is running from 11th – 27th July 2022

Central Plaza (City Council)

- The survey required for the site stabilisation works was completed last month – this will inform the next stage, which is identifying the design options for the site stabilisation and the associated costs

Castle Street (Tullie House Trust)

- The Grant Funding Agreement is in the process of being agreed with Tullie House – the next stage for Tullie House to more detailed designs and a cost plan

Devonshire Street (County Council)

- The Grant Funding Agreement is in the process of being agreed with the County Council – the next stage is to develop preliminary designs and a cost plan

CITY CENTRE

- Footfall within the City Centre has picked up during this year, with an increase of 24% in average footfall levels in the last three months
- City Council events such as the Hawker Festival and the Easter International Market have contributed toward this increased footfall figure. The Hawker Festival seeing footfall counts of over 56,000 and the Easter International Market over 78,000
- [As we have seen in the press] confidence in Carlisle City Centre is growing with a number of new hospitality, leisure and restaurant businesses opening recently
- This is reflective of the wider trend of the transition of City Centres to become multifunctional 'hubs' and less retail orientated – something which the City Council is supporting through key regeneration initiatives like Borderlands, Future High Streets Fund, Town Deal and Council-funded programmes like the **City Centre Business Growth Grant Scheme**

BUSINESS GROWTH GRANT SCHEME

- This grant scheme, funded by the City Council, ran during the last financial year and is aimed at businesses looking to occupy vacant premises within the City Centre
- The grant has supported businesses in the form of a capital grants between £2,500 – £5,000
- The scheme has been very successful, with six businesses supported operating within the retail, leisure and entertainment sectors - with the allocation fully committed
- Due to the success of the scheme the City Council has allocated a further £40,000 to the scheme for this financial year to continue this assistance to local businesses, reduce the number of vacant properties and support the transition of the City Centre

ST CUTHBERT'S GARDEN VILLAGE

Work on the St Cuthbert's Local Plan continues at pace with the evidential commissions due to report this Summer.

Following extremely positive feedback from Government's Office for Place to our Project Plan, the consultant appointment team is now in place to progress the St Cuthbert's Design Code for completion in May 2023. This Programme includes engagement with local communities and the Members Advisory Group.

Sharpe Pritchard and 31Ten Consulting were selected from a very competitive field to undertake the Stage 1 Financial and Legal Options Appraisal for the new long term delivery vehicle. They both have extensive experience of supporting Councils.

Meeting Date: 19th July 2022

Public/Private*: Public

Title: **Local Government Reorganisation Transition Portfolio Holder's
Report – Councillor Keith Meller**

LOCAL GOVERNMENT REORGANISATION TRANSITION

Members will be well aware that Vesting Day is 1st April 2023, which means we are now past the halfway point in preparing for the two new authorities to be formed. The Local Government Reorganisation Programme Board continues to meet weekly and the programme is now moving into the Implementation phase. The themes and workstreams supporting the Programme Board continue to work hard in order to ensure that every area of each Council's services and responsibilities is taken into consideration during the complex transition from seven authorities to two.

The Shadow Authority for Cumberland Council met in May, and at this meeting Members were appointed to various committees. This included the appointment of members to the Executive for the Shadow Authority for Cumberland Council. Its first meeting has taken place and marks the beginning of the process of laying the foundations for the new Council, ahead of it starting to deliver local services from April 2023.

The recruitment process is underway for the two new Chief Executives for Cumberland Council and Westmorland and Furness Council. The Local Government Reorganisation Programme Manager has resigned from the role and will leave early this month, a replacement has been recruited.

The importance of keeping staff and members well informed is recognised. Weekly newsletters are circulated and an all-councils staff briefing has been organised for 4th July.

City Council Officers throughout the organisation continue to engage with and support the programme and I am thankful for their efforts. In particular, we should recognise that Officers are working hard on this change whilst continuing to deliver the day-to-day services of the City Council.

Meeting Date: 19th July 2022

Public/Private*: Public

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

LEGAL SERVICES

Legal Services passed their Lexcel inspection which was held on 26th & 27th May. Lexcel is an external measurement of excellence in legal practices and consists of a full audit inspection every three years at which the Inspector examines our policies and procedures, interviews staff and reviews files, and shorter audits on the second and third years. This was our full three yearly inspection and the Inspector found that the section met and exceeded all the required criteria. The Inspector commented that the Legal Section is well managed and organised, with excellent leadership being demonstrated. Carlisle City Council is the only Lexcel accredited legal department in any of the Cumbrian District and County Councils which will form the Cumberland Council.

FINANCIAL SERVICES

The draft Statement of Accounts for 2021/22 are in the process of being prepared and will be published before the revised statutory deadline of 31st July 2022. They will then be subject to external audit process.

ICT UPDATE

- LGR – The HR and OD IT business system needs of the two new authorities is now being established with the support of Carlisle ICT via the workstream
- Windows 10 upgrade to 21H2 – rollout to Windows 21H2 95% complete
- 2008 servers – Civica Lalpac (Licensing) migration to new servers completed

ORGANISATIONAL DEVELOPMENT

Celebration of Learning event held on 17th May at Tullie House to celebrate the achievement of qualifications by over 35 employees over the past two years. It also incorporated a presentation of certificates to those long service employees who had achieved either 25 years or 40 years service with the Council.

Project Management at two levels arranged, first cohort at lower level all passed.
Advanced level taking place in July.

PERFORMANCE REPORT

The End of Year Performance Report has been through the two new Scrutiny Panels and Executive. This is the first Annual Report following the review of performance messages completed as a Task & Finish Group.

INFORMATION MANAGEMENT – LEGAL SERVICES

Recent counts for information requests (From 07/02/2022 – 24/06/2022):

- Environmental Information Regulations requests received - 25
- Environmental Information Regulations requests responded to - 25
- Freedom of Information Act requests received – 280
- Freedom of Information Act requests responded to - 243
- Data Protection Act requests received – 13
- Data Protection Act requests responded to – 11

Meeting Date: 19th July 2022

Public/Private*: Public

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

BORDERLANDS INCLUSIVE GROWTH DEAL

Carlisle Projects

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

Carlisle Station

- The masterplan review of the scheme is underway – this work will ensure the co-ordination of the different phases of project delivery and consistency of design with regards to the City Centre being delivered through the Future High Streets Fund and Town Deal programmes
- The City Council are working with Cumbria County Council to assemble the site and a report will be taken to the Executive later in July regarding The Pool site

Citadels

- Planning Application for the scheme has been received by the City Council's Development Management Team and is in the process of being determined. It is expected that the Application will be considered in August
- The land assembly work has commenced, with the City Council leading on that workstream and a report will be taken to the Executive in September for the necessary approvals

Place Programme

- The Council has appointed Prosocial Place to assist in the production of a Place Plan for Longtown
- Four workshops have been held with the community so far, with the final workshop to be held on 23rd July. Engagement has been very positive, with a core group of around 30 people who have committed to forming a 'Town Team' to take the Place Plan forward

CARLISLE AMBASSADORS

Carlisle Ambassadors membership has continued to grow with the number of businesses now at 368.

The latest meeting was themed 'Tourism and Cultural Experience', took place in the Civic Centre on Thursday, 7th July 2022. The newly refurbished Civic Centre ground floor facilities accommodated over 200 delegates and 16 businesses showcasing the Tourism and Cultural sectors. Speakers from Hadrian's Wall Partnership, Carlisle Cathedral, English Heritage, Discover Carlisle and Carlisle City Council provided Ambassadors with a packed agenda celebrating our local culture and heritage.

The next meeting of Carlisle Ambassadors will take place on Thursday, 15th September 2022 at Eden Golf Club. A Marketeer's event is also planned for 5th October 2022 and will bring together marketing professionals at an event to be held in the Fraternity building, Carlisle Cathedral.

Report to

Council

Meeting Date: 19 July 2022

Public/Private*: Public

Title: **People Panel Chair's Report – Councillor Colin Glover**

The first meeting of the new People Scrutiny Panel provided members with an opportunity to examine a range of subjects and make recommendations, as the Council works towards Local Government Reorganisation and vesting day on 1st April 2023.

Provisional Outturn Reports

Members received comprehensive reports and updates, highlighting specific revenue and capital budget pressures and how processes might evolve as we approach transfer to the new Cumberland Council. Members sought reassurance on Homelessness Accommodation budget pressures and whilst recognising that Housing has been placed within the remit of the Place Scrutiny Panel, issues such as homelessness are clearly within the role of the People Panel and there may be opportunities for joint scrutiny or for this element of housing provision to be transferred to the People Scrutiny Panel. Members also explored how Disabled Facilities Grants (DFG) received through the Better Care Fund are to be allocated.

Sands Centre Redevelopment – Programme Update and Plans for Reopening

An update was received on progress by contractors to deliver the new Sands Centre facility, due for reopening later this year. Work is now at an advanced stage and planning for reopening. Planning for the transfer from the James Street Pools and Newman School site has commenced. Members were able to seek further information on final fit out and it is hoped that a site visit can be facilitated for panel members. Issues relating to pricing structure, liaison with various clubs and also the developing relationship for NHS facilities on-site were discussed. Members asked for an update on discussions with the Friends of the Turkish Baths and also potential transfer of the 1970's pools site to the Borderlands Partnership. It is anticipated that more detailed discussions with the Panel will happen at the August meeting.

Healthy City 2022/23 Programme and Opportunities for Broadening Approach Beyond 2023

Members received a very positive presentation on the work of the Healthy City Team which highlighted excellent practice and activities that could be taken forward into the new Cumberland Council. As a World Health Organisation Healthy City, Carlisle has been influential in delivering a wide range of projects that impact on the wider determinants of health for individuals and communities. Plans for the future include exploring the potential for developing multi-agency health and wellbeing hubs, building on the work done by our community centres. These plans also have the potential to support our high streets and rural locations. The update and plans for the future in this report from our last meeting are inspirational and well worth reading.

Sickness Absence Report End of Year 2021/22

The panel received the end of year report for 2021/22 and in doing so recognised the level of uncertainty that staff are likely to be experiencing as the council prepares for LGR. Members wished to see continued personal development opportunities being actively made available for staff and personal support for any staff who may need it.

End of Year Performance Report 2021/22

Members received the end of year report and an update on work towards delivering the actions in the Carlisle Plan. There are significant capital projects at various stages of progress which will create new opportunities for people living, working and studying in Carlisle and also visiting the city and members look forward to hearing how these will be integrated into the future work plans. Members recognise the importance of green spaces to good health and wellbeing and also local cycling and walking infrastructure plans that have been published by Cumbria County Council following extensive consultation. The action plans provide strong opportunities to take this work forward with confidence.

Overview Report

Although this is the first and last municipal year for the Carlisle City Council People Scrutiny Panel, members are keen to have a strong work programme and provide a valuable evidence base for Cumberland Council to build on. The next meeting will consider the impact on local people of the cost of living crisis and will receive valuable evidence from organisations who are working directly with those in need. It is hoped that the August meeting will receive information on discussions regarding the Turkish Baths and plans for the site. Members have also expressed a wish to include Youth Engagement in Civic Life in the work programme.

Meeting Date: 19th July 2022

Public/Private*: Public

Title: **Place Panel Chairman's Report – Councillor James Bainbridge**

Place Panel 16th June 2022

The first meeting of the Place Panel took place with an emphasis on housing matters.

The first area was an update from Riverside Housing Association regarding the upcoming scope and scale of their intentions to expand and a review of the operation in the last year. Beyond the usual statistics that one would anticipate with such a presentation, the previous year has seen an active expansion in the group both locally (with the completion of the takeover of the financially troubled Impact Group) and the 'complementary partnership' with One Housing Group, a 16,000 unit housing group based primarily in London and the South East.

Of important note to Carlisle, is the intention of Riverside to increase the number of units it owns through the St Cuthbert's Garden Village project and in the re-development of the most westerly section of their Morton estate which will see existing housing redeveloped and revamped as opposed to the traditional use of Section 106 to expand the portfolio. The cost of this 10-year scheme at £35 million is significant, as is the present funding gap of £18 million to this scheme, hence their need for the support of the Council to "act as the bridge" to the funding gap. It will be interesting to see how our successor authority approaches the present dialogue to this project in nine months' time.

Members may be aware through their casework of the recent changes made to the Cumbria Choice Based Lettings Scheme. The intention of the new policy is to make it clearer and simplified in terms of a new banding structure. Management once on the scheme, will require customer led involvement, with activity needed to remain on the list each year. It is early days in the new system with it only just going live prior to the meeting. The Officer has agreed to come back to the Panel with a six-month review which will be eagerly awaited.

Following this, the Officer presented an update on the delivery of the homeless prevention and rough sleeping strategy. Members may be aware that one aspect of this wide-

ranging report was reported locally. Of note the largest reason for homelessness in Carlisle remains the impact of family breakdown. Carlisle's management of its homelessness policy remains strongly ahead of the other districts and has certainly sought to build upon the increased attention that homelessness has received during the pandemic, rather than treading water in the post pandemic world.

We also used the opportunity of our first meeting to further set out the agenda for the future year.

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

Cllr James Bainbridge
Chairman

Meeting Date: 19th July 2022

Public/Private*: Public

Title: **Resources Scrutiny Panel Chairman's Report – Councillor
Christine Finlayson**

CORPORATE RISK REGISTER

Corporate Risk Register came to the Business & Transformation Scrutiny Panel meeting on the 31st March 2022. Going forward the Resources Panel will be looking at the transition of Carlisle City Council to the new Cumberland Authority.

Section 105 Officers will need to discuss the development of the new Cumberland Authority budgets and new financial plans for 2023. This is because there were challenges on Council Resources due to ongoing key projects i.e. the Sands Leisure Centre, but it should be noted as of having sufficient resources this is not a risk going forward with LGR.

SQUAD WORKING

The Deputy Chief Executive submitted a Report on Squad Working. Squad Working is built on the skills of individuals and their capacity to provide updates on new methods of working which is being adopted by the Council.

AWARDS FOR THE GARDEN VILLAGE

Congratulations to the Staff and other colleagues on their excellent achievement so far in winning the award for Excellence in Tech within Planning Practice category which will now go forward to the National Awards later this year. I'm sure we all wish them every success and of course our Congratulations, **Well Done**.

LOCAL GOVERNMENT REORGANISATION

Going forward with this Panel we are tasked to make sure that the LGR Transformation Agenda is deliverable on Vesting Day for the New Authority.

This Panel is in a unique position to help the new authority with Carlisle City Council's financial plans, including the Borderlands and Towns Deal Government funding, to ensure that Carlisle and the surrounding area, including our Partnership working with our fellow Councils North of the Border, deliver our Borderland objectives.

I look forward to working with the Panel to hand over some of our Scrutiny functions and work programme outcomes to the new Authority, and we are fully aware that it is a suggestion only as the new Authority will, of course, make their own decisions and we are working towards a seamless handover.

Cllr Christine Finlayson
Chairman

Carlisle City Council

Report to Council

Item
15.(i)

Meeting Date: 19 July 2022
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref: K.11/22
Policy and Budget Framework: Yes
Public / Private: Public

Title: Provisional General Fund Revenue Outturn 2021/22 – Carry Forwards
Report of: Corporate Director of Finance and Resources
Report Number: RD.23/22

Purpose / Summary:

This report summarises the 2021/22 provisional outturn for the General Fund revenue budget (including Council Tax and Business Rates outturn) and requests for the carry forward of budgets. The provisional General Fund Revenue outturn position was considered by the Executive on 25 May and People Panel on 9 June. The provisional Council Tax outturn report was also considered by the Executive on 25 May and People Panel on 9 June, and the Business Rates outturn report was considered by the People Panel on 14 July and will be considered by the Executive on 25 July.

Recommendations:

Council is asked to:

- (i) Approve the carry forward requests totalling £1,967,900 to be incurred in 2022/23 and the release of £1,967,900 in 2022/23 from the General Fund Reserve as set out in the report and Appendix 1;
- (ii) Approve the creation of new reserves and transfers into the new and existing reserves of £2,419,124, in addition to the transfer to the building control reserve of £46,666, as detailed in paragraphs 3.2, 3.3 and 3.4 and Appendix 2 of the report;
- (iii) Approve (subject to recommendation by the Executive on 25 July) the additional transfer of £3,155,170 to the Business Rates S.31 Grant Reserve;
- (iv) Approve the revised delegations for the release of the Planning Services Reserve.

Tracking

Executive:	25 May 2022 (RD03/22 & RD06/22) 25 July 2022 (RD26/22)
Scrutiny:	People Panel - 9 June 2022 (RD03/22 & RD06/22) People Panel – 14 July (RD26/22)
Audit Committee	8 July 2022 (RD03/22 – for information only)
Council:	19 July 2022

1. Background

- 1.1 This report provides details of the 2021/22 provisional outturn for the General Fund Revenue budgets and the proposed carry forward requests into 2022/23 as set out in the Council's Provisional General Fund Outturn considered by the Executive (25 May 2022).
- 1.2 The updated provisional outturn position is summarised below:

Directorate / Appendix	Original Budget £	Net Updated Budget £	Net Spend to Date £	Variance £	Carry Forwards £	Reserves/ Provisions £	Adjusted Variance £
Community Services	9,480,600	11,147,000	10,615,290	(531,710)	222,800	134,200	(174,710)
Corporate Support	2,632,600	291,600	193,228	(98,372)	83,000	0	(15,372)
Economic Development	974,700	2,389,700	1,093,223	(1,296,477)	349,000	690,673	(256,804)
Finance & Resources	2,054,500	2,189,200	2,099,158	(90,042)	5,300	46,505	(38,237)
Governance & Regulatory Services	1,305,800	2,039,100	959,018	(1,080,082)	524,500	408,251	(147,331)
Corporate Management	(3,042,200)	(2,129,900)	(1,892,029)	237,871	80,200	0	318,071
Core Service Expenditure	13,406,000	15,926,700	13,067,888	(2,858,812)	1,264,800	1,279,629	(314,383)
Exceptional Items	(25,000)	2,161,200	787,512	(1,373,688)	703,100	0	(670,588)
Service Expenditure	13,381,000	18,087,900	13,855,400	(4,232,500)	1,967,900	1,279,629	(984,971)
Additional Transfers to Reserves						1,200,000	1,200,000
Net Overspend Position	13,381,000	18,087,900	13,855,400	(4,232,500)	1,967,900	2,479,629	215,029
Parish Precepts	708,300	708,300	708,289	(11)	0	0	(11)
Total	14,089,300	18,796,200	14,563,689	(4,232,511)	1,967,900	2,479,629	215,018
<u>Transfers to/(from) Reserves</u>							
Cremator Replacement Reserve	0	89,500	89,538	38	0	0	38
Economic Recovery Reserve	0	(50,000)	(50,000)	0	0	0	0
Revenue Grants Reserve	0	(520,200)	(520,299)	(99)	0	0	(99)
General Fund Reserve	466,600	(1,346,700)	6,742,451	8,089,151	(1,967,900)	(5,634,799)	486,452
Planning Services Reserve	0	57,400	57,400	0	0	0	0
Prosecution Reserve	0	(1,700)	(1,700)	0	0	0	0
Building Control Reserve		(9,500)	(9,500)	0	0	0	0
Business Rate S31 Reserve		(9,463,000)	(9,463,000)	0	0	0	0
Council Tax Hardship Reserve		(359,100)	(359,100)	0	0	0	0
Council Tax Income Reserve		(23,000)	(23,016)	(16)	0	0	(16)
Operational Risk Reserve		(2,100,000)	(2,100,000)	0	0	0	0
Total Transfer to/(from) Reserves	466,600	(13,726,300)	(5,637,226)	8,089,074	(1,967,900)	(5,634,799)	486,375
Financed by:							
Precept from Collection Fund	(8,346,900)	(8,323,900)	(8,344,370)	(20,470)	0	0	(20,470)
Business Rates Deficit B/Fwd	0	9,463,000	9,462,618	(382)	0	0	(382)
Business Rate Retention	(6,209,000)	(6,209,000)	(10,044,711)	(3,835,711)	0	3,155,170	(680,541)
Total Grants	(14,555,900)	(5,069,900)	(8,926,463)	(3,856,563)	0	3,155,170	(701,393)
Total	(14,089,300)	(18,796,200)	(14,563,689)	4,232,511	(1,967,900)	(2,479,629)	(215,018)

2. Carry Forward Requests

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

- *the authorisation of the Corporate Director of Finance and Resources where the request relates to a specific committed item of expenditure where, due to external or other factors, the Director has been unable to spend the approved budget by 31 March. The use of the resource will be restricted to the purpose for which the estimate was originally intended. The carry forward will only be approved by the Corporate Director of Finance and Resources if the expenditure is within both the Directorate's and the Authority's budget as approved for that year. Any carry forward which would result in an over-spend for the Authority will require authorisation by the Council.*
- *any overspending on service estimates in total on budgets under the control of the Director must be carried forward to the following year, and will constitute the first call on service budgets in the following year, unless the Council determines otherwise by way of a supplementary estimate. The Corporate Director of Finance and Resources will report the extent of overspending carried forward to the Executive, Business and Transformation (now People) Scrutiny Panel and to the Council.*

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

2.2 Details of the carry forward requests, which itemise committed expenditure, are contained within **Appendix 1**.

2.3 The Executive at its meeting on 25 May, approved the carry forward requests totalling £1,967,900, for recommendation to Council, funded from the General Fund Reserve.

3. Reserves and Provisions

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

	31/03/2022 £'000s	31/03/2023 £'000s	31/03/2024 £'000s	31/03/2025 £'000s	31/03/2026 £'000s	31/03/2027 £'000s
Prudent Level of Reserves	(3,100)	(3,100)	(3,100)	(3,100)	(3,100)	(3,100)
Council Resolution General Fund Reserve	(4,091)	(4,258)	(3,354)	(2,699)	(2,844)	(3,228)
Revised Level of Reserves	(4,091)	(4,258)	(3,354)	(2,699)	(2,844)	(3,228)
Carry Forwards Approved In Year	0	0				
Underspend position to be returned to Reserves - Base Budget	(2,859)					
Underspend position to be returned to Reserves - Covid	(1,374)					
Additional Funding from Council Tax	(20)					
Additional Funding from Business Rates	(3,836)					
<u>Transfer to earmarked reserves & provisions: ⁽¹⁾</u>						
- see paragraph 3.2	3,155					
- see paragraph 3.3	2,480					
- see paragraph 3.4	47					
Committed Carry Forwards	0	1,968	0	0	0	0
Cost of Disposal	(3)					
Revised Reserves Balance	(6,501)	(4,700)	(3,796)	(3,141)	(3,286)	(3,670)

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

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

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

- 3.2 The Council budgeted for additional income of £2,700,000 from business rates growth and pooling over and above the baseline figure set by the Government, and the provisional outturn shows that an additional £3,836,000 in excess of this has been achieved in 2021/22 now that the NNDR3 return has been completed (subject to the final confirmation of any pooling gains and consideration of the Business Rates Provisional Outturn by the Executive on 25 July). This surplus would normally be an additional contribution to General Fund Reserves; however, this surplus is due to income credited to the general fund from section 31 grants and will be needed to counteract the deficit funding shown in general fund in 2022/23. Therefore £3,155,170 of this additional funding is requested to be transferred to an earmarked reserve and released to general fund in 2022/23 (subject to recommendation by the Executive on 25 July). This will result in an additional £425,000 (as £256,000 was included in the draft Revenue Outturn report) being added to GF Reserves subject to the agreement of, or other recommendations from, the Executive.

The detailed figures for Business rates will be considered by the Executive on 25 July in report RD26/22.

Members should note that the information contained in this report is provisional and subject to the formal audit process; therefore, any significant changes required following the approval of the 2021/22 accounts will, if necessary, be reported to a future Executive meeting.

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

	Net Approval Requested £
Leisure Reserve (new)	400,000
Tullie House (new)	800,000
Prosecutions Reserve	15,500
Carry Forward Reserve	240,000
Revenue Grants Reserve	963,624
Total Additional Transfers to Reserves	2,419,124
Civil Penalties Provision	14,000
Revenues and Benefits Provision	46,505
Total Additional Transfers to Provisions	60,505
Total Additional Transfers	2,479,629

- 3.4 In accordance with statutory requirements any surplus or deficit generated by the Building Control function is required to be held as an identified earmarked reserve and can only be utilised for Building Control. In 2021/22 the required amount to be transferred to the Building Control Reserve is £46,666. This is in addition to £9,500 released during 2021/22 to fund eligible costs.
- 3.5 It is recommended that the delegations for the release of the Planning Services Reserve are amended to allow the Corporate Director of Economic Development to authorise release of the reserve through an Officer Decision Notice. The reserve is ring-fenced by statute to support improvements to the Planning Service and is not available for general use by the Council and any release will be in line with this condition.

4. Risks

- 4.1 Risks to future years' budget (for the new Cumberland Council) and development of ongoing impact of issues identified will be monitored carefully in budget monitoring reports and appropriate action taken.

5. Consultation

- 5.1 Consultation to date.

Portfolio Holders, SMT, The Executive and People Panel have considered the issues raised in this report.

6. Conclusion and reasons for recommendations

- 6.1 Council is asked to:

- (i) Approve the carry forward requests totalling £1,967,900 to be incurred in 2022/23 and the release of £1,967,900 in 2022/23 from the General Fund Reserve as set out in the report and Appendix 1;
- (ii) Approve the creation of new reserves and transfers into the new and existing reserves of £2,419,124, in addition to the transfer to the building control reserve of £46,666, as detailed in paragraphs 3.2, 3.3 and 3.4 and Appendix 2 of the report;
- (iii) Approve (subject to recommendation by the Executive after their meeting on 25 July) the additional transfer of £3,155,170 to the Business Rates S.31 Grant Reserve;
- (iv) Approve the revised delegations for the release of the Planning Services Reserve.

7. Contribution to the Carlisle Plan Priorities

- 7.1 The Council's budget is set in accordance with the priorities of the Carlisle Plan and the 2021/22 outturn shows the delivery of these priorities within budget.

Contact Officer: Emma Gillespie

Ext: 7289

Appendices attached to report:

- 1. Carry Forward Requests
- 2. Reserve/Provision Requests

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

Corporate Implications:

Legal - The Council has a fiduciary duty to manage its finances properly and the proper reporting of the outturn figures is part of this process. Approval of full Council is required for the use of revenue reserves to fund expenditure commitments as set out in the report.

Property Services - Property asset implications are contained within the main body of the report.

Finance - Financial implications are contained within the main body of the report.

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

Information Governance - There are no information governance implications.

Appendix 1 – Carry Forward Requests

Directorate/Section	Description	Requests into 2022/23 £
<u>Corporate Support</u>		
ICT Services	To fund commitments to enhance cyber security, vulnerability scanning and threat hunting.	67,500
Customer Contact	To fund required staffing commitments in 2022/23.	15,500
		83,000
<u>Finance and Resources</u>		
Internal Audit	To fund specialist work & contribute towards the cost of the External Quality Assessment.	5,300
		5,300
<u>Corporate Management</u>		
Corporate Management	To fund any proposed additional audit fees e.g. in relation to Redmond Review	27,600
Direct Revenue Financing	Budgets originally allocated to fund schemes within 2021/22 capital programme. Schemes have slipped into 2022/23 thus requiring the funding to be carried forward.	52,600
		80,200
<u>Community Services</u>		
Neighbourhood Services	To ensure continuation of Market Factor Supplements for the HGV drivers for the 2 year period in line with Carlisle City Council policy.	57,900
Small Scale Community Projects	For committed projects at Currock.	2,000
HR & Payroll	For iTrent development and additional, temporary staffing resources within HR.	11,000
Carlisle Partnership - Healthy Communities and Older People	Budget required for partnership projects in relation to committed spend in 2022/23. Funds released from Revenue Grant Reserve in advance of spend.	7,500
Staff Health & Wellbeing Budget	Budgeted for a Celebration of Learning event in December 2021 to encompass two years of celebrations which didn't take place due to a further Covid lockdown.	7,000
Transport Services	To ensure continuation of Market Factor Supplements for the Mechanics for the 2 year period in line with Carlisle City Council policy.	22,400
Fleet & Workshop	For committed orders for various items of battery powered Small Plant Machinery for the Grounds Maintenance team.	6,500
Policy and Communications - Staffing Resources	Funding for Data Analyst Apprentice.	25,500
Policy and Communications - Staffing Resources	Funding for Digital Marketing Officer role.	26,800
Talkin Tarn Lighting Project	To update the lighting around the buildings at Talkin Tarn.	15,000
Environmental Support	Allocated budget towards Environmental support not used due to internal recruitment to permanent posts. Expenditure to be used for purchased equipment and ongoing employee costs.	41,200
		222,800
<u>Economic Development</u>		
Carlisle South	To provide dedicated Development Management support to the Garden Village.	10,000
Longtown Place Plan	Executive approval to progress with inclusion of Longtown in the Borderlands Place Programme was given (KD.29/20).	30,000

Directorate/Section	Description	Requests into 2022/23 £
Rural Strategy for Carlisle & Eden	The proposal relates to the development of a Rural Strategy for Carlisle and Eden. The Carlisle Economic Strategy (approved by full Council (ED.34/21) commits the Council to produce a rural strategy for Carlisle district.	25,000
City Centre Business Support - BID	Support the work of the City Centre Task Force.	5,000
City Centre Business Support - BID	Business start up grant funding that applicants can apply for if their proposal involves the use of empty properties within the city centre.	8,500
Affordable Housing	Required to fund the Self and Custom Build Housing Grants programme approved by Executive in July 2020.	38,000
St Cuthbert's Garden Village Examination	Required to support delivery of the Local Plan.	69,300
Carlisle South	The Garden Village project is a key corporate priority.	25,000
Programme Management Office	There has been a delay in the recruitment of PMO staff and therefore there is an underspend during 2021/22. These posts have now been filled. The PMO will operate for a 3 year period and therefore underspends will be addressed during the next financial year 2022/23 as the PMO begins to operate at full capacity.	148,200
		349,000
<u>Governance and Regulatory Services</u>		
Homeless Prevention	To be used to fund staffing pressures in 2022/23.	30,000
Licensing	To cover additional staffing resources and pressures in 2022/23.	20,000
Food and Public Protection	To fund committed Agency support.	10,000
Asset Disposal	To fund resources required to deliver the project.	115,600
Land Drainage	To fund repair works to the banks of Hammonds Pond which have eroded due to damage to the existing bank protection and wave damage from the water.	14,700
Property Development	To fund casual administrative work required to support the Major Projects Team.	25,100
Repair & Maintenance Programme	Outstanding items of work approved in the 3 year maintenance plan that have not been completed due to Covid, planning, weather and significant resources issues. The sums above represent committed items of work across the operational portfolio where liabilities arise based on owner and occupier arrangements.	288,500
Town Twinning	The Town Twinning Civic exchange was not held in 2021/22 due to the pandemic. As 2022/23 is due to be the last year of Carlisle City Council it is likely that this year's exchange will go ahead in which case Carlisle will pay for all food, accommodation, events and transport for delegates	9,400
City Lighting	Although the capital element of the LED programme is complete, the surveys revealed more columns that required replacement than initially expected. Altitude are required to replace a further 30 columns in 22/23 (8 of which are still to be purchased) and the work has been committed as there is statutory duty to replace the columns once identified.	11,200
		524,500
<u>Exceptional Items</u>		
LGR Implementation Reserve	To provide continued funding for the LGR Programme Director who is employed by the City Council. Funds have been retained from the County wide Implementation Reserve which covers the period of employment until May 2023.	209,000
LGR Council Costs	As a provision for any one-off costs associated with LGR which cannot be recovered from the Implementation Reserve hosted by Cumbria County Council	494,100

Directorate/Section	Description	Requests into 2022/23 £
		703,100
Total General Fund Carry Forward Requests		1,967,900

Appendix 2 – Reserve & Provision Requests

Reserve/Provision	Purpose	Management of the Reserve	Approval to Release Funds	2021/22 In to Reserve £	Total £
NEW Tullie House	To provide funds for property works and future repair works at Tullie House.	Management of the Reserve rests with the Corporate Director of Finance and Resources.	Approval to release funds from the reserve only be given by an Officer Decision Notice by the Corporate Director of Finance and Resources.	800,000	800,000
Leisure Reserve	To provide funds for additional expenditure related to the leisure management contract.	Management of the Reserve rests with the Deputy Chief Executive.	Approval to release funds from the reserve only be given by an Officer Decision Notice by the Deputy Chief Executive.	400,000	400,000
EXISTING Prosecutions Reserve	For future anticipated Barrister & legal fees		Approval to release funds from the reserve only be given by an Officer Decision Notice by the Corporate Director of Governance & Regulatory Services in consultation with the Chief Executive, Portfolio Holder & Corporate Director of Finance & Resources.	15,500	15,500
Carry Forward Reserve	To hold carry forward budgets. Any expenditure in relation to a carry forward will if possible be funded from base budgets but can be called from this reserve if the section is likely to be in an overspend position at year end. (Dilapidations for Stanwix House)	Management of the Reserve rests with the Corporate Director of Finance and Resources.	Approval to release funds from the reserve only be given by the Corporate Director of Finance & Resources and/or The Chief Executive.	240,000	240,000
Revenue Grants Reserve	A reserve to hold revenue grant funds received by the Council which have not yet been utilised.	Management of the Reserve rests with the Corporate Director of Finance and Resources	Approval to release funds from the reserve only be given by the Corporate Director of Finance and Resources in consultation with the relevant Chief Officer.		963,624
Community Services	One Public Estate: One Public Estate - Sustainable Grant Funding Repayment			20,000	

Reserve/Provision	Purpose	Management of the Reserve	Approval to Release Funds	2021/22 In to Reserve £	Total £
Community Services	Health and Wellbeing: Grazing Land Management			42,700	
Community Services	Partnerships: Health & Wellbeing Sustainable Food Coordinator			25,300	
Community Services	Partnerships: NCLF Place Co-ordinator			46,200	
Governance & Regulatory Services	Homelessness: AFO Prison Leavers Grant (DLUHC)			40,000	
Governance & Regulatory Services	Homelessness: Grant for Domestic Abuse supported accommodation (DLUHC)			32,315	
Governance & Regulatory Services	Land Charges: Local Land Charges Migration Grant			65,400	
Governance & Regulatory Services	Homelife: FILT Gas Safe 2021/22			1,036	
Economic Development	Development Control: Bio-diversity net gain grant (DEFRA)			10,047	
Economic Development	Investment & Policy: St Cuthbert's Garden Village (Capacity Fund)			250,000	
Economic Development	Investment & Policy: St Cuthbert's Garden Village (Design Code Pathfinder)			120,000	
Economic Development	Investment & Policy: St Cuthbert's Garden Village (Development Corporation Business Case)			310,626	
	TOTAL RESERVE REQUESTS			2,419,124	2,419,124
EXISTING PROVISIONS					
Civil Penalties Provision	In relation to costs to be funded from Civil Penalties income as per the Housing and Planning Act 2016.			14,000	
Revenues and Benefits Provision	Funds received as reimbursement of overcharged magistrate court fees paid for council tax liability orders applied for between April 2014 and July 2018.			46,505	
	TOTAL PROVISION REQUESTS			60,505	60,505
	TOTAL REQUESTS FOR RESERVES & PROVISIONS			2,479,629	2,479,629

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 25 MAY 2022

EX.70/22 PROVISIONAL GENERAL FUND REVENUE OUTTURN 2021/22

(Key Decision – KD.11/22)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel People Panel

Subject Matter

The Finance, Governance and Resources Portfolio Holder submitted report RD.03/22 summarising the 2021/22 provisional outturn for the General Fund revenue budget, giving reasons for variances. Once transfers to earmarked reserves and funding of the carry forward requests in 2022/23 had been accounted for, the outturn position would result in a net overall contribution to General Fund Reserves of £17,000.

Requests had been made to carry forward committed expenditure of £1,967,900, net transfers to/from reserves and provisions of £2,479,629 and transfer to the building control reserve of £46,666, which, if approved, would result in an overall net overspend position of £215,029 on Council Services; however, it was estimated that additional funding from Business Rates income would be realised currently estimated at £256,325 (subject to the completion of the NNDR3 return and confirmation of any pooling gains).

The information contained within the report was provisional, subject to the formal audit process. The Draft Statement of Accounts for 2021/22 would be presented to the Audit Committee on 8 July 2022, with final approval of the audited accounts on 28 September 2022 (tbc).

In conclusion, the Finance, Governance and Resources Portfolio Holder moved the recommendations, which were duly seconded by the Economy, Enterprise and Housing Portfolio Holder.

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

DECISION

That the Executive:

- (i) Noted the net underspend of £4,232,500 for Council Services as at 31 March 2022;
- (ii) Considered the committed expenditure totalling £1,967,900, to be incurred in 2022/23 which had been reviewed by the Corporate Director of Finance and Resources, and the release of £1,967,900 from the General Fund Reserve in 2022/23 as detailed in Appendix D1 of report RD.03/22 for recommendation to Council;
- (iii) Approved the creation of new reserves and transfers into and from the new and existing reserves of £2,419,124, in addition to the transfer to the building control reserve of £46,666 as detailed in paragraphs 6.1 and 6.2 and Appendix D2 of report RD.03/22 for recommendation to Council;
- (iv) Noted the transfer to new and existing provisions of £60,505 as detailed in paragraph 6.1 and Appendix D2 of the report;
- (v) Approved, for recommendation to Council, the revised delegations for the release of the Planning Services Reserve.

Reasons for Decision

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

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EXCERPT FROM THE MINUTES OF THE PEOPLE PANEL HELD ON 9 JUNE 2022

PEP.05/22 PROVISIONAL GENERAL FUND REVENUE OUTTURN 2021/22

The Corporate Director of Finance and Resources submitted report RD.03/22 summarising the 2021/22 provisional outturn for the General Fund revenue budget, giving reasons for variances. An overview of transfers to earmarked reserves and funding of the carry forward requests in 2022/23 was given, noting that once accounted for, the outturn position would result in a net overall contribution to General Fund Reserves of £17,000.

The information contained within the report was provisional, subject to the formal audit process. The Draft Statement of Accounts for 2021/22 would be presented to the Audit Committee on 8 July 2022, with final approval of the audited accounts anticipated on 28 September 2022.

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

- With reference to the underspend and income shortfall in Homelessness Accommodation a Member asked whether the 'cost of living crisis' was likely to impact that position and if an associated pressure had been included in the budget?

The Corporate Director of Finance and Resources confirmed that a £100,000 pressure had been approved by Council in February for the 2022/23 budget. The Service Manager would be best placed to advise how that pressure was to be met.

- Were any of the various under and overspends detailed in the report a cause for concern in the context of Local Government Reorganisation (LGR), for example shortfall of income at The Lanes and the Market Hall?

The Corporate Director of Finance and Resources explained that there was some concern in relation to the income shortfalls indicated by the Member which it was anticipated economic recovery following the lifting of Covid 19 pandemic restrictions would begin to address. In terms of budget monitoring, pressures had been included in the Medium Term Financial Plan (MTFP) for a shortfall in income for both The Lanes and the Market Hall for the next three years.

As part of the LGR process the MTFPs of all sovereign Councils would be considered as part of the development of the Cumberland Council budget, the Corporate Director was confident that the City Council's MTFP incorporated the relevant shortfalls.

- What was the anticipated impact of Copeland Borough Council's budgetary position on Cumberland Council?

The Corporate Director advised that both new unitary authorities would have to be financially sustainable, an aspect of which was having identified risks incorporated into their respective MTFPs. The Interim Section 151 Officers for the respective Shadow Authorities were working with CIPFA in the form of Financial Sustainability Board to determine how the budgets of the sovereign councils would be linked to form balanced budgets for the two new authorities; that work would consider all aspects of local authority finance. Risks to the new authorities' finances were being captured by the LGR programme Board.

The Deputy Chief Executive added that whilst the issues relating to Copeland's budgetary position was a factor in the setting up of the budget for Cumberland Council, however, in the context of the disaggregation of Cumbria County Council's finances, it was unlikely to be

destabilising.

The Chair thanked the Corporate Director for her presentation of the report and responses to questions. In relation to the Homelessness Accommodation budget pressure, he considered it would be useful for Members to be given reassurance on the issue and requested that written information on the matter be circulated to the Panel by the Service Manager. He further noted that Housing came under the remit of the Place Panel but considered that there were aspects of the Council's service delivery that ought to be scrutinised by the People Panel.

RESOLVED - 1) That the Provisional General Fund Outturn 2021/22 be noted.

2) That the Homelessness Accommodation Manager write to the Panel setting out how the £100,000 budget pressure was to be addressed and what impact the cost of living crisis may have on the matter.

Carlisle City Council

Report to Council

Item
15.(ii)

Meeting Date: 19 July 2022
 Portfolio: Finance, Governance and Resources
 Key Decision: Yes: Recorded in the Notice Ref: K.11/22
 Policy and Budget Framework: Yes
 Public / Private: Public

Title: Provisional Capital Outturn 2021/22 – Carry Forwards
 Report of: Corporate Director of Finance and Resources
 Report Number: RD.24/22

Purpose / Summary:

This report provides details of the 2021/22 provisional outturn for the Council's Capital Programme and provides details of the revised Capital Programme for 2022/23. The provisional outturn was considered by the Executive on 25 May and People Panel on 9 June.

Recommendations:

Council is asked to:

- (i) Approve the carry forward requests totalling £7,106,700 to be met in 2022/23 as set out in the report;
- (ii) Approve the reprofiling of £2,284,500 for Future High Street Fund Projects into 2022/23 as set out in paragraph 3;
- (iii) Approve the revised programme for 2022/23, together with the proposed methods of financing and virement request, as detailed at paragraph 3.

Tracking

Executive:	25 May 2022 (RD04/22)
Scrutiny:	People Panel - 9 June 2022 (RD04/22)
Audit Committee	8 July 2022 (RD03/22 – for information only)
Council:	19 July 2022

1. Background

- 1.1 This report provides details of the 2021/22 provisional outturn for the Council's Capital Programme and provides details of the revised Capital Programme for 2022/23.
- 1.2 The provisional outturn position for the 2021/22 capital programme is summarised below:

Capital Expenditure	Revised Annual Budget	Total Expenditure	Variance	Carry Forwards (Committed)	Adjusted Variance
	£	£	£	£	£
Community Services	20,364,900	16,722,875	(3,642,025)	3,828,800	186,775
Corporate Support	439,600	409,978	(29,622)	29,600	(22)
Economic Development	2,944,700	1,246,381	(1,698,319)	1,689,600	(8,719)
Finance & Resources	80,900	37,444	(43,456)	43,500	44
Governance & Regulatory Services	4,208,300	2,530,744	(1,677,556)	1,135,200	(542,356)
Exceptional Items	7,200	7,164	(36)	0	(36)
Total Expenditure	28,045,600	20,954,586	(7,091,014)	6,726,700	(364,314)
Reserves to be released	380,000		(380,000)	380,000	0
Total Expenditure	28,425,600	20,954,586	(7,471,014)	7,106,700	(364,314)

2. Carry Forward Requests

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

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

first call on service budgets in the following year, unless the Council determines otherwise by way of a supplementary estimate. The Corporate Director of Finance and Resources will report the extent of overspending carried forward to the Executive, Business and Transformation (now People) Scrutiny Panel and to the Council.

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

2.3 Carry forwards at the end of the year have been analysed to assess the year of potential expenditure to enable better profiling of budgets for future years. Of the committed carry forwards shown in **Appendix A**, it is estimated that the full £7,106,700 will be spent in 2022/23.

3. 2022/23 Capital Programme and Financing

3.1 The updated Capital Programme for 2022/23 is detailed in **Appendix A** totalling £45,447,400 is based upon the programme as agreed by Council in February 2022 of £36,074,100, the commitments brought forward from 2021/22 as identified above of £7,106,700, the commitments brought forward from 2021/22 already approved of £4,295,300, an increase of £255,800 for additional Disabled Facilities Grant award which has recently been advised and totals £2,155,574, and the following additional adjustments:

- **Council are asked to approve the reprofiling of £2,284,500 for Future High Street Projects due to revised grant payment profiles provided.**

3.2 The 2022/23 programme will be continually reviewed to ensure the Council has the capacity to deliver this level of programme.

3.3 If all of the carry forward requests are approved, it is suggested that the revised programme for 2022/23 is financed as follows:

	<u>Original Budget</u> £	<u>Revised Budget</u> £
Original Programme	36,074,100	36,074,100
Add: Carried forward from 2021/22 (in Year)	0	4,295,300
Add: Carried forward from 2021/22 (Year End)	0	7,106,700
Add: Other adjustments to programme	0	(2,028,700)
Total Expenditure to be financed	36,074,100	45,447,400
<u>Financed by:</u>		
Capital Grants		
• DFG	1,899,800	2,155,600
• Sustainable Warmth	17,745,000	19,955,000
• Future High Street Fund	3,363,200	2,780,200
• General	66,000	933,700
Capital Receipts	285,500	285,500
Receipts used to fund resources	(112,000)	(112,000)
Contributions from other bodies	0	828,300
Direct Revenue Financing	1,962,400	2,365,000
Borrowing Requirement (In Year)	10,864,200	16,256,100
Total Financing	36,074,100	45,447,400

4. Risks

4.1 Individual capital schemes have different risks involved.

5. Consultation

5.1 Consultation to date.

Portfolio Holders, SMT, The Executive and People Panel have considered the issues raised in this report.

6. Conclusion and reasons for recommendations

6.1 Council is asked to:

- (i) Approve the carry forward requests totalling £7,106,700 to be met in 2022/23 as set out in the report;
- (ii) Approve the reprofiling of £2,284,500 for Future High Street Fund Projects into 2022/23 as set out in paragraph 3;
- (iii) Approve the revised programme for 2022/23, together with the proposed methods of financing and virement request, as detailed at paragraph 3.

7. Contribution to the Carlisle Plan Priorities

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

Contact Officer: Emma Gillespie

Ext: 7289

Appendices attached to report:

- A. 2022/23 Revised Capital Programme

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

Corporate Implications:

Legal - The Council has a fiduciary duty to manage its finances properly and the proper reporting of the outturn figures is part of this process. Approval of full Council is required for the use of capital reserves to fund expenditure commitments as set out in the report.

Property Services - Property asset implications are contained within the main body of the report.

Finance - Financial implications are contained within the main body of the report.

Equality - This report raises no explicit issues relating to the public sector Equality Duty. It is worth noting that the report includes the increase in funding for the Disabled Facilities Grants (DFGs)

Information Governance - There are no information governance implications.

Scheme	Original Capital Programme 2022/23 £	Carry Forwards from 2021/22 £	Carry Forwards from 2021/22 £	Other Adjustments £	Revised Capital Programme 2022/23 £
<u>Current non-recurring commitments</u>					
Sands Centre Redevelopment	3,450,200	0	3,240,900	0	6,691,100
Energy Monitoring System	0	0	12,000	0	12,000
Future High Street Fund - Market Square	1,011,800	377,300	80,000	(390,000)	1,079,100
Future High Street Fund - 6-24 Castle Street	510,700	42,600	110,700	(170,200)	493,800
Future High Street Fund - Central Plaza	1,787,300	632,400	37,500	(1,669,700)	787,500
Future High Street Fund - Devonshire Street	220,900	33,600	40,000	(54,500)	240,000
Future High Street Fund - Delivery Costs	122,500	33,400	24,000	(100)	179,800
Cemetery Infrastructure	0	0	5,700	0	5,700
Carlisle Southern Link Road	5,000,000	0	0	0	5,000,000
Planning Software	0	0	150,000	0	150,000
Play Area Improvements	250,000	0	205,500	0	455,500
Sands Car Park Resurfacing	210,000	0	0	0	210,000
Swifts Car Park Resurfacing	200,000	0	0	0	200,000
Towns Deal - Caldew Riverside	0	0	646,600	0	646,600
Gateway 44	0	0	300,000	0	300,000
Rough Sleeping Initiative	0	0	4,800	0	4,800
Bitts Park Public Realm	0	32,000	10,000	0	42,000
Financials Upgrade	0	0	43,500	0	43,500
Affordable Homes	0	0	600,800	0	600,800
Sustainable Warmth Competition	17,745,000	2,210,000	0	0	19,955,000
	30,508,400	3,361,300	5,512,000	(2,284,500)	37,097,200
<u>Recurring commitments</u>					
Planned Enhancements to Council Property	250,000	80,000	127,700	0	457,700
Vehicles, Plant & Equipment	1,185,500	0	366,700	0	1,552,200
Recycling Containers	45,000	0	0	0	45,000
ICT Infrastructure	410,400	54,000	29,600	0	494,000
	1,890,900	134,000	524,000	0	2,548,900
<u>Disabled Facilities Grants</u>					
Private Sector Grants	1,899,800	800,000	608,400	255,800	3,564,000
Empty Property Grants	0	0	82,300	0	82,300
	1,899,800	800,000	690,700	255,800	3,646,300
TOTAL	34,299,100	4,295,300	6,726,700	(2,028,700)	43,292,400
<u>Capital Reserves to be released</u>					
Crematorium Infrastructure	1,775,000	0	350,000	0	2,125,000
Cemetery Infrastructure	0	0	30,000	0	30,000
	1,775,000	0	380,000	0	2,155,000
REVISED TOTAL	36,074,100	4,295,300	7,106,700	(2,028,700)	45,447,400

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 25 MAY 2022

EX.71/22 PROVISIONAL CAPITAL OUTTURN 2021/22 AND REVISED CAPITAL PROGRAMME 2022/23

(Key Decision – KD.11/22)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel People Panel

Subject Matter

The Finance, Governance and Resources Portfolio Holder submitted report RD.04/22 summarising the 2021/22 provisional outturn for the Council's Capital Budget; and providing details of the revised Capital Programme for 2022/23. The outturn showed that the net underspend for Council services as at 31 March 2022 once committed expenditure totalling £7,106,700 was taken into account was £364,314.

Details of the resources which had been utilised to fund the 2021/22 Capital Programme, together with the 5 year Capital Programme for the period 2022/23 to 2026/27 were also provided.

The 2022/23 programme would be continually reviewed to ensure the Council had the capacity to deliver that level of programme. The information contained within the report was provisional and subject to the formal audit process.

The Finance, Governance and Resources Portfolio Holder concluded by moving the recommendations, which were duly seconded by the Economy, Enterprise and Housing Portfolio Holder.

Summary of options rejected that the net underspend and the revised programme for 2022/23 should not be recommended to Council.

DECISION

That the Executive:

- (i) Noted the net underspend as at 31 March 2022 of £364,314 which included committed expenditure to be met totalling £7,106,700, which was recommended by the Corporate Director of Finance and Resources for approval to Council;
- (ii) Considered the revised programme for 2022/23, together with the proposed methods of financing and virement request, as detailed at paragraph 5 and Appendix B of report RD.04/22, for recommendation to Council.

Reasons for Decision

To receive the report on the Provisional Capital Outturn for 2021/22 and make recommendations to the City Council on the 2022/23 Capital Programme.

EXCERPT FROM THE MINUTES OF THE PEOPLE PANEL HELD ON 9 JUNE 2022

PEP.06/22 PROVISIONAL CAPITAL OUTTURN 2021/22 AND REVISED CAPITAL PROGRAMME 2022/23

The Corporate Director of Finance and Resources submitted report RD.04/22 summarising the 2021/22 the provisional outturn for the Council's Capital Budget; and providing details of the revised Capital Programme for 2022/23. The outturn showed that the net underspend for Council services as at 31 March 2022, once committed expenditure totalling £7,106,700 was taken into account, was £364,314.

Details of the resources which had been utilised to fund the 2021/22 Capital Programme, together with the 5 year Capital Programme for the period 2022/23 to 2026/27 were also provided. The 2022/23 programme would be continually reviewed to ensure the Council had the capacity to deliver that level of programme. The information contained within the report was provisional and subject to the formal audit process.

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

- A number of programmes listed within the report were subject to ring fenced funding, would the ring fencing be carried over to the Cumberland Council and had any contingency for cost escalation been incorporated?

The Corporate Director of Finance and Resources confirmed the ring fenced funds for the projects would continue to be set aside, with reference to the Future High Streets Fund and Borderlands Projects other authorities subject to LGR would also have financial involvement. Some of the schemes were being delivered by the Council's partners who would be liable for any cost overruns. The Corporate Director indicated that she did not have specific details relating to those matters to hand, but should the Panel require it was able to circulate written information to Members.

- There were a number of projects within the Capital Programme that were not in keeping with the anticipated timeline or budget, was the project management being effective in its delivery?

The Corporate Director responded that it was not unusual for costs and timelines to exceed those originally set out. The Council's Project Board was responsible for monitoring the delivery of projects a report on the matter was regularly submitted to the former Business and Transformation Scrutiny Panel. Risk assessments would be carried on existing projects that would not be completed by the end of March 2023, with any issues identified being included in the Council's Risk Register.

- Regarding the additional Disabled Facilities Grants (DFG) funding, had the new monies been allocated?

The Corporate Director of Finance and Resources advised that the additional funding had only recently been announced and was allocated by the Better Care Fund from Cumbria County Council. The allocation of the monies would be monitored through these reports going forward which would be submitted on a quarterly basis; any unspent were anticipated to be retained under the Housing Renewal Assistance Policy. The Corporate Director undertook to write to the Panel with details of how any monies not spent on DFGs would be used.

The Chair welcomed the report.

RESOLVED - 1) That the Provisional Capital Outturn 2021/22 and Revised Capital Programme 2022/23 be noted.

2) That the Corporate Director of Finance and Resources provide written information to the Panel regarding:

- i) The financial contingencies in place for the Future High Street Fund projects;
- ii) The potential use of monies allocated for Disabled Facilities Grants that had not been used.

Carlisle City Council

Report to Council

Item
15.(iii)

Report details

Meeting Date:	19 July 2022
Portfolio:	Finance, Governance and Resources
Key Decision:	Yes: Recorded in the Notice Ref: KD.11/22
Policy and Budget Framework	Yes
Public / Private	Public
Title:	TREASURY MANAGEMENT OUTTURN 2021/22
Report of:	CORPORATE DIRECTOR OF FINANCE AND RESOURCES
Report Number	RD.05/22

Purpose / Summary:

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

Recommendations:

That this report be approved.

Tracking

Executive:	25 May 2022
Scrutiny:	09 June 2022 (People Panel)
Audit Committee:	08 July 2022
Council:	19 July 2022

Carlisle City Council

Report to Executive

Report details

Meeting Date: 25 May 2022
 Portfolio: Finance, Governance and Resources
 Key Decision: Yes: Recorded in the Notice Ref: KD.11/22
 Policy and Budget Framework: Yes
 Public / Private: Public

Title: TREASURY MANAGEMENT OUTTURN 2021/22
 Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES
 Report Number: RD 05/22

Purpose / Summary:

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

Recommendations:

That this report be received and approved for recommendation to Council.

Tracking

Executive:	25 May 2022
Scrutiny:	09 June 2022 (People Panel)
Audit Committee:	08 July 2022
Council:	19 July 2022

1. Background

- 1.1 The purpose of this report is to inform Members on various Treasury Management issues.
- 1.2 **Appendix A1** to this report sets out a final report on Treasury Management in 2021/22 as required by the CIPFA Code of Practice on Treasury Management. **Appendix A2** highlights some performance measures and **Appendix A3** shows the final prudential indicators for 2021/22.
- 1.3 **Appendices B1-B3** details the schedule of Treasury Transactions for the period 1 January 2022 – 31 March 2022.

2. Risks

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

3. Consultation

- 3.1 People Scrutiny Panel will consider the report on 09 June 2022 and the Audit Committee will do so on 08 July 2022.

4. Conclusion and reasons for recommendations

- 4.1 That this report be received and approved for recommendation to Council.

5. Contribution to the Carlisle Plan Priorities

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

Contact details:

Contact Officer: Emma Gillespie Ext: 7289

Appendices attached to report:

- **Appendices attached to report:**
 - Appendix A1 – Treasury Management 2021/22**
 - Appendix A2 – Performance Measurement Statistics**
 - Appendix A3 – Prudential Code and Prudential Borrowing**
 - Appendix B1 – Treasury Transactions**
 - Appendix B2 – Investment Transactions**
 - Appendix B3 – Outstanding Investments**

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

- **None**

CORPORATE IMPLICATIONS:

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

Property Services – Not applicable

Finance – Included in the report

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

Information Governance – No implications

TREASURY MANAGEMENT 2021/22

1. INTRODUCTION

- 1.1 The CIPFA Code of Practice on Treasury Management (2021) requires that full Council should receive both a mid-term and an annual report on treasury management activities during the year. This report on the treasury function during 2021/22, while being first presented to the Executive, is therefore required to have the approval of full Council in order to comply with the CIPFA Code.
- 1.2 Regular reports on treasury transactions are presented to the Executive while an interim report on treasury management in 2021/22 was presented in November 2021 (RD49-21). The purpose of this report is to complete the process of accounting for the treasury function in the last financial year in compliance with the Code. Any funding and other financing transactions are detailed and placed in the context of money market conditions in 2021/22 while the City Council's investment activities are also discussed.

Separate papers (**A2** and **A3**) provide information on performance in 2021/22 and on the Prudential Code on local authority borrowing.

2. MONEY MARKET CONDITIONS

- 2.1 The following table sets out the levels of bank base rate in 2021/22.

	%
1 April 2021 – 15 December 2021	0.10
16 December 2021 – 02 February 2022	0.25
03 February 2022 – 16 March 2022	0.50
17 March – 31 March	0.75

- 2.2 Base rate has steadily risen through the back half of 2021/22 from 0.10% up to 0.75% at 31/03/22.
- 2.3 The pattern of long-term borrowing rates in 2021/22 can be gauged by the following table of Public Works Loans Board (PWLb) fixed rate maturity loans during the year. These are the rates cited in the regular Treasury Transactions reports and relate to the type of loan that historically has most usually been taken up by the City Council.

	1 Yr %	10 Yr %	25 Yr %
1 April 2021	1.02	1.46	2.17
31 March 2022	2.17	2.47	2.79
Highest Rate in 2021/22	2.28	2.58	2.88
Lowest Rate in 2021/22	0.99	1.29	1.76
Span of Rates	1.29	1.29	1.12

3. LONG TERM FUNDING

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

3.2 The City Council did not draw down any external long-term loans in 2021/22. The capital programme was funded internally from borrowing undertaken in 2019/20, by drawing from the authority's own resources, and from external grants and contributions.

4. DEBT RESCHEDULING

4.1 The City Council's long-term loans portfolio at the end of March 2022 consisted of two PWLB loans taken out at £9m and £5m (both taken out in 2019/20). Principal on both loans will be repaid each year with final repayments due in 2059 & 2039 respectively.

5. LOANS OUTSTANDING

5.1 Set out below is a schedule of outstanding external loans as at 31 March 2022.

	£
Public Works Loans Board (PWLB)	12,812,500
Short Term Loans	<u>12,800</u>
Total Loans Outstanding	<u>£12,825,300</u>

6. INVESTMENT TRANSACTIONS

- 6.1 As is apparent from the regular 'Treasury Transactions' reports, the City Council continues to be a frequent investor in the short-term money market and the interest earned from these transactions makes a valuable contribution to the overall level of the Council's revenue budget. Investments are placed only with the institutions that fall within the guidelines of the Council's approved Investment Strategy and a full schedule of investments at 31 March 2022 is set out in **Appendix B3**.
- 6.2 The total at that date (£25.866m) can be compared with an average figure in 2021/22 of over £25.307m and a peak amount of over £31.518m. The closing balance in 2020/21 was £14.289m.
- 6.3 The Investment Strategy for 2021/22 embraced a mixture of longer-term investments and monies lent out for shorter periods to meet anticipated cash flow needs e.g., grant and precept payment dates. There were no changes made to counter party limits in 2021/22.
- 6.4 Investment income in 2021/22 at £186,535 was above the original estimate of £166,800. Actual investment rates obtained from banks and building society investments in 2021/22 were generally around those expected when the budget was set. Increased cash balances due to large upfront funding payments (e.g., sustainable warmth project) helped to increase the overall investment return for the year. The average yield on the Council's investments held including the property fund in 2021/22 was 0.82%. This is a favourable return considering the position of bank base rates during the year and compares well against other local authorities.
- 6.5 At 31 March the investment in the CCLA Property Fund was yielding a return of 3.25%. Dividends received in 2021/22 totalled £127,825.99. The investment has also grown in capital value since the investment was placed in July 2014 from £2,836,893 (after entry costs of £163,107) to £3,866,729 (an increase of £1,029,836). The capital value for 2021/22 increased by £577,371. The overall increase in value offsets the initial entry costs but is still subject to fluctuations in the overall performance of the fund.

7 INVESTMENT STRATEGY 2022/23

- 7.1 The Investment Strategy must be agreed before the start of each financial year and the 2022/23 Strategy was approved by Council on 1 February 2022. While the principles of the Strategy remain fundamentally sound, any amendments to the current schedule of investments, if agreed by the Executive, must be approved by Council.

8. PERFORMANCE MANAGEMENT

8.1 The CIPFA Code places an increased emphasis on performance monitoring in an attempt to measure the efficiency of the treasury function. With treasury management, the difficulty in assessing performance arises from the very different circumstances of each authority and the fact that, for example, a long-term borrowing decision can affect an authority's measured performance for many years to come. Borrowing decisions invariably impact on investment decisions since, in cash flow terms, one can be the mirror image of the other.

8.2 **Appendix A2** sets out some performance indicators in respect of both loans and investments outturn for 2021/22 and 2020/21.

9. TREASURY CONSULTANCY SERVICE (TCS)

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

10 CONCLUSIONS

10.1 At the end of March 2022, the City Council has substantial long-term PWLB borrowing of £12.812m. The loans will be paid back in equal instalments of principal over the lifetime of the loan. No additional borrowing was undertaken during 2021/22, although there was an anticipation that this would be undertaken. Enhanced cash balances during the year negated the requirement to take any additional long-term borrowing. The Medium-Term Financial Plan anticipates external borrowing to support the Council's capital programme in 2022/23 and this will be further assessed during future planning of the MTFP during the course of this year. The focus of the authority's treasury management activities also remains very much on the investment aspect of the function.

10.2 Investment conditions were very similar to as they were in 2020/21, although increases to bank base rates did start to occur during the latter part of the year, in part to try and mitigate increased inflationary pressures in the economy. The City Council's investment interest was still lower than the previous year, however the performance achieved was slightly better than bank base rate levels. Uncertainties around timing of repayments of S.31 grants led to cash balances being invested on a shorter-term basis to ensure the council had enough liquidity for day-to-day activities. These shorter dated investments then attracted lower investment returns. For this authority, as indeed for most others, reduction in investment income poses a very significant financial challenge. This has been alleviated somewhat by the decision to invest in the CCLA property fund which has performed well since initial investment.

- 10.3 The outlook for interest rates in the UK remains uncertain but there is a general expectation that bank base rates will rise steadily through 2022, particularly to counter any inflationary pressures on the overall economy.

CITY OF CARLISLEPERFORMANCE MEASUREMENT STATISTICS1. LOANS MANAGEMENT

	2021/22 %	2020/21 %
Average External Debt Rate - Carlisle	1.64	2.64

Comment

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

2. INVESTMENT MANAGEMENT (Inc. Property Fund)

	2021/22 %	2020/21 %
Average Return in Year - Carlisle	0.82	1.15
Average Bank Base Rate in Year	0.18	0.10

Comment

The City Council's rate of return in 2021/22 on its investments was below that obtained in 2020/21; this was due to keeping investments and cash balances available for liquidity purposes which then attracted lower investment returns.

THE PRUDENTIAL CODE AND PRUDENTIAL BORROWING

1. Introduction

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

2. Prudential Indicators

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

3 Supported and Unsupported (or Prudential) Borrowing

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

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

	2021/22 Provisional Outturn £	2021/22 Revised Estimate £
(i) Capital Expenditure	20,954,586	28,045,600
(ii) Financing Costs		
Interest Payable - Re Borrowing	215,197	520,400
Investment Income	(186,535)	(166,800)
Total Financing Costs	28,662	353,600
(iii) Net Revenue Stream		
Funding from Govt Grants/Local Taxpayers*	14,556,000	14,556,000
(iv) Ratio of Financing Costs to Net Revenue Stream	0.20%	2.43%
The figures monitor financing costs as a proportion of the total revenue stream from government grants and local taxpayers. The increase in the ratio of financing costs is mainly attributable to the forecast reduction in investment income.		
(v) Incremental Impact on Council Tax	12.66	18.19
This indicator allows the effect of the totality of the Council's capital investment decisions to be considered at budget setting time.		
(vi) Authorised Borrowing Limit	45,100,000	45,100,000
Maximum Level of Borrowing and Other Long term Liabilities	12,825,300	12,825,300
The authorised borrowing limit is determined by Council prior to the start of the financial year. The limit must not be altered without agreement by Council and should not be exceeded under any foreseeable circumstances.		

* Business Rates Outturn still to be confirmed

	2021/22 Provisional Outturn £	2021/22 Revised Estimate £
(vii) Operational Borrowing Limit Maximum Level of Borrowing and Other Long term Liabilities The operational borrowing limit is also determined by Council prior to the start of the financial year. Unlike the authorised limit, it may be breached temporarily due to cashflow variations but it should not be exceeded on a regular basis.	40,100,000 12,825,300	40,100,000 12,825,300
(viii) Capital Financing Requirement (CFR) As at 31 March The CFR is a measure of the underlying borrowing requirement of the authority for capital purposes.	34,154,851	40,544,000

(a) Prudence and Sustainability

	2021/22 £
(i) Target New Borrowing to Date Long Term Borrowing taken in 2021/22	29,500,000 0
(ii) Target Percentage of Fixed Rate Long Term Borrowing Actual as at 31 March 2022	100% 100%
(iii) Target Percentage of Variable Rate Long Term Borrowing Actual as at 31 March 2022 Prudent limits for both fixed and variable rate exposure have been set at 100%. This is due to the limited flexibility available to the authority in the context of its overall outstanding borrowing requirement.	100% 0%
(iv) Target Minimum Level of Investments Classified as Specified Actual Level of Specified Investments as at 31 March 2022 As part of the Investment Strategy for 2021/22, the Council set a minimum level of 50% for its specified as opposed to non specified investments. The two categories of investment were defined as part of the Strategy but for the City Council non specified investments will presently refer mainly to either investments of over one year in duration or investments placed with building societies that do not possess an appropriate credit rating. These tend to be the smaller building societies.	50.00% 100.00%

TREASURY TRANSACTIONS
1 JANUARY 2022 TO 31 MARCH 2022

1. LOANS (DEBT)

1.1 Transactions 1 January 2022 to 31 March 2022

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

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

1.2 Loans (Debt) Outstanding at 31 March 2022

	£
P.W.L.B	12,812,500
Short Term Loans	12,800
	12,825,300

1.3 Loans Due for Repayment

	PWLB £	Total £
Short Term Debt at 31 March 2022	475,000	475,000
		475,000

1.4 Interest Rates

Both Link Group and Capital Economics predict that rates will rise steadily through 2022/23 to 1.25% and 1.50% respectively by March 2023.

2. INVESTMENTS

	Made		Repaid	
	£	%	£	%
Short Term Investments	9,650,000	0.41-1.35	14,650,000	0.13-0.66
	9,650,000		14,650,000	

A full schedule of investment transactions is set out in **Appendix B2**. **Appendix B3** shows outstanding investments at 31 March 2022.

3. REVENUES COLLECTED

	Collected £	% of Amount Collectable %
Council Tax	67,732,678	96.59
NNDR	35,971,869	97.89
2021/22	103,704,547	97.03
Council Tax	63,686,663	95.67
NNDR	20,375,547	94.34
2020/21	84,062,210	95.34
Council Tax	62,143,990	97.12
NNDR	43,138,152	97.38
2019/20	105,282,142	97.22

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

4. BANK BALANCE

At 31 March 2022 the bank balance was £7,021,204.98 in credit.

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

5. OUTTURN ON TREASURY MANAGEMENT IN 2021/22

	Revised Estimate £000	Actual £000	Variance £000
Interest Receivable	167	186	19
Interest Payable	520	215	(305)
Less Rechargeable	(18)	(2)	16
	502	213	(289)
Debt Management	12	12	(0)
NET BALANCE	681	411	(270)

INVESTMENT TRANSACTIONS 1 JANUARY 2022 TO 31 MARCH 2022

INVESTMENTS MADE			INVESTMENTS REPAYD	
	£			£
Standard Chartered	2,000,000.00		Standard Chartered	2,000,000.00
HSBC	1,000,000.00		Goldman Sachs	1,000,000.00
HSBC	3,650,000.00		Goldman Sachs	1,000,000.00
Standard Chartered	1,000,000.00		Goldman Sachs	1,000,000.00
Standard Chartered	2,000,000.00		HSBC	1,000,000.00
			HSBC	2,350,000.00
			HSBC	1,300,000.00
			Standard Chartered	1,000,000.00
			Federated	4,000,000.00
TOTAL	9,650,000			14,650,000
			Bfwd	30,696,229
			Paid	9,650,000
			Repaid	14,650,000
			CCLA increase	170,500
			Total	25,866,729

Appendix B3

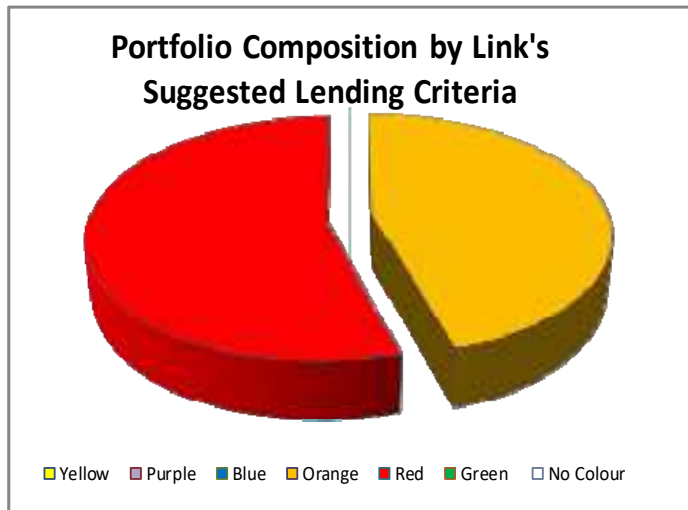
1. Entry Costs were charged against Treasury Management Budget in 2014/15

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Investments Summary Sheet

	% of Portfolio	Amount	% of Colour in Calls	Amount of Colour in Calls	% of Call in Portfolio	Weighted Average Rate of Return WARoR	Weighted Average Days to Maturity WAM	Weighted Average Days to Maturity from Execution WAM at Execution
Yellow	0.00%	-	0.00%	-	0.00%	0.00%	0	0
Purple	0.00%	-	0.00%	-	0.00%	0.00%	0	0
Blue	0.00%	-	0.00%	-	0.00%	0.00%	0	0
Orange	45.45%	10,000,000	100.00%	10,000,000	45.45%	0.71%	16	16
Red	54.55%	12,000,000	58.33%	7,000,000	31.82%	0.76%	142	159
Green	0.00%	-	0.00%	-	0.00%	0.00%	0	0
No Colour	0.00%	-	0.00%	-	0.00%	0.00%	0	0
	100.00%	22,000,000	77.27%	17,000,000	77.27%	0.74%	85	94

Weighted Average Risk				
Risk Score for Colour (1 = Low, 7 = High)	Mar 2022	Dec 2021	Sep 2021	Jun 2021
1	0.0	0.1	0.0	0.00
2	0.0	0.0	0.0	0.0
3	0.0	0.0	0.0	0.0
4	1.8	1.5	1.7	1.9
5	2.7	2.4	2.8	2.6
6	0.0	0.0	0.0	0.0
7	0.0	0.0	0.0	0.0
	4.5	4.0	4.5	4.5



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

Normal' Risk Score	3.5	3.5	3.5	3.5
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EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 25 MAY 2022

EX.72/22 TREASURY MANAGEMENT OUTTURN 2021/22

(Key Decision – KD.11/22)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel People Panel

Subject Matter

The Finance, Governance and Resources Portfolio Holder submitted report RD.05/22 providing the annual report on Treasury Management, as required under both the Financial Procedure Rules and the CIPFA Code of Practice on Treasury Management. Also included was the regular report on Treasury Transactions.

The Finance, Governance and Resources Portfolio Holder moved the recommendation set out.

The Economy, Enterprise and Housing Portfolio Holder duly seconded the recommendation.

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

DECISION

That Report RD.05/22 be received and recommended to the City Council for approval on 19 July 2022.

Reason for Decision

To receive the annual report on Treasury Management.

EXCERPT FROM THE MINUTES OF THE PEOPLE PANEL HELD ON 9 JUNE 2022

PEP.07/22 TREASURY MANAGEMENT OUTTURN 2021/22

The Corporate Director of Finance and Resources submitted report RD.05/22 providing the annual report on Treasury Management, as required under both the Financial Procedure Rules and the CIPFA Code of Practice on Treasury Management. Also included was the regular report on Treasury Transactions.

The Chair thanked the Corporate Director for her comprehensive report.

RESOLVED - That the Treasury Management Outturn 2021/22 be received.

Report details

Meeting Date:	19 July 2022
Portfolio:	Finance, Governance and Resources
Key Decision:	N/A
Policy and Budget Framework	Yes
Public / Private	Public
Title:	Code of Conduct Matter: Cllr Robert Betton
Report of:	Monitoring Officer
Report Number:	GD.43/22

Purpose / Summary:

To report a finding of the Standards Committee that Cllr Robert Betton has breached the Code of Conduct.

Recommendations:

That Council receive the Report.

Tracking

Executive:	
Scrutiny:	
Council:	19 July 2022

1. Background

- 1.1. Councillor David Morton submitted a complaint that Cllr Robert Betton had breached the Council's code of conduct by virtue of his actions on 21 and 22 October 2021. Cllr Morton was concerned that Cllr Betton's late submission of documentation on 21 October 2022 for the Development Control Committee was disrespectful to the staff that had to process it. Further, on 22 October 2022, at the meeting of the Development Control Committee, Cllr Betton had requested an additional three minutes speaking time when making his submissions to the said Committee. The request was denied by the Chair but when he spoke, despite being asked to sum up by the Chair, Cllr Betton continued his submissions. Cllr Betton was asked to stop talking on several occasions but ignored the Chair's clear instructions. Cllr Betton continued to speak even though his microphone had been deactivated. Eventually, the Head of Legal and Democratic Services had to approach Cllr Betton and ask him to stop. Ultimately, Cllr Betton spoke for approximately fifteen or sixteen minutes, it was estimated.
- 1.2. Cllr Morton felt that Cllr Betton's actions were disrespectful and brought the Council into disrepute.
- 1.3. Cllr Morton's complaint was deemed to meet the threshold test for further investigation and the Monitoring Officer duly commissioned an Investigation Report. The matter was brought before a meeting of the Council's Standards Committee for a Hearing on 29 June 2022.

2. The Standards Committee

- 2.1 The Standards Committee held its Hearing of the complaint on 29 June and received evidence from several witnesses and representations on behalf of Cllr Betton.
- 2.2 After due deliberations the Standards Committee decided that Cllr Betton's actions had not brought the Council into disrepute and nor had he treated staff with a lack of respect.
- 2.3 The Standards Committee did decide that, whilst making representations as the Ward Councillor, Cllr Betton's wilful ignoring of clear instructions from the Chair of the Development Control Committee did breach the Council's Code of Conduct as he failed to treat the Chair of the Committee with respect. Cllr Betton's breach was exacerbated by the public nature of the forum.
- 2.4 The Standards Committee decided that the sanctions for the breach should be this Report to Council; the decision of the Committee to be published on the Council's website; a letter to Cllr Betton inviting him to apologise to Cllr Morton and the other

Members of the Development Control Committee. Further, Cllr Betton to be offered some suitable and relevant training.

2.5 For completeness, the Standards Committee also requested that the Right to Speak Scheme be reviewed and revised for better clarity.

3. Risks

3.1 None.

4. Consultation

4.1 The Independent Person's view was that there was insufficient evidence to support a finding that Cllr Betton had brought the Council into disrepute or that he had failed to treat staff with the appropriate respect. However, Cllr Betton, by ignoring clear instructions at the Development Control Committee on 22 October 2021, had breached the Code of Conduct by failing to treat the Chair of the Development Control Committee with the appropriate level of respect

5. Conclusion and reasons for recommendations

5.1 The report fulfils the instructions of the Standards Committee.

6. Contribution to the Carlisle Plan Priorities

6.1 Delivers upon the commitment of all Councillors to promote high standards in those holding public office.

Contact details:

Contact Officer: Mark Lambert

Ext: 7019

Appendices attached to report:

-

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

Carlisle City Council

Report to Council

Item
20.

Report details

Meeting Date:	19 July 2022
Portfolio:	Cross-cutting
Key Decision:	Not applicable
Policy and Budget Framework	Not applicable
Public / Private	Public
Title:	OPERATION OF THE PROVISIONS RELATING TO CALL-IN AND URGENCY
Report of:	Corporate Director of Governance and Regulatory Services
Report Number:	GD.44/22

Purpose / Summary:

To report on the operation of call-in and urgency since the previous report to Council on 19 July 2022.

Recommendations:

That the position be noted.

Tracking

Executive:	
Scrutiny:	
Council:	19 July 2022

1. Background

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

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

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

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

2. Operation of the Provisions Relating to Call in and Urgency

- 2.1 The Executive, at their meeting held on 27 June 2022, considered the following report:

GD.34/22 – Disposal of Property Assets

All Members will have received copies of the reports and minutes with the Summons for the Council meeting and will have the opportunity to consider the item at the Council meeting on 19 July 2022.

It was considered that any delay caused by a call-in would prejudice the Council's interests in delaying approval of the matters. The Mayor therefore agreed that the above decisions were urgent and, for the reasons set out above, that the call-in process should not be applied to the decisions.

3. Conclusion and reasons for recommendations

- 3.1 That the position be noted.

Contact details:

Contact Officer: Rachel Plant

Ext: 7039

Appendices attached to report:

- None

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- Carlisle City Council's Constitution

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

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

Corporate Implications:

Legal - Report is by the Corporate Director of Governance and Regulatory Services and legal comments are included.

Property Services – Not applicable

Finance – Not applicable

Equality – Not applicable

Information Governance- Not applicable

