



## **Business & Transformation Scrutiny Panel**

**Date:** Tuesday, 07 December 2021

**Time:** 16:00

**Venue:** Cathedral Room

**Present:** Councillor Ruth Alcroft, Councillor Trevor Allison, Councillor James Bainbridge, Councillor Mrs Marilyn Bowman, Councillor Mrs Linda Mitchell, Councillor Michael Mitchelson, Councillor Peter Sunter, Councillor Christopher Wills (for Councillor Dr Les Tickner)

**Also Present:** Councillor J Mallinson, Leader  
Councillor Ellis, Finance, Governance and Resources Portfolio Holder  
Councillor Environment and Transport Portfolio Holder

**Officers:** Deputy Chief Executive  
Corporate Director of Governance and Regulatory Services  
Corporate Director of Finance and Resources  
Head of Property Services  
Neighbourhood Services Manager  
HR Manager  
Policy and Performance Officer  
Overview and Scrutiny Officer

### **BTSP.85/21 APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillor Dr Les Tickner, the Town Clerk and Chief Executive and the Corporate Director of Economic Development.

### **BTSP.86/21 DECLARATIONS OF INTEREST**

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

Councillor Bainbridge declared an interest in respect of agenda item A.2 (c) - Individual Charges Review - Licensing. The interest related to him holding a small lottery licence.

Councillor Michelson declared an interest in respect of agenda item A.2 (c) - Individual Charges Review - Licensing. The interest related to him holding small lottery licences.

### **BTSP.87/21 PUBLIC AND PRESS**

**RESOLVED** – It was agreed that the items of business in Part A be dealt with in public and Part B be dealt with in private.

## **BTSP.88/21 MINUTES OF PREVIOUS MEETINGS**

RESOLVED – It was noted that Council, at its meeting on 9 November 2021, received and adopted the minutes of the meeting held on 7 October 2021. The Chair signed the minutes.

## **BTSP.89/21 CALL-IN OF DECISIONS**

There were no items which had been the subject of call-in.

## **BTSP.90/21 BUDGET 2022/23**

The Corporate Director of Finance and Resources submitted the annual budget reports, noting that the Panel's consideration marked the beginning of the process for setting and approving the Council's Budget.

### **(a) Minutes of the Health and Wellbeing Scrutiny Panel and Economic Growth Scrutiny Panel**

The excerpts of the minutes of the meetings of the Health and Wellbeing Scrutiny Panel and Economic Growth Scrutiny Panel held on 25 November 2021 and 2 December 2021 respectively were submitted for consideration and were noted.

### **(b) Budget Update - Revenue Estimates 2022/23 to 26/27**

The Corporate Director of Finance and Resources submitted report RD.46/21 providing a summary of the Council's revised revenue base estimates for 2021/22, together with base estimates for 2022/23 and forecasts up to 2026/27 for illustrative purposes. The base estimates had been prepared in accordance with the guiding principles for the formulation of the budget over the next five-year planning period as set out in the Medium Term Financial Plan (MTFP) and Charging Policy; Capital Strategy; and Asset Management Plan approved by Council on 14 September 2021.

The report set out known revisions to the MTFP projections, although there were a number of significant factors affecting the budget that were currently unresolved and which would be considered as the budget process progressed (paragraph 1.3 referred).

Details of the outstanding key issues and resource assumptions were set out at Section 4 and details of the income and budget monitoring shortfalls were documented at paragraph 5.7. Section 8 of the report set out the funding requirements for the Local Government Reorganisation.

The Executive had considered the matter at their meeting on 20 November 2021 (EX.128/21 referred) and resolved:

"That the Executive:

1. Noted the revised base estimates for 2021/22 and base estimates for 2022/23.
2. Noted the current Medium Term Financial Plan projections, which would continue to be updated throughout the budget process as key issues became clearer and decisions were taken.

3. Noted the initial budget pressures, bids and savings which needed to be taken into account as part of the 2022/23 budget process.
4. Noted the review of the earmarked reserves as outlined in paragraph 9 and Appendix F to Report RD.46/21."

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

- Was the anticipated income from Gateway 44 per annum and did it include an assumption on the remaining units?

The Head of Property Services confirmed that the income was per annum and did include the final three units being occupied. A retailer was set to occupy them once the planning process had been completed.

- Was it possible to streamline the reserves detailed within the report and how could the Council ensure the reserves were spent in Carlisle once the Local Government Reform (LGR) had taken place?

The Corporate Director of Finance and Resources reminded the Panel of the difference between the general fund free reserve and the earmarked reserves. All Councils involved in the LGR would pool their reserves and an element of this pooling exercise would become Cumberland Council reserves. Work was being undertaken on the disaggregation of Cumbria County Council's budget and balance sheet. The reserves in the report had been streamlined, some reserves had been released and some had now been removed. Moving forward the earmarked reserves would show the new authority the intention and commitment of the City Council, however, how the monies were used would depend on the priorities of the new authority.

- A Member asked for clarity with regard to the LGR implementation reserve.

The Corporate Director of Finance and Resources explained that the estimated early indications were that the LGR would cost £18.9m to implement. Cumbria County Council would contribute 50% of the cost, the remaining amount would be divided equally between the six district councils. A report would be submitted to full Council in January 2022 for the funding to be released.

**RESOLVED** - That the Panel scrutinised the Budget Update - Revenue Estimates 2022/23 to 2026/27 (RD.46/21)

### **(c) Individual Charges Review - Community Services**

The Deputy Chief Executive submitted report CS.37/21 setting out the proposed fees and charges for 2022/23 relating to those services falling within the Community Services Directorate. The report proposed a varied approach to the charges for the use of the city centre. To encourage the use of commercial pitches, pavement cafes and Farmers Markets it was proposed to maintain the rates at the current rate and the remainder of charges would increase by 3%. It was also proposed that 10p be added to all tariffs across all car parks and an increase of 10p per day to permit prices.

Details of the other proposed charges in relation to City Centre usage by external organisations; events; digital banner; Old Fire Station; allotments; use of parks; sports pitches; Talkin Tarn; Bereavement Services; Waste Services and Garage charges were also provided.

The original 2021/22 budgets and 2022/23 forecast income levels based upon the current charge structure and forecast volume were as detailed in the table in section 11 of the report. The charges highlighted within the report would result in an anticipated level of income of £2,810,500 against the MTFP target of £3,196,200. That represented a shortfall of £385,700 against the MTFP target.

The Executive had considered the matter at their meeting on 20 November 2021 (EX.129/21 referred) and resolved:

"That the Executive:

1. Had reviewed the proposed charges as set out in the body of Report CS.37/21 and relevant appendices with effect from 1 April 2022, noting the impact those would have on income generation as detailed within the report.
2. Made the report of proposed charges available to relevant Scrutiny Panels for their review and comment."

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

- A Member drew the Panel's attention to the resolution of the Economic Growth Scrutiny Panel (EGSP.74/21 referred) which asked the Executive to consider:
  - "- Freezing the car parking charges for the first hour of use across all Carlisle City Council car parks and introduce the proposed increase from the second hour;
  - That a review of the car park permit policy for Talkin Tarn car park be undertaken with the goal of increasing flexibility and the number of permits available."

The Member asked the Panel to endorse the recommendations, the Panel agreed.

- A Member asked why the Council reduced enforcement charges if the charge was paid quickly.

The Neighbourhood Services Manager stated that the Council had to take enforcement action that was reasonable and proportionate. The reduced penalty for early settlement was effective in ensuring penalties were paid and prevented further action being taken. The Member asked how many penalties were paid early and the Neighbourhood Services Manager agreed to provide a written response.

RESOLVED - 1) That the Panel had received and commented on the Individual Charges review - Community Services (CS.37/21)

- 2) That the Panel endorsed the recommendation from the Economic Growth Scrutiny Panel (EGSP.74/21) and ask that the Executive consider:
- Freezing the car parking charges for the first hour of use across all Carlisle City Council car parks and introduce the proposed increase from the second hour;
  - That a review of the car park permit policy for Talkin Tarn car park be undertaken with the goal of increasing flexibility and the number of permits available.

- 3) That the Neighbourhood Services Manager provide the Panel with information on the number of penalties that were paid early and received a discount.

#### **(d) Individual Charges Review - Economic Development**

The Corporate Director of Finance and Resources presented report ED.39/21 setting out the proposed fees and charges for areas falling within the responsibility of the Economic Development Directorate.

The proposed charges in relation to Planning Services included Development Control income; Building Control income; Building Control Discretionary Charges; Shop Mobility and Investment and Policy Income.

Acceptance of the charges highlighted within the report would result in an anticipated level of income of £656,000 against the Medium Term Financial Plan target of £656,000.

The Executive had considered the matter at their meeting on 22 November 2021 (EX.131/21 referred) and agreed the charges, for consultation, as set out in Report ED.39/21 and accompanying Appendices, with effect from 1 April 2022; noting the impact those would have on income generation as detailed within the report.

RESOLVED - That the Individual Charges Review - Economic Development (ED.39/21) be received.

#### **(e) Individual Charges Review - Governance and Regulatory Services**

The Corporate Director of Governance and Regulatory Services submitted report GD.55/21 concerning the proposed fees and charges for areas falling within the responsibility of the Governance and Regulatory Services Directorate.

The report set out the proposed charges relative to Environmental Health and Housing; Homeless, Prevention and Accommodation Services; and Legal Services.

The introduction of the proposed charges was forecast to generate income of £802,800 in 2022/23 as summarised in the table at paragraph 5.11.1 of the report.

The Executive considered the matter at their meeting on 22 November 2021 (EX.131/21 referred) and agreed for consultation the charges as detailed within Report GD.55/21 and accompanying Appendices, with effect from 1 April 2022; noting the impact those would have on income generation as detailed within the report.

The Corporate Director of Governance and Regulatory Services reminded the Panel that the previous year's budget discussions had resulted in no charge for domestic rat treatments, the position had not changed and there would be no charge introduced in 2022/23.

In response to a question regarding the new legislation for food labelling, the Corporate Director of Governance and Regulatory Services said he thought it was the County Council (Trading Standards) that dealt with food labelling but if there was an opportunity to recover costs for matters which it was responsible for then the Council would seek to do so via a report to the Executive.

RESOLVED - That the Individual Charges Review - Governance and Regulatory Services (GD.55/21) be received.

#### **(f) Individual Charges Review - Licensing**

The Corporate Director of Governance and Regulatory Services submitted report GD.82/21 setting out the proposed fees and charges for areas falling within the responsibility of the Licensing Section of the Governance and Regulatory Services Directorate. The Regulatory Panel had responsibility for determining the licence fees, with the exception of those under the Scrap Metal Dealers Act 2013, which fell to the Executive.

The Executive had considered the matter at their meeting on 22 November 2021 (EX.132/21 referred) and resolved:

"That the Executive:

1. Noted the charges which were considered by the Regulatory Panel on 27 October 2021.
2. Approved the charges, for consultation, under the Scrap metal Dealers Act 2013 with effect from 1 April 2022."

RESOLVED - That the Individual Charges Review - Licensing (GD.82/21) be received.

**(g) Revised Capital Programme 2021/22 and Provisional Capital Programme 2022/23 to 2026/27**

The Corporate Director of Finance and Resources submitted report RD.47/21 detailing the revised Capital Programme for 2021/22, now totalling £29,917,200, together with the proposed method of financing. The summary of the revised programme for 2021/22 showed a potential borrowing requirement in the sum of £28,794,905.

Also summarised was the proposed programme for 2022/23 to 2026/27 in the light of the new capital proposals identified, together with the estimated capital resources available to fund the programme.

The Executive had considered the matter at their meeting on 22 November 2021 (EX.133/21 referred) and resolved:

"That the Executive:

1. Noted the revised capital programme and relevant financing for 2021/22 as set out in Appendices A and B to Report RD.47/21 including approval of the reduction of £1,894,800 to the 2021/22 capital programme;
2. Had given initial consideration and views on the proposed capital spending for 2022/23 to 2026/27 given in the report in the light of the estimated available resources;
3. Noted that any capital scheme for which funding had been approved by Council may only proceed after a full report, including business case and financial appraisal, had been approved."

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

- Had there been an increase in the income at the Crematorium which would allow the replacement of the cremator to be undertaken without further borrowing?

The Corporate Director of Finance and Resources explained that the new spending proposal (£1.75m) for the replacement of the cremators referred to replacing gas powered cremators with electric powered ones which would help to reduce the amount of CO2 produced from the crematorium. Replacement on a like for like basis with gas powered cremators would require additional funding of approximately £300,000 - £400,000. The additional spend also provided additional funding to upgrade the building facilities at the crematorium. The additional spend would require an additional borrowing requirement, however, the annual borrowing cost could be met from the annual sum currently set aside to the cremator reserve over a 23 year period.

In response to a further question the Corporate Director of Finance and Resources clarified that a further report to the Executive and Scrutiny would be required for the cremator capital scheme and it would include options and value for money information.

- If the Council replaced the cremator with an electric one would there be a reduction in running costs?

The Deputy Chief Executive stated that it would be reasonable to expect a reduction in running costs, however, there was no certainty at the moment.

- A Member asked for information with regard to the Flare Data Management System and if there were any risks to the Council by not replacing it.

The Corporate Director of Governance and Regulatory Services reported that the Flare system was used by Environmental Services but it was no longer a supported system. Following the announcement of LGR it was agreed that the section could manage with the system until the Council became unitary as the other Council's already used an different and more suitable system. The resources allocated to the scheme had been returned to the corporate budget for use elsewhere.

- Would the proposed improvement and developments to the Council's ICT infrastructure be compatible with the other authorities following LGR?

The Corporate Director of Finance and Resources explained that the capital which had been requested was mainly to keep the City Council legal and safe until April 2023. Further work regarding ICT systems was being undertaken as an LGR work stream.

RESOLVED - That the Review Capital Programme 2021/22 and Provisional Capital Programme 2022/23 to 2026/27 be received (RD.79/21).

#### **(h) Corporate Assets - 3 Year Repair and Maintenance Programme 2022/23 - 2024/25**

The Corporate Director of Finance and Resources submitted report GD.79/21 setting out the repair and maintenance programme budget proposals for the Council's Corporate Property assets for the three year period 2022/23 to 2024/25, required to ensure that the legal responsibilities of the City Council were met.

Local authorities had a duty to manage their property assets, particularly operational assets, in a safe and efficient manner which contributed to the quality of service delivery. The maintenance strategy was fully integrated with the Asset Management Plan and environmental policy. In addition, the Council followed good practice by, where practical, allocating its budget 70% planned maintenance and 30% reactive maintenance.

The report indicated that the proposed 2022/23 revenue maintenance budget amounted to approximately £782,200 spread across a wide range of assets; and that the Council had a capitalised major repairs programme with a provision of £250,000 included in the Capital Programme. The total outstanding maintenance figure on the operational buildings, based on a costed 5 year plan derived from the Condition Surveys, currently stood at just under £2,164,000. That figure omitted the outstanding maintenance works at the Pools due to the impending closure of the facility, however, it was anticipated that the total maintenance figure would rise once costs associated with the Victorian Health Suite and the Sands sports hall roof were known.

Turning to the issue of planned maintenance, the report recorded that the projects detailed at Section 2 reflected the highest priority projects to be funded from capital. The Council had submitted a bid for Public Sector Decarbonisation Scheme funding. The bid totalled £2.1million and if successful would allow energy efficiency improvements to be undertaken to a number of the Council's operational assets.

The Executive had considered the matter at their meeting on 22 November 2021 (EX.134/21 referred) and resolved:

"That the Executive approved:

1. The three-year revenue maintenance programme set out in Appendix A to Report GD.79/21 as part of the budget process.
2. The 2022/23 capital budget of £250,000 and the associated list of capital projects selected to meet the allocated budget. "

RESOLVED - That the Corporate Assets - 3 Year Repair and Maintenance Programme 2022/23 - 2024/25 be received (GD.79/21).

#### **(i) Treasury Management Quarter 2 2021/22 and Forecasts for 2022/23 to 2026/27**

The Corporate Director of Finance and Resources submitted report RD.49/21 providing the regular quarterly report on Treasury Transactions, together with an interim report on Treasury Management as required under the Financial Procedure Rules. The report also discussed the City Council's Treasury Management estimates for 2022/23 with projections to 2026/27 and set out information regarding the requirements of the Prudential Code on local authority capital finance.

Treasury Management projections were reviewed annually to ensure that current interest rate forecasts were updated, and that current and future spending implications were built into the cash flow forecasts model. Average cash balances would need to be amended to reflect revised forecasts for anticipated capital receipts, capital expenditure and use of revenue reserves and that would adjust the final pressure/saving requirement from treasury management. The draft base Treasury Management estimates for 2022/23 with projections for 2026/27 were set out at Appendix C.

The Executive had considered the matter at their meeting on 22 November 2021 (EX.135/21 referred) and received RD.49/21 and the projections for 2022/23 to 2026/27 be incorporated into the Budget reports considered elsewhere on the Agenda.

RESOLVED - That the Treasury Management Quarter 2 2021/22 and Forecasts for 2022/23 to 2026/27 be received (RD.49/21).

#### **(j) Local Taxation 2022/23 - 2026/27**

The Corporate Director of Finance and Resources submitted report RD.48/21 considering aspects of Local Taxation decisions which needed to be made as part of the Budget process for 2022/23 onwards.

Set out within the report were the various considerations, including the levels of Council Tax for the City Council (including Parish Precepts), Council Tax Surplus calculations, Council Tax Base calculations, Local Support for Council Tax including War Widows Pension Disregard, and Business Rate Retention (including Pooling arrangements). A summary of the assumptions made was also provided at Section 4.

The Executive had considered the matter at their meeting on 22 November 2021 (EX.136/21 referred) and resolved:

"That the Executive:

1. Noted the contents of Report RD.48/21 including the current assumptions built into the



MTFP with regard to local taxation issues;

2. Approved, for recommendation to Council as part of the budget process, the 2022/23 Local Support for Council Tax scheme as set out in paragraph 2.4, and the War Pensions Voluntary Disregard as set out in paragraph 2.5;

3. Approved the continuation of involvement in the Cumbria Business Rate Pool arrangements for 2022/23, subject to the continuing involvement of the other partners with the final decision on participation being delegated to the Corporate Director of Finance and Resources."

In response to a question the Corporate Director of Finance and Resources explained that all other districts in Cumbria had a Council Tax Reduction Scheme which was very similar to Carlisle. To have an amended scheme in place by April 2023 would require a lengthy consultation period so would be one of the first decisions taken by the Shadow Authority following the elections in May 2022, if they wished to change the CTRS.

The Chair gave the Panel the opportunity to ask any general questions with regard to the 2022/23 budget:

A Member commented that the residents of Carlisle were recovering from the impact of Covid 19 and many people were finding the economic situation very difficult. He moved a recommendation that Carlisle City Council freeze their portion of the Council Tax for 2022/23. The recommendation was seconded.

A Member had concerns what this would mean for the budget which had included a £5 per annum increase. The Corporate Director of Finance and Resources responded that the impact of a one year freeze would be £175,000 and over the five year period of the MTFP it would be £893,000.

The Member proposed, and it was seconded, that a report detailing the implications of a Council Tax freeze on the budget be submitted to the Panel for consideration before a recommendation to the Executive was made.

The Finance, Governance and Resources Portfolio Holder reminded the Panel that the comments, observations and recommendations from the Scrutiny Panel informed the Executive for the preparation of the budget. Should the Executive take on board the recommendation the budget would reflect the impact. The Panel would have the opportunity to scrutinise the budget at their meeting in January before the final budget was submitted to the whole Council for consideration.

The Leader added that this would be the last budget that Carlisle City Council set, after that all four authorities would have to work to align their budget and Council Tax charges.

The Member and seconder of the proposal for a further report withdrew the proposal.

Following voting it was agreed that the Panel recommend to the Executive that City Council freeze their portion of the Council Tax for 2022/23.

RESOLVED - 1) That the Local Taxation 2022/23 - 2026/27 be received (RD.48/21)

2) That the Panel recommends to the Executive that the City Council freeze their portion of the Council Tax for 2022/23.

3) That the Panel thanked the Corporate Director of Finance and Resources, and her team, for their excellent work in preparing the budget documents especially in such difficult circumstances.

## **BTSP.91/21 REVENUE BUDGET OVERVIEW AND MONITORING REPORT APRIL TO SEPTEMBER 2021**

The Corporate Director of Finance and Resources submitted the Revenue Budget Overview and Monitoring Report (RD.50/21) for the period April to September 2021. Outlined within the report were the overall budget position for revenue schemes only and details of the impact of Covid 19 on the revenue budget. The report also included details of balance sheet management issues. Bad debts written off and progress against the budget savings.

Set out at paragraph 2 was the summarised budgetary position as at September 2021; the main variances were as summarised at paragraph 2.4. The table at paragraph 2.9 showed the position as at September 2021 of savings achieved against the transformation savings targets to date.

The Council's financial position, which was affected by a number of external factors which had a financial impact during the course of the year and ultimately at the year end, would continue to be closely monitored and reported more fully in a future monitoring report. It would be important to maintain a prudent approach so as to ensure a sustainable budget position for future years to avoid any significant variance at the year end.

Information on the main variances in the Directorates' Budgets; the forecast outturn position for 2021/22; and impact of COVID-19 was provided.

The matter had been considered by the Executive at their meeting on 22 November 2021 (EX.142/21 referred) and resolved:

"That the Executive:

1. Noted the budgetary performance position of the Council to September 2021;
2. Noted the action by the Corporate Director of Finance and Resources to write off bad debts as detailed in paragraph 6 of Report RD.50/21;
3. Noted the release of reserves as set out in the table at paragraph 2.2, and noted the virements approved as detailed in Appendix A to the report.

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

- The report included a number of budget underspends, what was the reason for these and were there any services that the Council was no longer carrying out?

The Corporate Director of Finance and Resources clarified that a lot of the underspends were additional income being achieved, the Council had not stopped providing any services as far as she was aware.

- Regarding the distribution of Covid 19 grants, what had been the Council's role in the work?

The Corporate Director of Finance and Resources explained that the Council's only role was to distribute the grants in accordance with strict government guidelines. Any associated costs had been recompensed through new burden funding.

- How often were the Lanes projections reviewed and was the Council responsible for part of the business rates on empty units?

The Head of Property Services informed the Panel that the projections were reviewed quarterly. The Council paid its share of business rates through the rent reconciliation process.

RESOLVED - That the Revenue Budget Overview and Monitoring report April to September 2021 (RD.50/21) be received.

## **BTSP.92/21 CAPITAL BUDGET OVERVIEW AND MONITORING REPORT APRIL TO SEPTEMBER 2021**

The Corporate Director of Finance and Resources submitted report RD.51/21 providing an overview of the budgetary position of the City Council's capital programme for the period April to September 2021. Detailed therein were the capital budget overview; the overall budget position for the various Directorates; the monitoring and control of expenditure against budget allocations and the exercise of virement.

As at the end of September, expenditure of £8,382,797 had been incurred on the Council's core capital programme. When considered against the profiled budget of £8,792,106 that equated to an underspend of £409,309. The unspent balance remaining of the revised annual budget of £29,537,200 was £21,154,403. A review of the 2021/22 capital programme would be undertaken to identify accurate project profiles for the remainder of the financial year, any potential slippage into future years.

In addition, paragraph 3.10 recorded that a number of schemes were included in the capital programme for 2021/22 which required reports to be presented to the Executive for the release of funding before the project could go ahead.

The 2021/22 programme had been kept to a level that took account of the Council's ability to deliver schemes with regard to capacity and available resources. Work was ongoing to continue to monitor the profiling of budgets, and those were adjusted to reflect progress in current capital schemes. It was likely that there would still be a requirement for some carry forwards at the year end due to further slippage and delays on projects. Budgets now totalling £380,000 were being held in reserves until approved by Executive for release, noting that the Levelling Up bid had not been successful.

The Executive had considered the matter at their meeting on 22 November 2021 (EX.143/21 referred) and resolved:

"That the Executive:

1. Noted and had commented on the budgetary position and performance aspects of the capital programme for the period April to September 2021;
2. Noted adjustments to the 2021/22 capital programme as detailed in paragraph 2.1 of report RD.51/21;
3. Approved the reduction to the 2021/22 capital programme as detailed in paragraph 3.3 and paragraph 3.10."

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

- A Member asked for the following information regarding the S.106 funding for Affordable Homes:

- would all of the money be used to bring empty properties back into use;
- how many houses were being brought back into use;
- who were payments made to.

The Corporate Director of Finance and Resources agreed to ask the Corporate Director of Economic Development to provide the Panel with a written response.

- How would the Towns Deal funding be released and would it be completed before LGR?

The Corporate Director of Finance and Resources confirmed that the business case for the projects were being prepared and some funding would be released early in the new year. The Towns Deal had a two year period to complete the projects.

Referring to the LGR, the Corporate Director of Governance and Regulatory Services informed the Panel that government would issue a direction relating to expenditure. When the direction was in force it would state what level of expenditure by the City council would require agreement by the Shadow Authority. It was expected that the levels would be £1m in capital and £100,000 over a 12 month period for revenue.

RESOLVED - That the Capital Budget Overview and Monitoring Report April to September 2021 be received (RD.51/21).

2) That the Corporate Director of Economic Development provide the Panel with information on the use of S.106 funding (Affordable Homes commuted Sums) to bring empty properties back into use, specifically:

- would all of the money be used to bring empty properties back into use;
- how many houses were being brought back into use;
- who were payments made to.

## **BTSP.93/21 SICKNESS ABSENCE QUARTER 2 2021/22**

The HR Manager submitted the authority's sickness absence levels for the period 1 April 2021 to 30 September 2021 and outlined other sickness absence information (CS.45/21).

The HR Manager reported that the new Improving Attendance Policy took effect on 22 September 2021. Current sickness statistics were set out in table 2.1 and showed the number of days lost per FTE equated to 5.9 in the first half of 2021/22.

The report set out the split between long term and short term absences; absences split by directorate; trends and the reasons for sickness absence.

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

- The Panel asked for an update on the return to work interview figures.

The HR Manager agreed to circulate the figures when the next quarter figures were confirmed.

- Had the new Improving Attendance Policy been implemented, had training been carried out and was there any feedback on the new Policy?

The HR Manager confirmed that the Policy had been implemented and some online training had been made available with further training being organised for the new year. The HR team were engaging with officers and staff when an absence occurred and were guiding individuals through the Policy as necessary. The HR Manager felt that the Policy and the proactive approach was working very well and she expected to see a reduction in long term absence figures in the next quarter. She added that the Organisational Development initiatives also supported a quicker return to work and ensured staff had a range of support available to them.

- A large percentage of the sickness absence figures fell to one Directorate, what work was being undertaken to support individuals?

The Deputy Chief Executive acknowledged the issue and explained that work was being carried out to give supervisors the confidence and support to address the issues in a consistent focused way in tandem with the wellbeing support that was available.

- Was there any statistics on how LGR was impacting staff?

The Deputy Chief Executive was not able to say if LGR had negatively impacted the wellbeing of staff, however, the Senior Management Team was doing everything possible to engage with staff throughout the process and keep them informed. He reminded the Panel that pulse surveys had been undertaken during the pandemic and suggested it may prove useful to carry out one on the impact of LGR in the future.

- Had the percentage of stress, depression, mental health, fatigue syndromes related absences increased during the pandemic?

The Deputy Chief Executive agreed to add this information to the next update report.

RESOLVED - 1) That the Sickness Absence Quarter 2 2021/22 report be received (CS.45/21)

2) That the HR Manager circulate the next quarter return to work figures to the Panel as soon as they were available.

## **BTSP.94/21 QUARTER 2 PERFORMANCE REPORT 2021/22**

The Policy and Performance Officer submitted the quarter 2 2021/22 performance against current Service Standards and an update on the delivery of the Carlisle Plan 2021-23 actions as defined in the Plan. Performance against the Panel's 2021/22 Key Performance Indicators were also included (PC.40/21).

The Policy and Performance Officer drew the Panel's attention to the Summary of Exceptions and the associated reasons.

At the request of the Chair, the Policy and Performance Officer gave an update on the increase in the number of corporate complaints received:

38 complaints had been received in the first two quarters. 17 of them related to actions / decisions that were not within the remit of the Council to change ie planning decisions. 12 complaints had been received in neighbourhood services, primarily missed collections, this had been a result of the HGV driver shortages. 9 complaints had been received by Environmental Services and related to 2 cases with multiple complainants / complaints. One of the complainants had since received a vexatious complaint warning letter from the Council.

A Member highlighted the number of working days to process new benefit claims and asked if the authority was still supporting the Test and Trace Support payments and if any additional staff had been employed to carry out the additional work.

RESOLVED - 1) That the Quarter 2 Performance Report 2021/22 be received (PC.40/21);

2) That the Policy and Performance Officer provide the Panel with further information on the Test and Trace Support payments and how the additional work was staffed.

## **BTSP.95/21 OVERVIEW REPORT**

The Overview and Scrutiny Officer presented report OS.29/21 providing an overview of matters relating to the work of the Business and Transformation Scrutiny Panel and the Panel's Work Programme.

The Overview and Scrutiny Officer provided an update on the outstanding resolutions and reported that a report on the management arrangements at Talkin Tarn had been added to the Work Programme for the February 2022 meeting.

At the request of the Corporate Director of Finance and Resources the Panel agreed to defer the Covid 19 financial implications wrap up report until after 31 March 2022 when the final grants had been distributed.

RESOLVED – 1) That the Overview Report incorporating the Key Decision items relevant to the Business and Transformation Scrutiny Panel be noted (OS.29/21).

2) That the following amendments be made to the Work Programme:

- Add Talkin Tarn Management Arrangements to the 24 February 2022
- Defer the Covid 19 financial implications wrap up report from 6 January 2022 until after 31 March 2022.

The Meeting ended at: 17:43

**Business & Transformation Scrutiny Panel**

**Date:** Thursday, 06 January 2022

**Time:** 16:02

**Venue:** Cathedral Room

**Present:** Councillor Ruth Alcroft, Councillor Trevor Allison, Councillor James Bainbridge, Councillor Mrs Marilyn Bowman, Councillor Ms Jo Ellis-Williams, Councillor Mrs Linda Mitchell, Councillor Michael Mitchelson, Councillor Dr Les Tickner

**Also Present:** Councillor Ellis, Finance, Governance and Resources Portfolio Holder

**Officers:** Town Clerk and Chief Executive  
Corporate Director of Governance and Regulatory Services  
Corporate Director of Finance and Resources  
Infrastructure and Services Desk Manager  
Overview and Scrutiny Officer

**BTSP.01/22 APOLOGIES FOR ABSENCE**

No apologies for absence were submitted.

**BTSP.02/22 DECLARATIONS OF INTEREST**

No declarations of interest were submitted.

**BTSP.03/22 PUBLIC AND PRESS**

It was agreed that the items in Part A be dealt with in public and the items in private be dealt with in Part B.

**BTSP.04/22 MINUTES OF PREVIOUS MEETINGS**

RESOLVED – It was noted that Council, at its meeting on 4 January 2022, received and adopted the minutes of the meeting held on 7 December 2021. The Chair signed the minutes.

**BTSP.05/22 MEMBER'S COMMENTS**

Councillor Dr Tickner noted that some Members of the Panel were not wearing face masks in accordance with advice. The Chair had advised it was a decision for individual members, Councillor Dr Tickner asked that his objection to non mask wearing be recorded.

**BTSP.06/22 CALL-IN OF DECISIONS**

There were no items which had been subject of call-in.

## **BTSP.07/22 BUDGET 2022/23**

### **(1) EXECUTIVE'S RESPONSE TO THE FIRST ROUND OF BUDGET SCRUTINY**

Minutes of the special meeting of the Executive held on 13 December 2021 were submitted detailing the response of the Executive to the comments made by the Scrutiny Panels in response to the first round of Budget scrutiny.

RESOLVED - That the decisions of the Special Executive held on 13 December 2021 be received.

### **(2) EXECUTIVE DRAFT BUDGET PROPOSALS**

The Executive's draft Budget proposals 2022/23 which had been issued for consultation purposes were submitted for scrutiny by the Panel.

The budget proposals were based on detailed proposals that had been considered by the Executive over the course of the last few months. In particular the reports of the Corporate Director of Finance and Resources which had been discussed at the Executive meeting on 13 December 2021.

The Corporate Director of Finance and Resources detailed a number of updates to the budget documents including the incorporation of recommendations from Scrutiny to freeze the City Council portion of Council Tax for 2022/23, freeze the first hour of car park charges and the review of the Talk Tarn car parking permits. She highlighted areas of reprofiling as well as outstanding items which would be incorporated into the budget for 19 January 2022 Executive meeting if available.

In considering the draft Budget proposals, Members raised the following questions and comments:

- Members noted the vacant properties within the Lanes and asked if the Council was liable for unpaid Business Rates and any losses that the Lanes may experience.

The Corporate Director of Finance and Resources agreed to provide the Panel with a written response.

- A Member highlighted the borrowing requirements in the report and asked if the Council would have to borrow the £1.6million required for the Local Government Reorganisation.

The Corporate Director of Finance and Resources confirmed that there was no additional borrowing requirement for the £1.6million, it would be funded from the Operational Risk Reserve. She acknowledged that there was a significant borrowing requirement for the capital programme due to a lack of available capital grants. It was prudent to budget for the maximum requirement, however reviews of spending profiles and the cash position may reduce the actual borrowing required.

- A Member asked for clarity on the savings position.

The Corporate Director of Finance and Resources explained that the savings requirement had not increased and remained at £2million. It had been possible to reprofile the amount and meet some savings on a non recurring basis but the saving requirement had moved to 2023/24. There was a savings strategy in place and the Council would continue to look for the savings to either achieve in 2022/23 or to inform the new authority.



- The saving strategy included service reviews which reviewed services not in line within the Councils core priorities or which were not statutory. How confident was the budget that it would not impact on the services offered to residents?

The Corporate Director of Finance and Resources highlighted previous work which had been undertaken to identify savings which did not impact on service provision, however, this work would need to be reviewed and updated. She clarified that this budget was based on the current service provision with no cuts to services. All budget pressures and savings had been identified by budget holders and Directors who knew if proposed savings would impact services. She reminded the Panel that £9million in savings had been achieved since 2010/11 without stopping any services.

- What did the Rural Services Grant cover?

The Corporate Director of Finance and Resources agreed to provide a written response.

- Had the cost of additional electric vehicle charging points been factored into the budget for the replacement of Council refuse vehicles with electric vehicles?

The Corporate Director of Finance and Resources reminded the Panel that the Council could not currently replace their refuse vehicles with electric vehicles as there were no suitable options available. When it became a viable option additional electric charging points would be considered as a separate budget report which would set out all the funding options for the authority.

A Member commented that the replacement of electric vehicle batteries would also need to be considered as they could not be recycled. The Finance, Governance and Resources Portfolio Holder responded that the lifetime of a battery would outweigh the time that a refuse vehicle would be in use with the authority as they were replaced regularly.

RESOLVED - That Corporate Director of Finance and Resources provided the Panel with a written response to the following:

- Was the Council was liable for unpaid Business Rates and any losses that the Lanes may experience.
- What the Rural Services Grants covered.

### **(3) BACKGROUND INFORMATION REPORTS:**

#### **(3)(a) BUDGET UPDATE - REVENUE ESTIMATES 2022/23 TO 2026/27**

The Corporate Director of Finance and Resources submitted report RD.52/21 which provided an update to report RD.46/21. The report summarised key budget considerations, the Council's revised revenue base estimates for 2021/22, together with base estimates for 2022/23, forecasts up to 2026/27 for illustrative purposes. Potential new spending pressures, bids and savings were also set out in the report in an indicative manner, the final position being subject to decisions taken further in the budget process.

The Executive had considered the matter on 13 December 2021 (EX.153/21 refers) and decided:

"That the Executive:

- (i) Noted the revised estimates for 2021/22 and base estimates for 2022/23;

- (ii) Noted the estimates in the report are draft and will be subject to the confirmation of the Local Government Finance Settlement due in December 2021;
- (iii) Noted the current MTFP projections, which would continue to be updated throughout the budget process as key issues become clearer and decisions were taken;
- (iv) noted the budget pressures, bids and savings which needed to be taken into account as part of the 2022/23 budget process;
- (v) Approved the release of amounts from the Operational Risk Reserve for Treasury Management (£600,000) and Covid costs (£500,000) as outlined in paragraph 5.2 of report RD.52/21
- (vi) notes the Statutory Report of the S.151 Officer outlining the risks associated with the draft budget figures and that minimum reserves may need to be reviewed in the future depending upon the outcome of the Local Government Finance review."

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

- Why had additional subsidy for the Leisure contract been included in the budget? Was it a local or national issue?

The Corporate Director of Finance and Resources explained that additional subsidy had been removed from the budget. The amount was not yet known and would therefore be dealt with outwith the budget process. The additional subsidy was unique to Carlisle due to the delay in the redevelopment of the Sands Centre.

- Would the increase in car parking during the recovery from Covid and the Christmas period improve the car parking shortfall income?

The Corporate Director of Finance and Resources clarified that the figures used for the shortfall were based on pre covid figures and there was a shortfall at that time. The shortfall would go forward as a recurring pressure.

- Did the level of external debt figures include the value of Gateway 44?

The Corporate Director of Finance and Resources confirmed that Gateway 44 had been included in the balance sheet from 2020/21.

RESOLVED - That the Panel had scrutinised report RD.52/21 and made comments on the revised base estimates for 2021/22 and the proposed overall budgetary position for 2022/23.

### **(3)(b) REVISED CAPITAL PROGRAMME 2021/22 AND PROVISIONAL CAPITAL PROGRAMME 2022/23 TO 2026/27**

The Corporate Director of Finance and Resources submitted report RD.55/21 which detailed the revised capital programme for 2021/22 together with the proposed method of financing as set out in Appendices A and B. The report summarised the proposed programme for 2022/23 to 2026/27 in the light of new capital proposals identified along with the estimated resources available to fund the programme.

The Executive had considered the matter at its meeting of 13 December 2021 (EX.154/21 referred), and decided:

'That the Executive:

- (i) Noted the revised capital programme and relevant financing for 2021/22 as set out in Appendices A and B of report RD.55/21;

(ii) Gave initial consideration and views on the proposed capital spending for 2022/23 to 2026/27 given in the report in the light of estimated available resources;  
(iii) Noted that any scheme for which funding had been approved by the Council may only proceed after a full report, including business case and financial appraisal, has been approved.'

RESOLVED - That the revised capital programme for 2021/22 and the proposed overall capital budgetary portion for 2022/23 to 2026/27 (RD.55/21) be noted.

## **BTSP.08/22 DRAFT TREASURY MANAGEMENT STRATEGY STATEMENT, INVESTMENT STRATEGY AND MINIMUM REVENUE PROVISION STRATEGY 2022/23**

The Corporate Director of Finance and Resources submitted report RD.53/21 which set out the Council's draft Treasury Management Strategy for 2022/23, in accordance with the CIPFA Code of Practice on Treasury Management. The Investment Strategy and the Minimum Revenue Provision (MRP) Strategy for 2022/23 were also incorporated into the Statement, along with Prudential Indicators as required within the Prudential Code for Capital Finance in Local Authorities.

The Executive had considered the matter on 13 December 2021 (EX.155/21 referred) and noted the draft Treasury Management Strategy Statement for 2022/23 and referred it to the Panel.

In considering the report, a Member asked how confident the Council was in the bank rate figures.

The Corporate Director of Finance and Resources drew the Panel's attention to section 10.3 of the report which set out the Council's investment strategy. The Council regularly monitored the interest rates and had daily updates from Link Asset Services.

RESOLVED - That the Draft Treasury Management Strategy Statement, Investment Strategy and Minimum Revenue Provision Strategy 2022/23 (RD.53/21) be noted.

## **BTSP.09/22 FUTURE SCRUTINY TASK AND FINISH GROUP REPORT**

The Overview and Scrutiny Officer submitted report OS.01/22 which summarised the work of the Future Scrutiny Task and Finish Group and set out its findings for the Panel to consider.

The Task and Finish Group had been established by the Panel to reconsider Scrutiny arrangements within the Council. The Task and Finish Group proposed a two Panel structure, with a "Place Panel" and a "People Panel". The structure included an ad-hoc "Resources Panel" that would be serviced by Members of the Place and People Panels and would consider budget matters. The Panels would continue to be made up of 8 Members and the People and Place Panels would meet 8 times a year.

The Corporate Director of Governance and Regulatory Services had not been involved in the work of the Task Group, however, he indicated that the proposed change to the Panels would be relatively straightforward. He clarified that the Panel could not stipulate the Membership of the new Resources Panel. As a formal committee of the Council the Panel would be subject to the same proportionality rules as the other Panels and the seat allocations were a matter for each Group.

The Panel debated the proposals. Some Members felt it was not the appropriate time to create additional work for Members or Officers. The impact of the Local Government Reorganisation was unknown but he felt that two Panel may struggle to keep up with the workload.

Some Members spoke in support of the proposals. A change to Scrutiny had been discussed for many years, the proposals gave clear direction for the responsibility of the new Panels and reduced duplication of work.

The Corporate Director of Governance and Regulatory Services commented that, although the changes to the Panels would be a relatively straightforward process, he felt it was a misplaced use of resources given that the City Council would only be operational for a further 18 months. The proposed changes retained three Panels, each with 8 Members and a slightly reduced number of meetings. He clarified that, if the Panel supported the recommendations of the Task Group, they would be recommending that he, as Monitoring Officer, write a report to Council making recommendations to change the Scrutiny arrangements. The recommendation he would make to Council would differ from the Task and Finish Group recommendations as the membership of the new Resources Panel could not stipulated.

Following voting it was

RESOLVED - That the Monitoring Officer be recommended to make changes to the Carlisle City Council Constitution that would allow Scrutiny to move to a two scrutiny Panel arrangements, as outlined in the proposals set out in report OS.01/22.

### **BTSP.10/22 OVERVIEW REPORT**

The Overview and Scrutiny Officer submitted report OS.02/22 which provided an overview of matters related to the Business and Transformation Scrutiny Panel.

RESOLVED - That the Overview Report incorporating the Key Decision items relevant to the Business and Transformation Scrutiny Panel be noted (OS.02/22).

### **BTSP.11/22 PUBLIC AND PRESS**

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

### **BTSP.12/22 ICT SERVICES PROJECT STATUS REPORT**

(Public and Press excluded by virtue of paragraph 3)

The Infrastructure and Service Desk Manager submitted an update on the ICT Services Project Status (CE.11/21). The report had been updated to offer the Panel an up to date snapshot of the current status of the ICT Services projects along with recent project activity; RAG rating; issues and emerging risks; key activities for the next period and requests for change.

The Infrastructure and Service Desk Manager responded to Members questions regarding the

recent recruitment process.

The Town Clerk and Chief Executive set out the current position with regard to recruitment, resources and impact of Local Government Reorganisation. He stated that the Service Desk Infrastructure and Service Desk Manager and team had carried out an excellent job managing IT in such challenging circumstances.

The Infrastructure and Service Desk Manager responded to questions regarding the Risk Register and he reported that each risk had been given a priority rating to enable effective work planning.

RESOLVED – 1) That the Panel had scrutinised the ICT Services Project Status report (CE.22/21).

2) That an updated ICT Services Project Status report be submitted to the Panel in three months time.

The Meeting ended at: 17:27

**Business & Transformation Scrutiny Panel**

**Date:** Thursday, 24 February 2022

**Time:** 16:00

**Venue:** Flensburg Room

**Present:** Councillor Ruth Alcroft, Councillor Trevor Allison, Councillor James Bainbridge, Councillor Ms Jo Ellis-Williams, Councillor Mrs Linda Mitchell, Councillor Michael Mitchelson, Councillor Dr Les Tickner

*Councillor Mrs McKerrell was in attendance as a substitute Member to the vacant seat*

**Also Present:** Councillor J Mallinson, Leader  
Councillor G Ellis, Finance, Governance and Resources Portfolio Holder  
Councillor N Christian, Environment and Transport Portfolio Holder

**Officers:** Deputy Chief Executive  
Corporate Director of Governance and Regulatory Services  
Corporate Director of Finance and Resources  
Health and Wellbeing Manager  
Head of HR  
Head of Property Services  
Policy and Performance Officer

**BTSP.13/22 APOLOGIES FOR ABSENCE**

An apology for absence was submitted on behalf of the Town Clerk and Chief Executive.

**BTSP.14/22 DECLARATIONS OF INTEREST**

No declarations of interest were submitted.

**BTSP.15/22 PUBLIC AND PRESS**

It was agreed that the items in Part A be dealt with in public and the items in private be dealt with in Part B.

**BTSP.16/22 MINUTES OF PREVIOUS MEETING**

RESOLVED - That the minutes of the meeting held on 6 January 2022 were agreed as a correct record.

**BTSP.17/22 CALL-IN OF DECISIONS**

There were no items which had been subject of call-in.

## **BTSP.18/22 TALKIN TARN MANAGEMENT ARRANGEMENTS**

The Health and Wellbeing Manager presented an overview of the current management arrangements for Talk Tarn Country Park and sought the Panel's views on alternative and/or additional arrangements, that could be explored, to maximise the site's potential in delivering the Council's priorities. (CS.06/22)

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

- A Member asked for clarification with regard to the budget, the Health and Wellbeing Manager reported that the budget expectations had been lower than actually achieved resulting in money being available for investment into the site.
- Talkin Tarn was a considerable size, had there been any consideration given to the installation of a wind turbine on site?

The Health and Wellbeing Manager informed the Panel that there had previously been a small wind turbine on site which produced power locally for one building.

The Deputy Chief Executive highlighted the divisive nature of wind turbines in local communities. He reminded the Panel that decisions for matters such as this would be for the new authority to take.

- A lot of land at the site was given up to grazing, would this continue given the environmental climate emergency?

The Health and Wellbeing Manager responded that the Council had received funding from the Woodland Creation Planning Grant to change some of the land to woodland. Any further changes to land use would need some consideration.

A Member asked that a map of the site be circulated to Members.

The Council was very protective of the site, however, serious consideration should be given to how the site could be made more efficient in the future within the Council's climate change plans.

- The tearoom and kiosk were both very popular, however, there needed to be some work on the opening and closing hours of both. Often in the summer months there was nothing open for refreshments later on in the evening when the Tarn was still quite busy. It was suggested that the kiosk have more flexible opening hours later into the evening.

The Health and Wellbeing Manager responded that it had not been viable to extend the tearoom opening hours, as the number of customers were weather dependent, there had been occasions when the tearoom was staffed and there were no customers. He agreed to investigate the possibility of making the kiosk opening hours more flexible.

- There were some footpaths around the site which had become inaccessible to those with pushchairs or wheelchairs. This had caused people to walk around the issue damaging the surrounding grassed areas. It was suggested that some of the surplus budget could be used to improve some of the infrastructure around the Tarn.

The Health and Wellbeing Manager took on board the comments and agreed to discuss the matter with Cumbria County Council.

- A Member suggested that the Tarn could have an outdoor theatre, or glamping and asked if any land could be allocated to affordable housing.

The Panel discussed the possibility of establishing a Task and Finish Group and agreed that a workshop, held at Talk Tarn, would be most beneficial in drawing out ideas and suggestions for the future of site.

RESOLVED - 1) That the Talkin Tarn Management Arrangements report (CS.06/22) be received;

2) That the Health and Wellbeing Manager circulate a site map of Talk Tarn to Members.

3) That a workshop be set up to take place at Talkin Tarn.

3) That the following suggestions be taken into consideration as part of the workshop:

- Extend and vary the opening hours of the kiosk.
- That investment into the infrastructure of the Tarn be undertaken to improve footpaths

## **BTSP.19/22 SANDS CENTRE PROJECT MONITORING REPORT**

The Deputy Chief Executive presented an update on the current progress of the redevelopment of the Sands Centre site (CS.05/22).

The Deputy Chief Executive provided an update on the measures undertaken to manage or adapt the existing proposals to deal with:

- a) Progress with the main contract works
- b) A requirement to update existing infrastructure in the events space to manage public safety systems to meet with current legislation.
- c) Working practices evolving from the management of the risks associated with the COVID - 19 pandemic
- d) Working practices evolving from the management of the Brexit Agreement arrangements

The Deputy Chief Executive reported that the 23 February 2022 saw an important milestone for the project and a small ceremony took place as the first tiles were placed in the pool.

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

-What was the plan for the Blessed Christopher Robinson site once the new facilities were open?

The Deputy Chief Executive reminded the Panel that the Blessed Christopher Robinson site was leased to GLL by the Diocese. Any future plans for the site either with GLL or potentially the College would be a matter for the Diocese.

- What was the timescales for the launch and the pricing structure? Did the Council have any input into the pricing structure to ensure the facilities were available to everyone?

The Deputy Chief Executive explained that there would be an initial soft opening to test the site before the official launch. Any pricing structures and concessions were prepared by GLL and the Council had no influence over them.

- How would the new facility be promoted?

The Deputy Chief Executive reported that discussions were taking place with GLL regarding



promotion. The Health and Wellbeing Manager added that GLL would undertake a 'Festival of Sports' as part of their launch.

- Given the current economic circumstances did the Project Board envisage any additional borrowing requirements?

The Deputy Chief Executive reminded the Panel that the project included a six week 'float' to allow for any extension to the project. The project had a robust early warning system in place which alerted the team to any slippage and it was monitored closely. He did not envisage any additional borrowing requirements.

- A Member raised the issue of the lighting and roof and asked if the work should be undertaken now as part of the redevelopment.

The Deputy Chief Executive clarified what work was required for the roof and explained that it was not necessary at this stage, however, it would remain a risk but not to this project. There would be work undertaken as Phase 2 by the Council in its role as landlord.

- A Member asked for an update on the life safety systems and the Deputy Chief Executive confirmed that the work was progressing. It was vital for the Council to meet its obligation as a landlord to a public building and the work was in the scope of the budget.

RESOLVED - That the Sands Centre Project Monitoring Report (CS.05/22) be received.

## **BTSP.20/22 SICKNESS ABSENCE QUARTER 3 2021/22**

The HR Manager presented the authority's sickness absence levels for the period 1 April to 31 December 2021 and outlined other sickness absence information. (CS.07/22)

The HR Manager reported that the number of days lost per full time equivalent employee equated to 8.9 in the first three quarters of 2021/22 compared to 6.2 for the same period in 2020/21. This uptrend had been seen across many authorities. The report set out the trend for both long term and short term absences, the sickness absence reasons and the work being undertaken to support employees and managers.

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

- Were there plans in place to concentrate on having all Return to Work Interviews carried out within five days now that staff were returning to the building?

The HR Manager responded that the Return to Work Interviews were being carried out regardless of where the employee was working and there would continue to be a focus on undertaking them in a timely manner as it was an important part of the whole process.

- The sickness absence figures showed one Directorate that had a disproportionately high absence rate. A Member commented that the management of the team needed to be addressed.

The Deputy Chief Executive explained that Directorate in question had a significant number of long term sickness in an area that had physical jobs in a variety of roles. It was evident that not all absences were work related; there were significant challenges outside of work for staff in the lower paid roles. Managers and staff were positively supported in managing long term absence. There had been changes in the way that absences were managed and managers were more direct about absences especially in instances that were within the Council's

control.

- The Panel asked that future reports included the number of employees in each Directorate for comparison.

- What was in place for the Council to support individuals who were absent due to non work related stress / mental health?

The HR Manager detailed the support and signposting that was in place to support individuals. The new Attendance Management Policy was in place to enable all managers to access the information to support their staff.

- Was there any way to measure how effective the wellbeing programme had been?

The Deputy Chief Executive responded that there was information available on the number of people who had accessed the programme, however, it was difficult to gauge the actual outcome and interventions. He agreed to include more detailed information in the next report.

- A Member suggested consideration be given to the introduction of 'personal days' to support those who needed time to deal with stress or mental health issues.

- The Panel asked that the next report focused on mental health along with the monitoring information.

- A Member highlighted the impact interpersonal relationships within the workplace could have on mental health.

The Deputy Chief Executive agreed and outlined the support available to managers to deal with interpersonal issues within teams.

RESOLVED - 1) That the Sickness Absence Report Quarter 3 2021/21 be received;

2) That the Quarter 4 report should focus on mental health, alongside the monitoring information, and should also included:

- the number of employees in each directorate
- details and outcomes from the wellbeing programme

## **BTSP.21/22 REVENUE BUDGET OVERVIEW AND MONITORING REPORT APRIL TO DECEMBER 2021**

The Corporate Director of Finance and Resources presented an overview of the Council's General Fund revenue budgetary position for the period April to December 2021 which was considered by the Executive on 21 February 2022. (RD.70/21)

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

- Who would pay for the Shadow Authority elections on 5 May 2022 and who would pay for any Parish Council by elections prior to vesting day?

The Corporate Director of Finance and Resources responded that the Implementation Reserve would be used to pay for the Shadow Authority elections. She agreed to provide a written response with regard to Parish Council by elections.

- Why had the Council not spent all of the Government Covid grants that had to be paid back?

The Corporate Director of Finance and Resources explained that some of the grant were paid up front and were based on the number of people eligible. The Council was very proactive in awarding grants, however, not all those eligible took the grants.

- A Member asked for clarification with regard to the figures in the report referring to the Lanes and asked if the cost of the Lanes exceeded the income would the Council have to pay some of the costs?

The Corporate Director of Finance and Resources clarified the figures and agreed to provide the Panel with a written response regarding costs.

- Referring to the virements processed a Member asked for clarity on the following:

- a) Garage Services underspend and shortfall (recharges)
- b) Development Control underspend in employee related costs, increase in fees, could this be redirected to support enforcement work?
- c) Underspend on premises expenditure
- d) Other Financial Costs

In response the Corporate Director of Finance clarified the following:

- a) The underspend in the Garage Services would show as a small saving in other Directorate budgets
- b) The increase in Development Control fees had been the result of some significant applications. The Corporate Director of Economic Development could reinvest the monies into the service on a non recurring basis.
- c) The underspend on premises expenditure had been the result of not being able to access buildings during Covid. She agreed to provide further details in writing.
- d) The target for salary turnover remained ahead of target due to vacancies. The savings were taken and the corporate savings target would be funded from savings achieved elsewhere in the revenue budget.

RESOLVED - 1) That the Revenue Budget Overview and Monitoring Report: April to December (RD.70/21) be noted;

2) That the Corporate Director of Finance and Resources provide the following written responses:

- who would pay for Parish Council by elections?
- would the Council have to pay costs for the Lanes if they exceeded the income?
- further information on the premises expenditure underspend

## **BTSP.22/22 CAPITAL BUDGET OVERVIEW AND MONITORING REPORT APRIL TO DECEMBER 2021**

The Corporate Director of Finance and Resources presented an overview of the budgetary position of the Council's capital programme for the period April to December 2021 which was considered by the Executive on 21 February 2022.

A Member asked how any further increase in the interest rate impacted planned borrowing, the Corporate Director of Finance and Resources outlined the monitoring process that was in place, drawing attention to the impact of longer term borrowing on the new Authority.

RESOLVED - That the Capital Budget Overview and Monitoring Report: April to December 2021 be received.

### **BTSP.23/22 QUARTER 3 PERFORMANCE REPORT 2021/22**

The Policy and Performance Officer submitted the Quarter 3 2021/22 performance against the current Service Standards and an update on the delivery of the Carlisle Plan 2021-23 actions as defined in the Plan. Performance against the Panel's 2021/22 Key performance Indicators (KPIs) were also included (PC.02/22).

The Policy and Performance Officer drew the Panel's attention to the summary of exceptions and the reasons for those exceptions.

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

- Was SS08: proportion of official local authority searches completed on time subject to seasonal variation?

The Policy and Performance Officer agreed to provide a written response.

- Would the development of the Joint Municipal Waste Management Strategy for Cumbria change due to Local Government Reorganisation (LGR)?

The Deputy Chief Executive explained that dialogue was ongoing. At this stage in the LGR process it was not prudent to begin work on disentangling the contract. There was too much risk in changing the contract immediately but it would be considered in the future by the new authority.

- There was some concern that the increase to the cost of living would create an increase in the number of people applying for benefits. How would the Council deal with a potential increase?

The Corporate Director of Finance and Resources responded that the work load of the team was constantly monitored and additional resources could be diverted to the team from the test and trace team if required.

The Finance, Governance and Resources Portfolio Holder added that the housing benefit claimants were legacy claimants and any new claims would be made through Universal Credit which would not come to the City Council.

RESOLVED - 1) That the Quarter 3 Performance Report 2021/22 (PC.02/22) be noted;

2) That the Policy and Performance Officer provide the Panel with regard to a potential seasonal variation to Service Standard SS08.

### **BTSP.24/22 OVERVIEW REPORT**

The Overview and Scrutiny Officer submitted report OS.06/22 which provided an overview of matters related to the Business and Transformation Scrutiny Panel.

Referring to the resolutions from previous meetings, the Corporate Director of Finance and Resources reported that BTSP.07/22 (2) had been completed and circulated to Members on 17 January 2022.

RESOLVED - That the Overview Report incorporating the Key Decision items relevant to the Business and Transformation Scrutiny Panel be noted (OS.06/22).

## **BTSP.25/22 PUBLIC AND PRESS**

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

## **BTSP.26/22 ASSET MANAGEMENT OF KINGSTOWN INDUSTRIAL ESTATE & PARKHOUSE BUSINESS PARK - UPDATE ON PROGRESS**

(Public and Press excluded by virtue of paragraph 3)

The Head of Property Services provided an update on progress with the implementation of the business plan for Kingstown Industrial estate and Parkhouse Business Park (GD.10/22)

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

- How did the ground rents compare to other industrial estates across the County?

The Head of Property Services explained that Carlisle was a unique market and it was difficult to compare with sites in nearby areas as Carlisle was the primary market. Other industrial estates used Carlisle as their comparable baseline.

- Did new rent contracts allow for periodic reviews?

The Head of Property Services confirmed that all new leases included a five year review pattern.

- Was it possible to segregate the charges for undertaking the rent reviews?

The Head of Property Services detailed the costings and budget for Chancerygate and explained that the rent reviews were part of the overall work and could not be identified separately.

- Did the Council have in house capability to maintain the work or would Chancerygate be retained?

The Head of Property Services clarified that, although the Council had an excellent team, they did not have the expertise or capacity to undertake this work. The Chancerygate contract allowed for a renewal after five years, with an option of a further five years and a maximum of fifteen years. Discussions were currently ongoing with Chancerygate.

In addition the Panel also discussed ongoing planning permission; proposals for existing and new sites and outcomes of some of the rent review. The Panel received an update on the Gateway 44 site and the development of other sites across the City.

RESOLVED - That the Asset Management of Kingstown Industrial Estate and Parkhouse Business Park Update (GD.10/22) be received.

The Meeting ended at: 18:27