



Adrian Waite (Independent Consultancy Services) Limited

28th September 2019

Cllr. Virginia Taylor,
The Leader,
Eden District Council,
Town Hall,
Penrith,
Cumbria.
CA11 7QF.

Sent by e-mail to: virginia.taylor@eden.gov.uk

Dear Cllr. Taylor,

Council Plan Consultation

I write in response to your consultation on your local plan in my capacity as a resident of the Eden District and as Managing Director of 'AWICS Limited' a management consultancy company that is based in the district.

My observations on your council plan are as follows:

Introduction

The publication of this Council Plan is very welcome. The Council was right to declare a 'Climate and Ecological Emergency' in July 2019 and is right to focus on this in the plan. It is also an appropriate time to carry out a comprehensive review of the Council's objectives and methods of working.

The Council Plan is, at this point, a very high-level document. I expect that most people will agree with its high-level objectives. Clearly the next tasks will be to develop detailed policies to deliver these objectives, to implement them and (most importantly) to make a real difference on the ground. This may prove to be more contentious!

In my observations I would like to focus on three issues: Sustainable economic development; Housing; and good financial management.

Sustainable Economic Development

The economic issues facing Eden are well known. Incomes are generally low and much of the employment is part-time, seasonal, insecure and / or of low remuneration. There are a lot of small businesses, but many have low profitability and are fragile. Unemployment is low, but rather than reflecting economic success, this reflects the tendency for people who lose their jobs to leave the district.

We need to create an economy that is environmentally sustainable, provides high value secure employment and offers opportunities to existing and potential residents of Eden.

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Eden offers a good quality of life and should be able to attract high value footloose businesses. However, the Council must act to create the required infrastructure and environment if this is to happen. There are many proposals in the Council Plan that should do this including the proposal to 'develop an Eden Local Industrial Strategy to support economic growth, business development and better jobs', to 'improve digital connectivity to attract and support businesses, employees and families, connecting Eden with the global economy and knowledge industries' and to 'develop arts and cultural activities'.

I welcome the proposal to 'reinvent our town centres for the future'. I think this should include more pedestrianisation, for example in the Market Place / Boroughgate in Appleby.

The proposal to 'develop a plan for Newton Rigg' could be significant. If we could develop it as a hub of innovation and excellence in Eden, it could become a magnet for the high value footloose industries that I think we should be seeking to attract.

I would like to see more prominence given to heritage and the historic environment. Eden possesses a rich cultural and built heritage ranging from prehistoric circles to medieval castles and abbeys and Georgian towns. This helps to give Eden its unique character. This heritage is significant because:

- Preserving and studying it is important in its own right.
- It plays a major part in creating a 'sense of place' that leads to a 'sense of community'.
- It encourages businesses and individuals to locate in Eden.
- It encourages tourists and others to visit Eden.

Ways in which the Council could enhance Eden's heritage could include:

- Better presentation of the Council's heritage assets – for example, Castle Park in Penrith.
- Further development of the Museum service.
- Further support for voluntary local heritage organisations such as local history groups.
- Planning policies that ensure that historic buildings are preserved rather than subjected to alterations, demolitions and extensions.¹

The 'Heart of Cumbria' could play an important part in achieving economic development and housing objectives. However, I think it needs clearer objectives, performance measures and targets; and there should be more transparency and accountability.

Housing

The housing issues facing Eden are well known. Population and household formation are increasing, but the number of new homes being built is not keeping up. House prices and rents are increasing faster than incomes. Homes are becoming unaffordable for increasing numbers of people, especially those on low incomes. These trends have been evident since the 1980s. For many years the Council has recognised the need for additional housing, especially affordable housing and has identified this as a major priority. However, very little has been achieved to date by the Council and the development achieved by the housing associations has not been enough to meet needs.

¹ For example, I think planning policy should prevent schemes such as that which is currently being proposed by Appleby Town Council to make alterations and an extension to the sixteenth century Moot Hall

The Council really needs to take the housing crisis seriously and to commit itself to providing significantly more affordable housing. I therefore welcome your commitments to 'deliver sustainable housing that meets local need... to develop and deliver a housing strategy to meet local needs, publish a housing supplementary planning document, deliver a strategy which supports innovative, environmentally sustainable and affordable housing, support community led housing schemes, and deliver a programme to reduce fuel poverty linked to the zero carbon Eden strategy'. This is a big challenge and the Council will need to be bold.

Alongside this, as recognised in the Council Plan, there is a need to ensure that existing and future homes have a much-reduced carbon footprint and reduced fuel costs. There is also a need to ensure that enough homes suitable for the increasing number of elderly and disabled people are provided.

Ways in which the Council could help to address the housing crisis in Eden could include:

- Adopting appropriate planning policies.
- Providing additional and significant financial support for local housing associations' new development.
- Ensuring that 'Heart of Cumbria' develops new homes including a significant number of affordable homes.
- Building and / or acquiring new council houses.

Financial Management

If the Council is to achieve any of the objectives in the Council Plan, it will need good financial management. However, having studied the Council's budgets and accounts during recent years, my view is that scope exists to improve financial management. You will be aware that I have used the Council's annual budget consultation in recent years to point out how I think that this could be achieved.

The principal aspects of financial management that I think the Council should review include:

- Budgets that are based on previous years' budgets, apparently without any reference to actual levels of income or expenditure and that include significant 'budget slack'²
- Reserves that are very high and 'earmarked reserves'³ that are either vaguely described or remain unspent for considerable periods of time.
- Capital budgets that are unspent because capital schemes are either significantly delayed or don't even happen, suggesting that there may be scope to improve project management.⁴
- Apparently ineffective monitoring of revenue or capital budgets.
- Significant sums of money being invested in 'Heart of Cumbria' without any clear objectives, targets or performance measures being set.
- The robustness of the existing approach to asset management and risk management.

It appears to me that the Council has a significant level of resources of which it could make better use to support the objectives of the Council Plan.

² 'Budget slack' is where expenditure budgets are larger than necessary and income budgets are smaller than necessary meaning that there is no incentive for good financial management, but under-spending is almost certain to occur.

³ 'Earmarked reserves' are sums set aside that are theoretically 'earmarked' for specific purposes.

⁴ The office accommodation scheme is a good example of this.

I therefore welcome your proposals to 'make our Council financially viable' and to 'achieve financial viability by transforming the Council'.

My response to your budget consultation for 2019/20 can be viewed or downloaded from here: [https://awics.co.uk/files/module_document_pdfs/eden_dc_budget_consultation_2019-20 - adrian waite awics.pdf](https://awics.co.uk/files/module_document_pdfs/eden_dc_budget_consultation_2019-20_-_adrian_waite_awics.pdf)

My response to your budget consultation for 2018/19 can be viewed or downloaded from here: [https://awics.co.uk/files/module_document_pdfs/eden_district_council_budget_consultation_2018-19 - adrian waite awics.pdf](https://awics.co.uk/files/module_document_pdfs/eden_district_council_budget_consultation_2018-19_-_adrian_waite_awics.pdf)

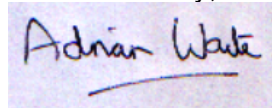
Conclusions

My responses to your specific questions are therefore as follows:

1. Do you agree with the four priorities of the Council for 2019-2023? Yes.
2. Do you agree with the goals and actions identified to deliver the priorities? Yes.
3. Do you have any suggestions for action to make the Council zero carbon and the district of Eden net zero carbon by 2030? No.
4. Are there any important issues or challenges for Eden that are not currently included in the plan? Yes, as outlined in this letter.

I hope that you find these observations useful. If you have any questions about any of the issues that I have raised I would be pleased to hear from you.

Yours sincerely,



Adrian Waite
Managing Director

This letter is copied to the following for information:

- Councillor Mary Robinson, Leader of the Independent Group.
- Councillor Deb Holden, Leader of the Liberal Democrat Group.
- Councillor Ali Ross, Leader of the Green Group.
- Councillor Lissie Sharp, Leader of the Labour Group.
- Councillor Ian Chambers, Leader of the Conservative Group.
- Councillor Andrew Connell, Chair of the Council.
- Councillor Judith Derbyshire, Housing & Health Portfolio Holder.
- Councillor Mark Rudhall, Eden Development Portfolio Holder.
- Councillor Karen Greenwood, Resources Portfolio Holder.
- Ms Rose Rouse, Chief Executive.

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