



# CHELtenham

## BOROUGH COUNCIL

### Notice of a meeting of Cabinet

**Tuesday, 15 March 2011  
6.00 pm**

**Municipal Offices, Promenade, Cheltenham, GL50 9SA**

<b>Membership</b>	
<b>Councillors:</b>	Steve Jordan (Leader of the Council), John Rawson (Cabinet Member Built Environment), Klara Sudbury (Cabinet Member Housing and Safety), Andrew McKinlay (Cabinet Member Sport and Culture), John Webster (Cabinet Member Finance and Community Development), Roger Whyborn (Cabinet Member Sustainability) and Colin Hay (Cabinet Member Corporate Services)

### Agenda

#### **SECTION 1 : PROCEDURAL MATTERS**

- 1. APOLOGIES**
- 2. DECLARATIONS OF INTEREST**
- 3. MINUTES OF THE LAST MEETING** (Pages 1 - 10)
- 4. PUBLIC QUESTIONS AND PETITIONS**

#### **SECTION 2 : THE COUNCIL**

*There are no matters referred to the Cabinet by the Council on this occasion*

#### **SECTION 3 : OVERVIEW AND SCRUTINY COMMITTEES**

*There are no matters referred to the Cabinet by Scrutiny Committees on this occasion*

#### **SECTION 4 : OTHER COMMITTEES**

*There are no matters referred to the Cabinet by other Committees on this occasion*

## **SECTION 5 : REPORTS FROM CABINET MEMBERS AND/OR OFFICERS**

- |   |                   |
|---|-------------------|
| <b>5. Q3 PERFORMANCE</b><br>Report of the Cabinet Member Corporate Services   | (Pages 11 - 14)   |
| <b>6. CORPORATE RISK REGISTER</b><br>Report of the Cabinet Member Corporate Services  | (Pages 15 - 34)   |
| <b>7. DRAFT CORPORATE STRATEGY</b><br>Report of the Leader  | (Pages 35 - 66)   |
| <b>8. PROPERTY LETTINGS AND DISPOSALS TO THE THIRD SECTOR, VOLUNTARY AND COMMUNITY GROUPS</b><br>Report of the Cabinet Member Built Environment | (Pages 67 - 90)   |
| <b>9. STRATEGY FOR THE USE OF IMPERIAL AND MONTPELLIER GARDENS</b><br>Report of the Cabinet Member Sustainability                               | (Pages 91 - 124)  |
| <b>10. JOINT WASTE GOVERNANCE ARRANGEMENTS</b><br>Report of the Cabinet Member Sustainability   | (Pages 125 - 176) |
| <b>11. APPOINTMENT TO OUTSIDE BODIES - HIGGS AND COOPER EDUCATIONAL CHARITY</b><br>Report of the Leader   | (Pages 177 - 180) |

## **SECTION 6 : BRIEFING SESSION**

- Leader and Cabinet Members

## **SECTION 7 : DECISIONS OF CABINET MEMBERS AND OFFICERS**

Member decisions taken since the last Cabinet meeting

## **SECTION 8 : ANY OTHER ITEM(S) THAT THE LEADER DETERMINES TO BE URGENT AND REQUIRES A DECISION**

**Contact Officer:** Rosalind Reeves, Democratic Services Manager, 01242 774937  
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## Cabinet

**Tuesday, 8th February, 2011  
6.00 - 7.21 pm**

<b>Attendees</b>	
<b>Councillors:</b>	Steve Jordan (Leader of the Council), John Rawson (Cabinet Member Built Environment), Klara Sudbury (Cabinet Member Housing and Safety), Andrew McKinlay (Cabinet Member Sport and Culture), John Webster (Cabinet Member Finance and Community Development), Roger Whyborn (Cabinet Member Sustainability) and Colin Hay (Cabinet Member Corporate Services)

## Minutes

**1. APOLOGIES**

None received.

**2. DECLARATIONS OF INTEREST**

Councillor Hay declared a personal and prejudicial interest in agenda item 10 as a member of the Board of Cheltenham Borough Homes.

Councillor Rawson declared a personal but non-prejudicial interest in agenda item 9 as a non-voting observer on the Cheltenham Festivals Board and the Council appointed member on the Cheltenham Arts Council. Councillor Sudbury declared a similar interest with regard to the Cheltenham Arts Council.

**3. MINUTES OF THE LAST MEETING**

**Resolved that the minutes of the last meeting held on 18 January 2011 were approved as a correct record.**

**4. PUBLIC QUESTIONS AND PETITIONS**

None received.

**5. MARKETING BRIEF FOR DISPOSAL OF NORTH PLACE AND PORTLAND STREET**

The Cabinet Member Built Environment introduced the report which sought Cabinet approval for the proposed bidder evaluation matrix relating to the proposed disposal for mixed use development of the North Place and Portland Street sites (the 'Sites'), currently used for surface car parking.

An amendment to the Financial implications had been circulated by the Chief Finance Officer at the start of the meeting. This section should now read "The council is looking to the development of the site to provide a net capital receipt to support the pump priming of public realm improvements across the town. The

scoring criteria allows for this important element in the list of outcomes to be measured.” And these be attributed to Mark Sheldon.

Following public consultation the revised Development Brief and Supplementary Planning Document (SPD) relating to the North Place and Portland Street sites was formally adopted by the Council on 13<sup>th</sup> December, 2010. The SPD provides the context for the marketing of the North Place and Portland Street development sites which has commenced. Officers commenced marketing of the sites on 24th January 2011.

The selection of the preferred developer needs to follow the requirements of the EU procurement rules. He talked through the timetable for the identification of a preferred bidder to develop the sites, with the final decision going to Council for approval.

He concluded that this was the biggest development opportunity in Cheltenham for 30 years so it was very important to get it right. He was looking forward to seeing what proposals come forward and having the preferred developer selected in a year's time.

The Leader commented that it was very welcome news and the start of a major development for Cheltenham. He reminded members that a tremendous amount of work had been done to get to this stage and he commended those involved for their efforts.

**Resolved that:**

- 1. Authority be delegated to the Head of Property and Asset Management in consultation with Cabinet Member for Built Environment to enter into competitive dialogue with bidders to dispose of the Sites, whether in whole or in part, acknowledging that disposal could be by way of a freehold transfer, leasehold disposal or a mixed freehold and leasehold disposal. The final structure of the proposed disposal to be determined by dialogue procedure and the evaluation methodology referred to below;**
- 2. Authority be delegated to the Head of Property and Asset Management in consultation with Cabinet Member for Built Environment to select the developer in accordance with the evaluation methodology, as set out at Appendix 2;**
- 3. Authority be delegated to the Assistant Director Built Environment in consultation with the Cabinet Member for Built Environment to finalise the Evaluation Criteria before sending them out to the final 5 bidders.**

**6. GLOUCESTERSHIRE WASTE CORE STRATEGY CONSULTATION**

The Leader introduced the report. The report explained that Gloucestershire County Council is the waste planning authority for the county. The County Council has prepared the Gloucestershire Waste Core Strategy (WCS) Publication version for public consultation from Monday 13th December until Monday 7th February 2011. Once adopted, it will provide the planning



framework for waste management across the county for the period 2012 to 2027 and will form part of the Waste Development Framework and part of the statutory development plan for Cheltenham.

The Leader explained that this was largely a technical response to a technical document and repeated some of the council's responses already made. However it gave the council an opportunity to re-emphasise some of their concerns which were set out in appendix 1. Whilst the council supported the general principle that waste facilities should be located in close proximity to the source of the waste, this needed to be balanced against the impact of such sights on the existing communities living in close proximity. He also emphasised that as a member of the Gloucestershire Waste Partnership, the districts were now seeking to have an influence on the disposal of waste which up to now had been a county matter.

The Cabinet Member Sustainability highlighted three concerns:

- A 'one site solution' for residual waste could result in excessive transport from collection to disposal.
- As recycling increases, and if certain processes such as incineration were to be chosen for residual waste, the critical mass required for the viability of the new site(s) may result in increased commercial waste or waste from outside the county having to be brought in
- Concerns about the siting of sites dealing with hazardous waste as set out in paragraph 1.13.

**Resolved that the Cabinet approve the appended consultation response for submission to Gloucestershire County Council.**

## **7. FUTURE JOINT WORKING IN THE SOUTH WEST**

The Leader introduced the report. He explained that the Council is a member authority of South West Councils (SW Councils) and pays a subscription to support the running of a secretariat. Given the current budget situations of member councils, reductions in government funding to the regions and indeed the demise of many regional structures, South West Councils are requesting councils to confirm whether or not they wish to remain a member. The council's liabilities have been set out for both options.

The alternative proposal was to establish a smaller organisation called an 'Employers Plus' option which would be in a position to provide ongoing human resources advisory support and networking opportunities with other councils but would not be undertaking the range of activities that are currently provided through the current model. There is a meeting of the SW Councils Resources and Management Committee on 11 February and the council has been requested to provide confirmation of their position.

An amendment to the report had been circulated to members at the start of the meeting. Under financial implications it should read, "the financial liabilities of the proposal and options are set out in paragraphs 1.4 to 1.6 of the report", the contact officer being the Head of Financial Services.

The Leader indicated that 28 out of the 41 councils had already indicated their support for SW Councils continuing and therefore he felt confident that it would continue to be a viable organisation going forward. He also noted that the

resulting annual subscriptions would be less than the council had currently budgeted for.

The Cabinet Member Corporate Services gave his support for continued membership. He felt that SW Councils provided a national voice and were particularly valuable in employer/union negotiations. They also provided a valuable training and development network to members and officers.

**Resolved that:**

- 1. The Chief Executive be authorised to sign the letter in appendix 3 to this report on the basis that further clarification is provided, to his satisfaction, on the proposed mechanism for the apportionment of liabilities and assets and subject to consultation with the Leader of the Council, the Cabinet Member Finance, Borough Solicitor and the Chief Financial Officer.**
- 2. That subject to above, the South West Councils' Secretariat be advised that Cheltenham Borough Council is in favour of pursuing the Employers Plus option and will enter into membership of new arrangements on that basis, subject to them being viable and the annual subscription costs not exceeding those currently paid.**

**8. SECTION 25 REPORT**

The Chief Finance Officer (CFO) introduced this report which had been circulated with the budget papers. He explained that under Section 25 of the Local Government Act 2003 the CFO was required to report to Council on the robustness of the estimates made for the purpose of setting the budget and the adequacy of the proposed financial reserves. The Council was under a statutory obligation to have regard to this report when making decisions on the proposed budget.

The Chief Finance Officer highlighted the challenges caused by the lateness of this year's settlement announcements. The lack of clarity from government over funding levels for future years had also added greater uncertainty to the Medium Term Financial Strategy forecasting and planning.

He also highlighted the council's concern about the handling of concessionary fares and that the final settlement removed the total cost of £2.2 million including the local discretion and taxi vouchers that the council had opted to support. He and the Cabinet Member Finance had already met with Martin Horwood MP to lobby for the retention of the estimated £171,000 cost of the local discretions funded by the Council. This may be rectified in the future but no assumption had been made in the budget proposals at this stage.

**Resolved that the contents of the report be noted and that Cabinet have regard to it when making their recommendations to Council regarding the budget and level of council tax for 2011/12.**

**9. FINAL GENERAL FUND BUDGET PROPOSALS 2011/12**

The Cabinet Member for Community Development and Finance introduced the joint report of himself and the Chief Finance Officer which had been circulated

with the budget papers. The report summarised the revised budget for 2010/11 and the Cabinet's final budget proposals for 2011/12.

The Chief Finance Officer highlighted an amendment to the report. The council had received notification on 7 February of a change to the government settlement and the figure for the Formula Grant in 2012/13 set out in table 4.1 of the report should now read £5.518 million and not £5.473 million. He emphasised that this was a one-off amount in that particular year where the government had found some additional funding to support councils.

The Cabinet Member highlighted the changes that had been made to the draft budget presented to Cabinet on 21 December 2010 following a period of extensive consultation. These changes were supported by additional funding made available by a rephrasing of pensions costs.

- A one-off reinstatement of verge cutting for 2011/12. The council would also be giving the county council notice of their intention to terminate the contract so that it can be renegotiated on more favourable terms.
- There would be no transitional funding to Cheltenham Festivals but instead the budget proposed £140,000 worth of funding for improvements to Montpellier and Imperial Gardens. The Festivals will also continue to have free use of the gardens in the coming year. The changes would support the festivals in their aims but would also be for the benefit of the people of Cheltenham as the Cabinet recognized the need to manage any potential conflicts in the use of the gardens. The renegotiation of the catering contract in 2012 would give the festivals more opportunity to raise additional catering income. He felt that these changes would provide a framework for Cheltenham Festivals being commercially successful in their own right without the need for ongoing financial support from the Council.
- An additional two years extra funding had been allocated for the oiling of seagull eggs to combat the problems with seagulls in the town.
- The budget proposed to reinstate £6,000 of the original £10,000 allocated to the Arts Council. This money was redistributed by the Arts Council and provided valuable support to organisations in the town.
- Finally the Cabinet Member Finance referred members to recommendation 9 which approved the creation of a budget working group to support the process of developing the budget. He felt there was a real need for scrutiny members to keep up to speed with the budget throughout the year and develop their expertise in budget matters and this working group would provide a focus for that.

In commenting on the budget, Cabinet Members made the following points:

- The public consultation had been very effective and had resulted in changes to the draft budget. There had been some very meaningful input from the initial red/green dot exercise and the focus groups that followed and valuable lessons had been learned for the future.
- The council was in a much better position than it might have been because of the long-term planning done in previous years and initiatives such as shared services, the Bridging the Gap programme, the disposal of surplus assets and generally making all services more efficient and reducing the public subsidy element of services such as leisure@. All

these initiatives provided the right framework for further efficiency savings in the future

- Because of the above, the Council had avoided major closures and maintained the facilities that provide the distinctive qualities of the town
- The decision regarding concessionary fares was very unsatisfactory.

**Resolved that it be recommended to Council that:**

1. **The revised budget for 2010/11 be approved;**
  2. **The final budget proposals detailed in this report and supporting appendices, including a proposed council tax for the services provided by Cheltenham Borough Council of £187.12 for the year 2011/12 (a 0% increase based on a Band D property) be approved.**
  3. **The growth proposals, including one off initiatives at Appendix 3 be approved.**
  4. **The reserve re-alignments at Appendix 8, as outlined in section 10 be approved.**
  5. **The proposed capital programme at Appendix 9, as outlined in Section 11 be approved and the intention to fund the replacement of vehicles and recycling bins through prudential borrowing where deemed appropriate be noted.**
  6. **The proposed Property Maintenance programme at Appendix 10 be approved.**
  7. **The updated Medium Term Financial Strategy at Appendix 11 including the impact of the 'bridging the gap' programme on the forecast budget gap be approved;**
  8. **A level of supplementary estimate of £100,000 for 2011/12 as outlined in section 15 be approved.**
  9. **The creation of the budget working group be approved, with 2 members nominated from each overview and scrutiny committee, to support the process of developing the budget process and improving scrutiny as outlined in Appendix 13.**
- 10. FINAL HRA BUDGET PROPOSALS FOR 2011/12**  
Having declared a personal and prejudicial interest in this item the Cabinet Member Corporate Services left the room for this item and did not participate in the debate.

The joint report of the Cabinet Member for Community Development and Finance and the CFO had been circulated with the budget papers. The report explained that following the Cabinet meeting on 21 December 2010 where the draft HRA budget proposals for 2011/12 were approved for consultation, the Cabinet was now required to make recommendations to Council on the 2011/12 budget, having regard to the responses to the consultation.

The Assistant Chief Executive, Cheltenham Borough Homes highlighted the changes that had been made since the draft budget and these were set out in paragraph 2.2 of the report. One important change was the bid to fund an additional post of Money and Benefits Officer at a cost of £31,500. This was needed to assist the implementation of the CBH financial inclusion strategy.

Referring to section 8 of the report, he advised members that the coalition government had now confirmed that pooling arrangements would continue for the next four years. Therefore the recommendation was that the policy of using capital receipts to fund investment in affordable housing should continue during that period to protect them from government pooling.

The coalition government had now confirmed their plans for Self Financing. He highlighted the main changes from the former Labour proposals and indicated he would be providing a full briefing to members in due course. Overall it looked like a good deal for Cheltenham with some uplifts. There would be full consultation with members, the CBH Board and the public before the final figure was set in 2012.

The Cabinet Member Finance said that overall CBH had performed well. The 5.4% average increase in rents would be difficult for tenants and therefore he welcomed the additional Benefits Officer post. He was also concerned about those tenants in full-time work, where their salaries were frozen and they too may also be in need of some financial advice.

The Cabinet Member Housing and Safety welcomed the additional post and thought it would also complement the advice services already available in the town.

**Resolved that it be recommended to Council that:**

- 1. The HRA revised budget for 2010/11 be approved;**
- 2. The HRA 2011/12 budget including a proposed average rent increase of 5.43% applied in accordance with the rent restructuring guidelines (subject to restraints on individual property increases when aggregated with service charges) and increases in other rents and charges as detailed at Appendix 5 be approved;**
- 3. The revised HRA capital programme for 2010/11 at Appendix 6 be approved;**
- 4. The HRA capital programme for 2011/12 at Appendices 6 and 7 be approved;**
- 5. That receipts of up to £3m from the sale of HRA assets (other than through Right To Buy) in the period 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2014 be used for affordable housing provision.**

## **11. TREASURY MANAGEMENT POLICY AND ANNUAL INVESTMENT STRATEGY 2011/12**

The Chief Finance Officer introduced the report which had been circulated with the budget papers. He explained that the Council had a responsibility to set out its Treasury Management Strategy Statement for borrowing and to prepare an

Annual Investment Strategy for council approval prior to the start of a new financial year.

**Resolved that Cabinet recommend to Council that the Treasury Management Strategy Statement and Annual Investment Strategy for 2011/12 at Appendix 2 be approved including;**

- The general policy objective 'that Council should invest prudently the surplus funds held on behalf of the community giving priority to security and liquidity'.
- That the Prudential Indicators for 2011/12 including the authorised limit as the statutory affordable borrowing limit determined under Section 3 (1) Local Government Act 2003 be approved.
- Additions to the Council's lending list are proposed in order to provide some further capacity. These proposals have been put forward after taken advice from the Council's treasury management advisers and are prudent enough to ensure the credit quality of the Council's investment portfolio remains high.
- To increase the time period of investing up to two years with counterparties noted in the recommended lending list.
- For 2011/12 in calculating the Minimum Revenue Provision (MRP), the Council will apply Option 1 in respect of supported capital expenditure and Option 3 in respect of unsupported capital expenditure as per section 21 in Appendix 3.

**12. BRIEFING FROM CABINET MEMBERS**

The Cabinet Member Sustainability advised that after a long history the work on the Pittville Bridge would start later this month.

The Cabinet Member Sport and Culture announced that the Cheltenham Folk Festival was due to start this Friday and encouraged members to attend.

The Cabinet Member Housing and Safety informed members that the development at Brighton Road was going well and she would be attending as part of an official visit in the near future.

The Cabinet Member Built Environment advised that capital investment would be carried out in the town's car parks. The objective was to make their management more effective by updating equipment and improving the options available to customers for making payments.

**13. LOCAL GOVERNMENT ACT 1972 - EXEMPT BUSINESS**

Resolved that in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining items of business as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 3 and 7A, Part 1, Schedule 12A Local Government Act 1972, namely:

Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Paragraph 7A; Information which is subject to any obligation of confidentiality

**14. EXEMPT MINUTES**

**Resolved that the exempt minutes of the meeting held on 18 January 2011 were approved as a correct record.**

**Chairman**

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## Cheltenham Borough Council

### Cabinet 15 March 2011

#### Review of the council's performance at end of Quarter 3

<b>Accountable member</b>	<b>Cabinet Member Corporate Services</b>
<b>Accountable officer</b>	<b>Policy and Partnerships Manager, Richard Gibson</b>
<b>Accountable scrutiny committee</b>	<b>Economy and Business Improvement O+S</b>
<b>Ward(s) affected</b>	<b>All</b>
<b>Key Decision</b>	<b>No</b>
<b>Executive summary</b>	<ul style="list-style-type: none"> <li>• The Council agreed its corporate strategy 2010-2015 in March 2010. The strategy sets out our 5 objectives and 11 outcomes and a range of milestones and indicators to measure performance in 2010-11.</li>   <li>• The performance report takes information and data from our performance management system to provide cabinet members with an overview of how the council is performing at the half-way stage of the year. This will enable Cabinet Members to input into discussions about how to resolve areas where there maybe performance concerns and also to recognise where performance is better than expected.</li> </ul>
<b>Recommendations</b>	<b>To note the corporate performance of the organisation at the end of Quarter 3</b>

<b>Financial implications</b>	
<b>Legal implications</b>	
<b>HR implications</b>	
<b>Key risks</b>	
<b>Corporate and community plan Implications</b>	The performance report provides an overview of the performance against the corporate strategy at quarter 3.
<b>Environmental and climate change implications</b>	

## 1. Background

- 1.1 The Council agreed its corporate strategy 2010-2015 in March 2010. The strategy sets out our 5 objectives and 11 outcomes and a range of milestones and indicators to measure performance in 2010-11.
- 1.2 The performance report takes information and data from our performance management system to provide elected members with an overview of how the council is performing. This will enable elected members to input into discussions about how to resolve areas where there maybe performance concerns and also to recognise where performance is better than expected.
- 1.3 When the quarter 2 information was presented to the last Economy and Business Improvement meeting on 29<sup>th</sup> November, members of that committee requested that future reports be presented “in an exception format with sufficient information to enable members to challenge where targets were not being met”. Pages 2, 3 and 4 provide an exception report, but if Cabinet Members do wish to view the full report, it is available on the council’s website:

[Q3 performance report](#)

- 1.4 Looking forward, Cabinet Members will be aware that the Secretary of State has announced the demise of the national indicator set which means that we will no longer be obliged to report our progress on the 56 national indicators to government. This presents us with an opportunity to reflect on the indicators we are using to measure our corporate performance and choose new ones (or keep the old ones) which are easy to collect, are useful for us and that they mean something to our communities. Proposals for a new set of indicators to measure corporate performance are set out in the draft corporate strategy report that will be discussed elsewhere on this agenda.
- 1.5 I hope Cabinet Members find the information of use and I would welcome feedback either at the Cabinet meeting or through other channels.

## 2. Performance overview

### 2.1 Outcomes

- 2.2 From the management dashboard, performance looks relatively okay at the end of Q3 with no red outcomes, four amber outcomes and seven green outcomes. More detail on the delivery of the outcomes is provided in the table below.

### 2.3 Milestones

- 2.4 Out of the 54 milestones set out in the corporate strategy; 32 (59%) are green, 21 (39%) are amber and 1 (2%) is red. The red milestone relates to the original intention to explore sharing our revenues and benefits service. This is not proceeding now.

### 2.5 Indicators

- 2.6 There are 11 red indicators shown below and performance on these should be monitored over the next period; these include community safety, environmental and tourism indicators. More information is supplied below.

Name	Status	Owner	Comments
Repeat incidents of domestic violence (Quarterly)		Richard Gibson	New domestic abuse risk assessment has been implemented and being used by partners, so cases coming through the system have increased. Also better links with A & E have led to more referrals. However, sickness in the Independent Domestic Violence Advisers (IDVA) team has led to less capacity for intervention and therefore a rise in repeat incidents.

Overall employment rate (working-age) (Quarterly)		Jane Griffiths	Figure for Q3 was 82.9% against a target of 85%.
Percentage of household waste sent for reuse, recycling and composting (Quarterly)		Rob Bell	Figure for Q2 was 35.82% but target is 40% - we are still awaiting information for Q3. The new recycling arrangements coming into force in April 2011 will address this shortfall in the next financial year.
Percentage of municipal waste land filled (Quarterly)		Rob Bell	Figure for Q2 was 66.2% against a target of 64%; we are still awaiting information for Q3.
HR05 - No of FTE days absence per employee (Quarterly)		Amanda Attfield	Figure for Q3 was 2.8. This quarter level is usually higher than other quarters (is the winter period) and is higher than the same period last year (2.24). It is the highest level for this quarter since 2006-7 (3.13). Currently carrying out an analysis of our sickness data for our refuse/recycling collection staff, the highest area for absence in CBC. This starts as a full blown exercise for the next couple of years in April this year when we will be submitting a full set of data for the other waste activities. This will guide targeted interventions in this area.
HR08 - Number of apprentices on placement with the council (Quarterly)		Amanda Attfield	Figure for Q3 was 4 against a target of 5. A second apprentice has been recruited for Integrated transport and there is approval for an apprentice in Public protection who will be recruited in the new year
WC02 - overall footfall at leisure@ (Quarterly)		Sonia Phillips	Q3 attendance marginally down 2.9% on target due mainly to the cold snap in December 2010
WC11 - the number of visitors to Cheltenham's TIC (Quarterly)		Sonia Phillips	Figure for Q3 was 13,593. Visitor numbers are down for this quarter. Cheltenham as a whole was affected by the period of extreme cold weather during December. Figures for the same period last year were 14,117 - so the numbers are down by 524 in comparison. This will be reviewed against figures for other tourist information centres within Gloucestershire. The next quarter will need to achieve 24,847 to reach the overall annual target of 86,250 - and this will be monitored over the next few months.
WC15 - number of Under 16 swims (Quarterly)		Sonia Phillips	Adverse weather in December 2010 significantly impacted attendance on casual visits including swimming
WC22 - the number of accommodation bookings (Quarterly)		Sonia Phillips	Accommodation bookings continue to remain under target. As indicated in quarter 2, this target is unlikely to recover, but we will continue to monitor closely - specifically with regards to increasing bookings through the website.
WC26 - Attendances during the annual Summer of Sport initiative		Sonia Phillips	Figure for Q3 was 1,480 against a target of 1,600. The 2010 summer holiday programme only operated for a 5 week period in July/August, whereas the 2009 programme operated for 6 weeks, due to a longer school holiday period. Whilst the total attendance is therefore slightly lower than in 2009, the weekly average attendances have in fact increased significantly from 254 in 2009, to 296 in 2010.

## 2.7 Performance summary

Outcomes	what's going well	what's not
Cheltenham has a clean and well-maintained environment. <b>GREEN</b>	Planning for new recycling service, roll-out of plastics recycling, roll-out of new street cleaning service.	Officers have not had chance to update waste performance indicators.
Cheltenham's natural and built environment is enhanced and protected. <b>AMBER</b>	Green space work going well with strategy being implemented and new commitment to allotments.	Currently digesting localism bill to anticipate impacts on the Joint core strategy work.
Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change. <b>GREEN</b>	Series of carbon saving measures installed. Capital funding identified for 2011-12. Commitment to embed sustainable thinking within commissioning processes.	Work to mainstream climate change adaptation is slower than hoped.
Cheltenham is able to recover quickly and strongly from the recession. <b>AMBER</b>	Slowly gaining clarity on future structures for economic development with progress being made on Gloucestershire Local Enterprise	Bad weather in December led to a reduction in footfall and customer spend in the High Street, though local shops were busier.

Outcomes	what's going well	what's not
	Partnership.	
We attract more visitors and investors to Cheltenham. <b>AMBER</b>	The draft tourism strategy has been prepared and will be circulated around the O+S committees in the new year.  Work progressing at the county-level to improve tourism offer.	Visitor numbers to the Tourist Information Centre and booking have both fallen off and annual targets are not likely to be met.
Communities feel safe and are safe. <b>GREEN</b>	The total volume of crimes continues to fall, with 8% compared to the same period (Q1, Q2 and Q3) last year. Anti-social behaviour incidents are also on the decrease, with around 245 less incidents compared to the same period (Q1, Q2 and Q3) last year.	Delays in the roll-out of the national Anti-social behaviour policy is delaying development of our own policy. Repeat incidences of domestic violence are still high; the average for the year is 30%, with the figure for December being 50%.
People have access to decent and affordable housing. <b>GREEN</b>	23 new affordable homes delivered. St. Pauls – contracts signed and looking at start in site in February.	Increase in homeless acceptances is as a result of slightly fewer households being prepared to accept the private rented sector as a homelessness prevention option - in light of the impending changes to the local housing allowance.
People are able to lead healthy lifestyles. <b>GREEN</b>	Figure released in December 2010 shows a significant increase in the percentage of Cheltenham residents meeting the target 3 x 30 minutes per week of "Sport & Active Recreation". Attendances at healthy lifestyles programmes at leisure@ remained buoyant despite poor weather.	Overall attendances at leisure@ were marginally down due to poor weather in December (209,872 for the year to date against a target of 288,000).
Our residents enjoy a strong sense of community and involved in resolving local issues. <b>GREEN</b>	Work to support neighbourhood management across the borough. Development of community ambassadors group from initial black and minority ethnic community work. CBC Budget consultation process.	Review of neighbourhood management will not go to Social and Community until May 2011 so milestone target will not be met.
Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment. <b>GREEN</b>	Cabinet decision to underwrite the current shortfall has enabled submission of the Heritage Lottery Fund bid – decision expected at the beginning of March. Collective savings target for the division have been achieved.	The development of the leisure and culture service review has been slower than expected. There are issues relating to Cheltenham Festival's proposed use of Imperial/Montpellier Gardens as well as proposed level of grant funding.
The council delivers cashable savings, as well as improved customer satisfaction overall and better performance through the effective commissioning of services. <b>AMBER</b>	Council agreement to commissioning structures. Budget consultation process and cabinet approval of draft budget. Property disposed of properties to generate capital receipts. Go programme proceeding well.	Sickness absence has increased – currently at 2.48 FTE (full-time equivalent) days against a target of 2 FTE days.
<b>Report author</b>	Richard Gibson, Policy and Partnerships Manager.  01242 235354 richard.gibson@cheltenham.gov.uk	
<b>Appendices</b>	Appendix A - Performance Report	
<b>Background information</b>	2010-2015 Corporate Strategy, Report to Council, 29 <sup>th</sup> March 2010.	

**Cheltenham Borough Council  
Cabinet – 15 March 2011  
Corporate Risk Register**

<b>Accountable member</b>	<b>Cabinet Member Corporate Services , Councillor Colin Hay</b>
<b>Accountable officer</b>	<b>Jane Griffiths – Assistant Chief Executive</b>
<b>Accountable scrutiny committee</b>	<b>Economy and Business Improvement (E&amp;BI)</b>
<b>Ward(s) affected</b>	<b>None</b>
<b>Key Decision</b>	<b>No</b>
<b>Executive summary</b>	<p>At the E&amp;BI overview and scrutiny meeting on the 29th November it was requested that the corporate register should in future highlight exceptions and provide more focus on the risks where the mitigating actions are below target. This request was reported verbally to Cabinet on the 7<sup>th</sup> December</p> <p>The format of risk register has been amended in line with this request and they E&amp;BI overview and scrutiny committee will reconsider it along with the current risks at their meeting on the 7<sup>th</sup> March. Any further comments will be presented verbally at the Cabinet meeting.</p> <p>The corporate risk register is “owned” by the senior leadership team as it is a management tool that helps managers run the business effectively, but members also need to be aware of the risks on the register as they may impact on the council and the decisions it makes. The attached register was updated by the senior leadership team in February and sets out progress against mitigating actions.</p>
<b>Recommendations</b>	<p><b>1.1.1</b> That Cabinet considers the register and identifies any further corporate risks that should be included</p> <p><b>1.1.2</b> That Cabinet considers the revised template for reporting and highlighting risks and to make any further recommendations or suggestions to improve focus and clarity.</p> <p><b>1.1.3</b> That Cabinet considers whether the actions specified to manage the identified risks are appropriate</p>

<b>Financial implications</b>	<p>There are a number of risks in the corporate risk register which, if not managed have the potential to expose the council to financial costs which are not provided for within existing budgets. The mitigating actions seek to control the risk of expose to these costs.</p> <p><b>Contact officer: Mark Sheldon</b></p> <p><b>Email <a href="mailto:mark.sheldon@cheltenham.gov.uk">mark.sheldon@cheltenham.gov.uk</a>,</b></p> <p><b>Tel no; 01242 264123</b></p>
<b>Legal implications</b>	<p>The effective engagement of members in the management of corporate risk contributes to sound corporate governance and probity in corporate decision making.</p> <p>Contact officer: Peter Lewis</p> <p>peter.lewis@tewkesbury.gov.uk, 01684 272012</p>
<b>HR implications (including learning and organisational development)</b>	<p>There are a number of risks in the Corporate Risk Register that have HR implications (e.g. skills for commissioning, health and safety, industrial action), however these are addressed by the mitigating actions.</p> <p><b>Contact officer: Amanda Attfield</b></p> <p><b>amanda.attfield@cheltenham.gov.uk,</b></p> <p><b>Tel. no; 01242 264186</b></p>
<b>Key risks</b>	<p>If the council does not manage its risks appropriately then this can lead to ill-informed decisions.</p>
<b>Corporate and community plan Implications</b>	<p>Effective identification and management of risk helps the council make informed decisions and manage its corporate plan priorities.</p>
<b>Environmental and climate change implications</b>	<p>There are no specific environmental or climate change implications arising from the report, but the council is keen to ensure that the risks of climate change and ability to mitigate and adapt are built into service plans and risk registers.</p>

## 2. Background

- 2.1** Effective risk management is a key component of good governance arrangements and the senior leadership team review the register on a monthly basis. They consider where mitigating actions may not be progressing as planned or may not have achieved the desired outcomes or what further action needs to be taken. They also consider any new risks and identify the mitigating actions which need to be taken to manage the impact and likelihood of that risk.
- 2.2** Each division has a service plan where they record and manage their divisional risks and those that score 16 or over are brought to the senior leadership team and the corporate implications discussed and where necessary escalated to the corporate register.
- 2.3** In addition to this the senior leadership team took on board the recommendation made by E&BI

at its meeting on the 29th November to revise the Corporate Risk Register template so that it highlights exceptions and provides more focus on the risks where the mitigating actions are not meeting deadlines.

- 2.4 The attached Corporate Risk Register now has an accompanying 'Dashboard' report that provides managers and members with a high level overview of the corporate risks.
- 2.5 The Dashboard and the register highlight that there are currently 28 active risks on the register, 3 with a low score, 16 with a medium score and 9 with a high score. The dashboard goes on to highlight the number of risks within those categories that are either on target to *meet*, *may not meet* or *will not meet* their specific deadline for reducing or removing risks.
- 2.6 All of these risks are continually monitored by the risk owners and collectively managed by SLT on monthly basis.

### 3. Exceptions

- 3.1 It is intended that in future this section of the report will provide information on new risks and any medium or high that may or will not meet their deadlines i.e. those that are highlighted within the register as Amber or Red, the reasons for this and what is being done mitigate the risk.

**Table 1: New risks since the last report**

Risk number	Risk	Risk score	Proposed action	Deadline	Action taken
CR43	If CSR settlement impacts result in required GO Programme resource being consumed, then programme implementation and resulting savings and efficiency realisation, will be put at risk.	<b>8</b>	Assess impact of CSR 2010. Ensure GO Programme resources remain dedicated to the Programme.	End March	This risk was raised by the Go Programme Board and scored as a high (red) risk, staying high (red) even after mitigating actions (NB the GO Programme uses different a risk scoring matrix and approach). Programme Board Members agreed that any risks falling into this category (red/red) be considered by each partner council for their own corporate risk registers and local action. The CSR impact has been assessed for CBC, and aside from the wider capacity issue risk already identified as a separate risk, no further mitigating action needs to be taken by CBC as GO Programme resources are not impacted by CSR 2010. Discussed at SLT on 1st February 2011, suggest this risk is noted and closed.

**Table 2: Risks that may or or will not meet their original deadline for mitigating the risk**

Risk number	Risk	Risk score	Why mitigating actions will or may not reduce or remove the
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			risk by the original deadline
<b>High Risks</b>			
CR33	If the council does not keep the momentum going with regards to the JCS then the policy vacuum left by the abolition of the RSS and the resultant delay in projections and framework could result in inappropriate development.	16	The original deadline was set prior to the new coalition government and the publication of the Localism Bill which has impacted on key milestones Review of all programme activities underway.  The contract to deliver econometric housing model outputs expected March 2011
CR34 b	If the council does not have robust testing of its business continuity plans then there is a risk that they may not be effective	16	The council has a business continuity plan that covers a wide range of business systems including the need for an effective ICT back up system at the depot. The target date for carrying out a robust test for this back-up system is Mid May 2011. The outcome for this test will provide assurance to SLT that its back-up systems are effective.
CR35	If the current public service proposed budget cuts mean that the county council are unable to fund and provide officer resource for strategic infrastructure planning phase 3 then the JCS will not be supported by robust evidence which may lead to inappropriate development	16	Awaiting GCC restructuring and budget allocation
<b>Medium risks</b>			
CR20	If knowledge and skills about commissioning are not developed within the organization, there is a risk that services will not be commissioned or delivered in the right way which may impact on flexibility and/or costs.	12	The member joint party working group are defining Member roles under commissioning and when complete these will be used to audit members current knowledge and skills. It is unlikely that the audit will be complete by the end of March 2011.
CR29	If the council does not implement the actions identified in the climate change adaptation risk assessment there is a risk that resources will not be used to best effect which could impact on financial, environmental and service decisions and affect service delivery.	8	SLT have reviewed the planned climate change adaptations and have ask divisions to identify climate change champions; this champions group will be established once restructuring has been completed and risk assessments revised to reflect new structures. Risk remains amber but likelihood has been



			reduced to reflect completed and planned actions
CR32	If the council is unable to realise the capital value of some of its assets it will be unable to progress the civic pride proposals	12	SPD formally adopted on 13.12.10 (Full Council). OJEU Notice issued 24.1.11 as per target. We await market response. Other asset disposals progressing as planned.

#### 4. Reasons for recommendations

- 4.1 Cabinet need to satisfy themselves that the council is considering the full range of risks which may impact on the delivery of our outcomes, and that we are taking appropriate action to manage risks.

#### 5. Alternative options considered

- 5.1 No alternative options have been considered. It was agreed by both the Cabinet and E&BI that corporate risks should be reported quarterly for consideration by members.

#### 6. Consultation and feedback

- 6.1 The register is being considered by the economy and business improvement overview and scrutiny committee and their comments will be fed back to the meeting this evening.

#### 7. Performance management –monitoring and review

- 7.1 Cabinet leads discuss risks with their respective assistant directors at one to one meetings. The senior leadership team consider the risk register on a monthly basis, and challenge how risks are being managed and monitored.

<b>Report author</b>	<b>Contact officer: Jane Griffiths, Assistant Chief Executive</b> <b>jane.griffiths@cheltenham.gov.uk,</b> <b>01242 264126</b>
<b>Appendices</b>	1. Corporate Risk Register - Dashboard 2. Corporate risk register

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Cheltenham Borough Council Risk Register Following SLT 1-02-2011													
row number	Risk Ref	Risk description	Risk owner	Date raised	Impact and likelihood			Managing risk			Mitigating action taken (if you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)	Date of current/last update	
					Impact	Likelihood	Score >16 Red 7 to 15 Amber 3 to 6 Green	Proposed Action	Deadline	On Target for deadline?			Responsible officer
1	CR40	If Partner organisations are not sufficiently 'bought into' the process then there is a risk that the commissioning work will be done in isolation and potential savings and effective delivery of outcomes will be reduced.	Chief Executive Andrew North	28 <sup>th</sup> October 2010	4	4	16	Reduce	Effective engagement with the VCS forum, plus other partners through CSP and thematic partnerships. The objective of 'place based' project is to engage partners and create alignment. Ensure that joint funding is subject to use of proper commissioning disciplines.	Continuing to October 2012	Green	Richard Gibson	10/02/2011
2	CR41	If capacity to lead and manage the changes, at the same time as implementing major change (i.e. a new ERP system), is not secured then the benefits from commissioning and the ERP system will not be fully realized, and morale and motivation may be impacted adversely – affecting existing SLT, members and service managers	Chief Executive Andrew North	28 <sup>th</sup> October 2010	4	4	16	Reduce	Consider senior level capacity carefully when approving reductions in employees. Inclusion of a temporary AD role (Organisational Development and Change) to support the transition. Consider any further resource which may be needed. Continue to develop the council's resource management approach and the role of senior leadership team in resolving any conflicts.	01/04/2012	Green	Amanda Atfield  Senior Leadership Team	04/02/2011
3	CR9b	If the Highways Authority is unable to support the traffic proposals which underpin the civic pride schemes then vision and outcomes will not be achieved, and this will impact on the council's reputation and the future economic position of the town.	Task Force Managing Director Jeremy Williams	01/04/2010	4	4	16	Reduce	Initial outputs paint a positive impact on the town centre but disbenefits elsewhere. GCC/CBC have agreed preparation of a mitigation strategy by end of January 2011 which will also reflect impact of CSR.	June/July 2010  Mitigation strategy original deadline January 2011 revised to March 2011	Green	Task Force Managing Director Jeremy Williamson	27/01/2011

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4	CR23	If resilience issues are not addressed in the Payroll service, the service quality for employees will be impacted, and may impact on partner relationship with CBH, possibly impacting funding stream from CBH.	AD Human Resources and Organisational Development Amanda Atfield	01/04/2010	4	4	16	Reduce Control	Implement GO Audit CBC/CBH controls. Set in place Team Leader – completed. Support and train others in HR – ongoing. Regular reviews with CBH, to include review of SLA. Recruit temporary payroll expertise – completed. Move to monthly pay for all – completed.	End March 2011	Green	HR Operations Manager Julie McCarthy	Skills and knowledge gaps remain a risk. GO being implemented however will impact capacity during Feb and March as need to release capacity for GO training. Additional capacity impacted by two part time leavers, however recruitment authorisation approved for part and resource identified, however another authorisation to recruit will need to be sought. This has caused some short term issues re capacity but will be back on track by end March.	20/01/2011
5	CR27	Icelandic banks - financial exposure  If the group claim against Giltinir bank fails and the council is not recognised as a 'priority depositor' the council's deposits would be reclassified as 'general unsecured creditors' resulting in a lower recovery rate and exposure to defendants costs.	Chief Finance Officer Mark Sheldon	09/04/2010	4	4	16	Accept	Council commitment to join in group action with other councils to make case for priority depositor status.  Capitalisation direction approved for £4.43m allows for write off of loss over 20 years.	01/03/2011	Green	Chief Finance Officer Mark Sheldon	Evidence submitted to Icelandic courts for the joint action on behalf of all council Icelandic bank depositors. Test cases scheduled for February and March 2011.	07/01/2011
6	CR33	If the council does not keep the momentum going with regards to the JCS then the policy vacuum left by the abolition of the RSS and the resultant delay in projections and framework could result in inappropriate development.	CEX Andrew North	10.08.10	4	4	16	Reduce	Agreement across Gloucestershire districts to work collaboratively on determining housing and employment projections by the end of the year.  Revised timetable for JCS considered by MSG some amendments required but key milestones agreed..	01/04/2013	Green	Spatial planning manager – Tracey Crews	Review of all programme activities underway.  The contract to deliver econometric housing model signed first outputs expected March 2011	10/02/2011
7	CR34a	If the council does not have robust testing of its business continuity plans then there is a risk that they may not be effective	Strategic director Grahame Lewis	05.07.10	4	4	16	Reduce	Desk top recovery test based on worst case scenario i.e. municipal offices out of action	01/12/2010 01/09/2011	Green	Grahame Lewis	Desk top exercise undertaken and BCP are being revised in light of this test.  Planned testing of depot back up arrangements will need to be organised in new year  This risk has been split to allow for on going resilience testing of BCP with a new deadline of 01/09/2011	07/01/2011

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row number	Risk Ref.	Risk description	Risk owner	Date raised	Impact and likelihood			Managing risk			Mitigating action taken  (if you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)	Date of current/last update		
					Impact	Likelihood	Score	Proposed Action	Deadline	On Target for deadline?			Responsible officer	
8	CR3 4 b	If the council does not have robust testing of its business continuity plans then there is a risk that they may not be effective	Strategic director Grahame Lewis	05.07.10	4	4	16	Reduce	Two storage area networks to be purchased for real time backups of ICT data, and purchase of additional UPS battery supply for the municipal offices.  Full test with depot as stand by site to be tested	07/06/2011	Amber	Paul Woolcock	Planned testing of depot back up arrangements will need to be organised in new year/installation of equipment and software is complete. An issue with the compatibility of equipment has been identified and this is currently being addressed by our suppliers. The recently implemented infrastructure will support 25 key systems (this figure can grow to meet business requirements). Before these systems can be tested, they will need to be migrated into this new environment. This will involve some downtime in order for ICT to migrate the applications and data. Once ICT have resolved the issue, timescales will be drawn up to migrate the systems and carry out audit testing. Full test of key systems will be considered following results from audit test	27/01/2011
9	CR3 5	If the current public service proposed budget cuts mean that the county council are unable to fund and provide officer resource for strategic infrastructure planning phase 3 then the JCS will not be supported by robust evidence which may lead to inappropriate development	CEX Andrew North	10.08.10	4	4	16	Reduce	Chair of the cross boundary member steering group to write to GCC with concerns.  GCC continue as members of the cross boundary programme board and member steering group and therefore understand requirements  Development of community infrastructure levy scheme as part of the JCS will demonstrate requirement for effective infrastructure planning	Review position 01/06/2011	Amber	Spatial planning manager - Tracey Crews	Spending cuts at the GCC will impact on SIDP. Future use of GCC resource will be delivering statutory functions and therefore SIDP is a lower priority.  GCC have provided some initial advice on Community Infrastructure Levy (CIL) and how GCC may help support the JCS.	10/02/2011
10	CR2 0	If knowledge and skills about commissioning are not developed within the organization, there is a risk that services will not be commissioned or delivered in the right way which may impact on flexibility and/or costs.	AD Human Resources and Organisational Development Amanda Atfield	25/02/2010	3	4	12	Reduce	Identify resource to deliver knowledge and skills needs (i.e. in house as external funding unlikely)  Knowledge programme for relevant officers/members, skills for business, development programme, developed and delivered during 2011/12.	March 2011	Amber	Learning and Development Manager Jan Bridges	Ongoing review of leisure and culture has produced some valuable lessons learned and a future proofing tool that will be utilised by other commissioning projects. The lessons learned will be shared with service managers and others involved in commissioning in May.  The member joint party working group are defining Member roles under commissioning and when complete these will be used to audit members current knowledge and skills. It is unlikely that the audit will be complete by the end of March 2011.	18/02/2011
11	CR3 2	If the council is unable to realise the capital value of some of its assets it will be unable to progress the civic pride proposals	Strategic director Grahame Lewis	23/08/2010	4	3	12	Reduce	Revised supplementary planning document consulted on for North Place, subject to Full Council approval. Property advisors appointed with aim of marketing January 2011.	Council December 2010  Jan 2011	Amber	Strategic director	SPD formally adopted on 13.12.10 (Full Council). OJEU Notice issued 24.1.11 as per target. We await market response. Other asset disposals progressing as planned.	27/01/2011

Cheltenham Borough Council Risk Register Following SLT 1-02-2011														
Row number	Risk Ref	Risk description	Risk owner	Date raised	Impact and likelihood			Managing risk			Mitigating action taken (if you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)	Date of current/last update		
					Impact	Likelihood	Score >16 Red 7 to 15 Amber 3 to 6 Green	Proposed Action	Deadline	On Target for deadline?			Responsible officer	
13	CR13	If members, senior managers and employees do not recognise their obligations and responsibilities for equalities then there is a risk that we could be treating people unfairly and the council could face prosecution	Assistant Chief Executive Jane Griffiths	01/03/2010	3	3	9	Reduce	Equality action plan to be prepared which enables council to be at achieving level for the equality framework for local government	01/03/2011	Amber	Partnership Manager Richard Gibson	Equality impact assessment has been carried out on the budget; equality issues has been included in new community assessment tool to be used as part of commissioning work. Need for SLT to be briefed on the introduction of the new public sector equality duty set out in the Equality Act.	10/02/2011
17	CR17	If members, senior managers and employees do not recognise their obligations and responsibilities for information management including data quality and information security then it could result in ill informed decisions, unreliable outcomes, ineffective use of resources and loss of assets, leading to a reduced public reputation and a lack of confidence from regulators	Assistant Chief Executive Jane Griffiths	01/02/2010	3	3	9	Reduce	Annual data audit undertaken to identify classification of data with CBH  Information strategy to be developed jointly with CBH  ICT strategy to be developed  Commissioning approach to be developed which clearly articulates the need for good reliable information on which to base decisions.  Awareness training on the use of information - using the OLC dvd presentation	June 2010  01/07/2010 revised target date December 2010  revised target date set - June 2011  June 2010  October 2010	Amber	Assistant Chief Executive Jane Griffiths  Assistant Chief Executive Jane Griffiths	Data audit has been undertaken and guidelines updated  Information strategy has not progressed as anticipated due to other work commitments. Revised deadline for information strategy set for June 2011 and will need to be built into work plans for overview and scrutiny as well as forward plan for cabinet.  ICT strategy has been approved  needs assessment report format has been completed	07/01/2011
18	CR18	If changes to contractual allowances are made outside the collective bargaining process, there may be local industrial action, morale and motivation may be impacted.	AD HR&OD	30/09/2010	4	3	12	Reduce	Seek to consult and negotiate via collective bargaining. Communicate and engage employees impacted re reasons for change. Ensure follow collective consultation regulations and give required contractual notice.	End March 2011	Green	HR Manager Operations Julie McCarthy	Commenced discussion with Tus at informal JLF 22 09 2010. Potential implementation timetable developed. Ongoing discussions at two-weekly TU meetings.  Risk score amended 9 November – likelihood reduced from 5 as unlikely to move from collective bargaining and working closely with unions. No current issues envisaged to move outside Coll Bargaining.	18/02/2011



Cheltenham Borough Council Risk Register Following SLT 1-02-2011														
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					Impact	Likelihood	Score	Proposed Action	Deadline	On Target for deadline?			Responsible officer	
19	CR12	If members, senior managers and employees do not recognise their obligations and responsibilities for health and safety then there is a risk to the public, customers and employees of injury and the council could face prosecution	AD Human Resources and Organisational Development Amanda Atfield	01/02/2010	4	3	12	Reduce	Introduction of health and safety audits inc. plan Creation of a Health and Safety strategy Development of a H&S action plan for 2010-11 (to include awareness training for managers and supervisors during 2010-11) Roll out Harriet Risk Management software	01/03/2011  As per the action plan considered by audit committee  Mar 2011	Green	HR Operations Manager Julie McCarthy	Harriet risk software under review re cost benefit. Implications of a new report by Lord Young - "Common Sense Safety" on operation of health and safety and growth of the compensation culture are being considered which may impact risk assessment process. Seeking to bring forward 0.5 BTG capacity saving linked to shared services. If increase staffing as a result thought UPE, staff are mainly depot based and will need capacity, and need to ensure do not put CBC at risk. Has been determined not to re-new licence for Harriet software, however risk assessments will continue to be carried out manually.	04/02/2011
21	CR21	Art Gallery and Museum If the Art Gallery and Museum Development Trust fails to deliver the fundraising strategy, then the AG&M Development Scheme is at risk of failing to be delivered.	AD Wellbeing & Culture	01/06/2007	3	4	12	Reduce	A fundraising risk assessment has been incorporated into all funding/grant applications submitted to date. An updated fundraising assessment will be required as part of the Heritage Lottery Fund Stage 2 application.	Revised to March 2011	Green	Museum and Arts Manager Jane Lillystone	HLF have advised that the Stage II bid being submitted on the 18 November 2010 is conditional upon the scheme being underwritten to the value of £5.5m. Cabinet approved underwriting an additional sum of £922k to the capital budget already committed. A revised fundraising strategy is being developed to take account of the new timescales. Cabinet approved revised HLF. Deadline revised to March 2011	10/01/2011
22	CR22	Art Gallery & Museum. If the AG&M Development Scheme is not effectively project managed there is a risk of the scheme failing to be delivered within the capital budget.  It is also vital that the longer term revenue implications relating to maintenance and running costs are recognised within the business plan and subject to appropriate consideration within the MTFs.	AD Wellbeing & Culture	01/06/2007	3	4	12	Reduce	Prince II project management controls to be put in place for building construction phase. Provision has been made with the Development Schemes budget for appointment of a dedicated project manager for the scheme, based on similar appointments to previous capital investment build projects : Redevelopment Cheltenham Recreation Centre Leisure@ (2004-6) & Leisure@ Flood Reinstatement Project (2007-8)	Revised to March 2011	Green	Museum and Arts Manager Jane Lillystone	Procurement for the Project Manager will now coincide with the submission of the HLF Stage II bid in November and a revised funding strategy. Deadline revised to March 2011 following cabinet approval for project manager.	10/01/2011

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					Impact	Likelihood	Score	Proposed Action	Deadline	On Target for deadline?			Responsible officer	
23	CR28	Icelandic banks - financial exposure  If the current status as priority deposits with Landsbanki bank is successfully challenged, the council's deposits would be re-classified as 'general unsecured creditors' resulting in a lower recovery rate and exposure to claimant costs and impact on the MTFs over that already factored in through capitalisation of losses.	Chief Finance Officer Mark Sheldon	09/04/2010	4	3	12	Accepted	Council commitment to join in group action with other councils to defend current priority depositor status.	01/03/2011	Green	Chief Finance Officer Mark Sheldon	The council has responded to a request to submit evidence for submission to Icelandic courts for the joint action on behalf of all council Icelandic bank depositors to defend our position.  Test cases scheduled for February and March 2011.	07/01/2011
24	CR3	If the council is unable to come up with long term solutions which bridge the gap in the medium term financial strategy then it will find it increasingly difficult to prepare budgets year on year without making unplanned cuts in service provision	Chief Finance Officer Mark Sheldon	26/01/2010	3	4	12	Reduce	Development of the BIG programme. Establishment of a cross party working group following the elections in May. Review budget scrutiny process. Review and rolled out revised budget consultation process. SLT presentation of new ideas to Cabinet leads.	01/09/2010	Green	Chief Finance Officer Mark Sheldon	93 BIG proposals / workstreams addressing the 2011/12 budget gap were included in the final budget approved by Cabinet on 8/2/11 and Council on 11/2/11. The BIG programme includes the on-going financial implications on the MTFs i.e. future years savings plus initiatives which will have take effect in future years.  SLT continue to work with CFO and members to address residual gaps for future years at monthly BIG meeting with the Cabinet lead. The final budget includes the proposal for cross party Budget Working group to develop both the budget process and members scrutiny roles.	07/01/2011
25	CR8	If the council does not manage its ambitious change management programme effectively it will put pressure onto employee resources and may impact on the delivery of services	Chief Executive Andrew North	01/02/2010	3	4	12	Reduce	The operational programme board has an oversight of the key change programmes which are run using the Managing Successful Programmes and PRINCE2 methodologies. The council's approach to portfolio management to be agreed. Approach to be reviewed to ensure that these methodologies are applied consistently	01/03/2011	Green	Business Development Manager Ken Dale	Resource issues are being more explicitly analysed and addressed within the change programme (also bearing in mind 'business as usual') and programme adjustments have been made to programmes in consequence. The recruitment freeze put in place Oct. 2010 to reduce the budget may have an impact on resources and will need to be analysed in April 2011. SLT on 9 November agreed that the likelihood score should increase from 3 due to implications of the recruitment freeze. The council's approach to resource management for major change programmes and projects is now largely agreed. SLT regularly considers resource requirements and the process of establishing requirements and addressing issues which arise is maturing.	10/02/2011

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
Cheltenham Borough Council Risk Register Following SLT 1-02-2011														Mitigating action taken
row number	Risk Ref	Risk description	Risk owner	Date raised	Impact	Likelihood	Score	Control	Proposed Action	Deadline	On Target for deadline?	Responsible officer	(if you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)	Date of current/last update
28	CR 37	If there is national strike action as a result of the recent TUC motion to protest against the trajectory of government budget reductions, service delivery is likely to be disrupted	AD HR&OD Amanda Atfield	14/09/2010	3	4	12	Accept	Monitor likelihood, communicate Council case to employees, consult locally with unions, publish guidance to managers. Intranet updates re pay offer posted out to employees (done 18 02 2011); SLT and Cabinet lead kept informed.	01/03/2011	Green	Julie McCarthy,	Monitoring situation. Attended regional pay briefing on 1 <sup>st</sup> December. The employers overall response has just been received (17th Feb) giving a 0% offer for 2011-12, with work towards green book amendments for the 2012-13 pay round. CBC position was to lobby for 0% as no budget provision for more, consistent with rest of the county and region. No news yet on TU response, however likelihood of action may increase.	18/02/2011
30	CR2	If councillors and officers do not "draw a line" under the review and move forward as recommended by both the judge and KPMG there is a reputation risk, as well as a risk that further resource both financially and time could be incurred	Chief Executive Andrew North	10/03/2010	3	3	9	Reduce	CEX has discussed this matter with group leaders Letter of apology signed by CEX and Group leaders Clear action plan developed on lessons learnt. CEX to discuss with group leaders should any further issues arise.	01/03/2011	Green	Chief Executive Andrew North	It would appear that councillors have responded constructively in learning lessons from the review without blame. However, points of tension may still arise and continued vigilance is required  This will be reviewed following the final consideration by the Audit Committee March 2011.	03/02/2011
20	CR29	If the council does not implement the actions identified in the climate change adaptation risk assessment there is a risk that resources will not be used to best effect which could impact on financial, environmental and service decisions and affect service delivery.	Assistant Chief Executive Jane Griffiths	06/05/2010	4	2	8	Reduce	Services are required to identify the actions they will be taking to respond to climate change (both adaptation and mitigation) in 2011/12 service plans. Internal audit has a trained officer in environmental auditing who will be assessing progress against the adaptation risk assessment.	01/06/2010  Target date changed to June 2011	Green	All ADs  Audit Partnership Manager  Richard Gibson, policy and partnership manager	Given the new divisions following the s4 reports new service plans will need to be developed and this will be an ideal time to incorporate adaptation requirements Internal Audit now has a trained environmental auditing officer. This officer has completed a Sustainability & Environmental Management Review due to be discussed at Audit Committee on the 12th January 2011  An assessment tool was approved by the programme board in November and will be used in the initial review of leisure and culture to test its use and revised accordingly  SLT have reviewed the planned climate change adaptations and have asked divisions to identify climate change champions; this champions group will be established once restructuring has been completed and risk assessments revised to reflect new structures. Risk remains amber but likelihood has been reduced to reflect completed and planned actions	08/02/2011

Cheltenham Borough Council Risk Register Following SLT 1-02-2011														
row number	Risk Ref	Risk description	Risk owner	Date raised	Impact and likelihood			Managing risk			Mitigating action taken  (if you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)	Date of current/last update		
					Impact	Likelihood	Score >16 Red 7 to 15 Amber 3 to 6 Green	Proposed Action	Deadline	On Target for deadline?			Responsible officer	
31	CR26	Airport If the airport business plan cannot be delivered within the parameters, (including borrowing limits) approved by Cheltenham and Gloucester city councils, the future viability of the airport and improved returns to shareholders could be jeopardised.	Chief Finance Officer Mark Sheldon	01/04/2010	2	4	8	Reduce	Work with airport company to determine an approach to delivery of core aspects of the runway safety project which are required to improve airport profitability and secure the airports future. Potential for a further report to Council following the analysis of tenders for the delivery of the project.	01/09/2010 01/04/2011	Green	Chief Finance Officer Mark Sheldon	Council approved additional borrowing facility to support the delivery of the revised business plan reflecting post tender evaluations. All legal documentation and procedure for loan mechanism now in place. Negotiations over Blenheim house remain unresolved. Deadline has been revised to reflect ongoing negotiations in relation to Blenheim house	07/01/2011
34	CR43	If CSR settlement impacts result in required GO Programme resource being consumed, then programme implementation and resulting savings and efficiency realisation, will be put at risk.	Mark Sheldon/ Amanda Attfield	20/01/2011	4	2	8	Reduce	Assess impact of CSR 2010. Ensure GO Programme resources remain dedicated to the Programme.	End March	Green	Amanda Attfield	This risk was raised by the GO Programme Board and scored as a high (red) risk, staying high (red) even after mitigating actions (NB the GO Programme uses different a risk scoring matrix and approach). Programme Board Members agreed that any risks falling into this category (red/red) be considered by each partner council for their own corporate risk registers and local action. The CSR impact has been assessed for CBC, and aside from the wider capacity issue risk already identified as a separate risk, no further mitigating action needs to be taken by CBC as GO Programme resources are not impacted by CSR 2010. Discussed at SLT on 1st February 2011, suggest this risk is noted and closed.	03/02/2011
27	CR10	If the council is unable to approve long term solutions for its waste and recycling services then costs will continue to increase and the council will fail to meet its strategic environmental targets	AD Operations Rob Bell	01/02/2010	3	2	6	Reduce	Options appraisal complete and being presented to Environment Overview and Scrutiny. County residual waste strategy being developed. Report to cabinet on future options scheduled for 27th July 2010. If approved, risk rating will significantly reduce.	01/03/2011	Green	Waste and Recycling Manager Beth Boughton	Cabinet approved new waste and recycling change programme on 27th July 2010. Project underway to deliver these changes and is currently on track. County residual waste strategy still in development. Risk rating to remain at 6.	07/01/2010
32	CR39	Requirement to fund projected overspend from General Balances would result in General Balances falling below the minimum range of £1.5m to £2m set by the Chief Finance Officer.	Cabinet	01/06/2010	3	2	6	Reduce	In preparing the revised budget for 2010/11, an exercise to realign earmarked reserves will be undertaken in order to strengthen the level of General Balances.	01/12/2010 30/06/2011	Green	Chief Finance Officer	SLT have agreed a recruitment freeze and reviewed supplies and services budget resulting in a revised projection that the £800k projected overspend will be managed to zero in 2010/11. Deadline has been revised to reflect year end out turn position which will determine if mitigating actions have been successful.	07/01/2011

Cheltenham Borough Council Risk Register Following SLT 1-02-2011															
row number	Risk Ref.	Risk description	Risk owner	Date raised	Impact and likelihood			Managing risk			Mitigating action taken  (if you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)	Date of current/last update			
					Impact	Likelihood	Score >16 Red 7 to 15 Amber 3 to 6 Green	Proposed Action	Deadline	On Target for deadline?			Responsible officer		
33	CR1	If the council does not implement the recommendations and action plan arising from the public interest report and working group report and put in place preventative measures based on lessons learnt then there is a potential local and national reputation risk and potential adverse audit assessment.	Chief Executive Andrew North	22/03/2010	3	2	6	Reduce	All recommendations agreed by council. Action plan has been developed following discussions with officers and has been incorporated within the council's corporate strategy and will be reported through the corporate performance management system. Monitoring of the action plan is to be undertaken by the audit committee on a quarterly basis. Internal audit have set time aside in their audit plan. KPMG will review progress as part of the annual audit of accounts.	Deadlines as per the action plan. First monitoring report June 2010. Audit committee September 2010. January and March 2011	Green	Assistant Chief Executive Jane Griffiths	03/02/2011	Third monitoring report has been drafted for audit committee and actions are on track for completion. Internal audit have undertaken a review of the action plan. <b>Suggest that this risk is closed following the final update report to audit committee on the 23rd March 2011.</b>	03/02/2011
10	CR4 2	Unable to take corrective action in respect of reduced income streams in 2010/11.	Cabinet	01/06/2010	3	5	Close	Close	In preparing the revised budget for 2010/11, SLT to consider the options for offsetting reduced income streams by analysing and reducing the level of expenditure across the Council.	01/12/2010		SLT	SLT have agreed a recruitment freeze and have reviewed all unspent supplies and services budgets to offset the projection income shortfall. Risk closed SLT 04-01-2011	05/01/2011	
11	CR1 8	If the recession continues or recovery is not as anticipated then it will impact upon the income targets as set out in the MTFS.	Chief Finance Officer Mark Sheldon	01/12/2009	3	5	Close	Close	Ongoing budget monitoring of income targets will highlight issues and corrective action which needs to be taken, and will be reported through the budget monitoring reports and reflected in updated MTFS projections. Action is being taken to reduce operating costs to compensate for potential sustained reduction in income levels.	September 2010 budget strategy report		Chief Finance Officer Mark Sheldon	The draft budget projections for 2011/12 (approved by Cabinet in Dec 2010) take into account the impact of the continued recession on car parking, development control and investment income. Risk closed SLT 04-01-2011	05/01/2011	

Cheltenham Borough Council Risk Register Following SLT 1-02-2011													
Row number	Risk Ref.	Risk description	Risk owner	Date raised	Impact and likelihood			Managing risk			Mitigating action taken  (if you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)	Date of current/last update	
					Impact	Likelihood	Score	Proposed Action	Deadline	On Target for deadline?			Responsible officer
14	CR14	The overall project significance of the CBH new build proposals which are an innovative approach to development of affordable housing including prudential borrowing funded from rental income using a unique approach to delivery in a high profile and sensitive area of the town, require both parties to ensure that there are effective programme and project management arrangements.	AD Community Services Peter Wooley	29/03/2010	4	3	Close	The delivery partner, CBH, is a high performing organisation with a sound track record on delivery e.g. the decent homes programme.  Support from the HCA demonstrates confidence in process / delivery model.  External modelling using industry standard of financials provides assurance.  CBH has undertaken significant consultation with residents to ensure buy in to proposals.  CBH is working with appointed cost consultants to ensure that contract sums are comprehensive at the time of commitment to contract and that associated conditions are met.	On-going		Assistant CEX at CBH Paul Stephenson	All agreements now signed, contracting underway.  CBH has successfully progressed to development stage at St Pauls & Brighton Road. HCA funding has been secured, other funding streams are being put in place and the contracting process has begun. Finance and One Legal are working closely with the Housing Client and Trowers to ensure probity and best practice in this innovative project. Risk closed SLT 04-01-2011	05/01/2011
15	CR16	Festivals – partnership relationships. CF is an important delivery partner and if relationships with CF are not effective then the partnership arrangements become untenable which will result in councils image and reputation being put at risk.	CEX AD Wellbeing & Culture	01/03/2010	4	3	Close	CEX developing relationship with CF Board members to continue to build positive relationships.	Ongoing		CEX AD Wellbeing & Culture	Quarterly meetings now in place with CF board members, CBC members & key members of SLT. Risk closed SLT 04-01-2011	05/01/2011
26	CR4	There is a reliance on shared services and sourcing strategy delivering savings. If these savings do not materialise or shared services do not proceed as anticipated then other savings will need to be found to meet the MTF5 projections	Chief Finance Officer Mark Sheldon	01/12/2010	3	3	Close	All shared service projects and sourcing strategy are operated under Prince 2 principles, with clear business cases and risks logs.	As per agreed programme timetables		Strategic Director Pat Pratley	GO Shared Service Programme now in implementation ICT systems thinking on track to deliver, ICT and Revs and Bens restructures needs to be moved forward to be able to realise savings within planned timescales. Sourcing Strategy will cease as a programme in Jan 2011. Programme now closed and consumed in Bridging the Gap programme. Suggest that this risk closed and covered by corporate risk CR3	06/01/2010

Cheltenham Borough Council Risk Register Following SLT 1-02-2011												
row number	Risk Ref	Risk description	Risk owner	Date raised	Impact and likelihood			Managing risk			Mitigating action taken  (if you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)	Date of current/last update
					Impact	Likelihood	Score >16 Red 7 to 15 Amber 3 to 6 Green	Proposed Action	Deadline	On Target for deadline?		
29	CR15	Festivals – future funding. If CF fail to achieve 2010 budget forecasts there is a risk of the company requiring further CBC financial support for which there is no provision within the MTFs and a potential impact on CFs long term financial sustainability.	AD Wellbeing & Culture	01/03/2010	3	3	Close Control	Financial monitoring arrangements in place through CIG. CBC represented by 2 member observers on CF Board.  Joint O&S Working Group assessing long-term financial sustainability.  Commencement of monthly internal meetings by CEX Managing CF., with Cabinet member/leader in attendance	CIG Review September 2010		AD Wellbeing & Culture CIG Review Group	05/01/2011
41							0					
42							0					
43							0					
44							0					
45							0					
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## Cheltenham Borough Council

**Cabinet – 15 March 2010**

### **2010-2015 Corporate Strategy – 2011-12 action plan update**

### **Report of the Leader of the Council**

<b>Accountable member</b>	Leader, Councillor Steve Jordan
<b>Accountable officer</b>	Policy and Partnerships Manager, Richard Gibson
<b>Accountable scrutiny committee</b>	All
<b>Ward(s) affected</b>	All
<b>Key Decision</b>	No
<b>Executive summary</b>	The Council agreed the corporate strategy 2010-2015 in March 2010 which sets out our 5 objectives and 11 outcomes and what we want to achieve by 2015. The 2011-12 action plan is being prepared and is due to go to full Council for approval in March 2011.
<b>Recommendations</b>	<b>To endorse the draft corporate strategy action plan for 2011-12 ahead of it going to full Council for final approval (appendix A.)</b>

<b>Financial implications</b>	<p>None as a direct result of this report. The corporate strategy has been developed alongside the Medium Term Financial Strategy to ensure that there are sufficient budgets in place to deliver the outcomes as proposed. In addition, the corporate strategy will be reviewed on an annual basis to take into account our changing budgetary position.</p> <p><b>Contact officer: Paul Jones, Head of financial services</b>  <b>E-mail: paul.jones@cheltenham.gov.uk</b>  <b>Tel no: 01242 775154</b></p>
<b>Legal implications</b>	<p>The corporate strategy 2010-2015 is the “corporate strategy” for the purposes of the Local Authorities (Functions and Responsibilities) Regulations 2000. The Executive is responsible for preparing the plans which must then be submitted to and approved by council.</p> <p><b>Contact officer: Nicolas Wheatley</b>  <b>E-mail: nicolas.wheatley@cheltenham.gov.uk</b>  <b>Tel no: 01242 775207</b></p>
<b>HR implications (including learning and organisational development)</b>	<p>Capacity to deliver the strategy must remain a key focus for the senior leadership team. Effective forward planning, use of project management techniques, re- prioritising work streams are some of the tools available to ensure resource to deliver the strategy is achieved.</p> <p><b>Contact officer: Julie Mccarthy HR Operations Manager</b> <b>E-mail: julie.mccarthy@cheltenham.gov.uk</b>  <b>Tel no: 01242 26455</b></p>

<p><b>Key risks</b></p>	<p>We recognise that if the council does not establish prioritised, realistic and achievable ambitions there will be continued pressure on organisational capacity and staff to maintain core services, and an external perception of poor performance due to over ambitious or ill-informed planning.</p> <p>Each outcome has been risk assessed and a summary of these risks will be included in the final corporate strategy that goes to council on 28<sup>th</sup> March for approval.</p>
<p><b>Corporate and community plan Implications</b></p>	<p>The corporate strategy sets out a revised framework for our corporate priorities.</p>

## 1. How we have prepared the draft strategy

- 1.1 The development of the 2011-12 action plan has taken place against the background of the financial crisis which has resulted in significant cuts in public expenditure. The budget gap for 2011/12 between what the Council needed to spend to maintain services at standstill / current service levels and what it has available to spend, taking into account both the grant settlement and the impact of depressed income levels, was £2.87m.
- 1.2 The Senior Leadership Team and Cabinet Members have reviewed the structure of the corporate strategy and, despite the pressures on finances, agreed that the focus on the 5 objectives and 11 outcomes should be retained.
- 1.3 However, a much reduced action plan for 2011-12 is being proposed (with 14 less improvement actions compared to last year) that restricts our improvement actions to those that meet the following criteria:
- Actions which will cut management and administration costs through the sharing of back office functions to deliver efficiencies and savings which result from reviewing the way we deliver services whilst improving the services to our customers.
  - Actions that will deliver the council's commitment to commissioning.
  - Actions that will deliver the current priorities which include projects that are seen as important for the future of the borough (the Art Gallery and Museum extension, Joint Core Strategy, St. Pauls, taking forward the Civic Pride project, tackling climate change) or associated with building community and VCS capacity.

## 2. Consultation and feedback

- 2.1 The draft action plan has been considered by the three overview and scrutiny committees. Feedback from Social and Community O+S is captured in the table below:

<b>Social and Community O+S comment (28 Feb 2011)</b>	<b>Response</b>
Cllr. Smith – concerned that the supply of housing indicators are not within our direct control	Keep the indicators for monitoring purposes without targets and designate them as community-based indicators
Cllr. Hay – sought clarification about staffing arrangements for economic development and the future of Gloucestershire First	The Economic Development Manager is going on maternity leave but this still leaves the Economic Development Officer, plus the Business Partnership Manager. Gloucestershire First remains the county economic partnership and CBC is in discussion with GCC and the 6 districts about its future role.
Cllr. Teakle – sought some clarifications about the workforce challenges set out in the draft strategy	Workforce challenges will remain a high priority moving forward; executive board will continue to authorise any recruitment decisions
Cllr Smith – concerned that the chosen indicator for stronger communities “ <i>number of VCS organisations supported that have gone onto deliver former public services</i> ” does not capture the breadth of activity in this outcome.	Cancellation of place survey has removed source of data for the community satisfaction indicators that were previously used. Officers to come back with other suggestions.
<b>Environment O+S comment (2 March 2011)</b>	<b>Response</b>
Verbal update to be supplied	
<b>EBI O+S comment (7 March 2011)</b>	<b>Response</b>
Verbal update to be supplied	

### 3. Next Steps

- 3.1 If Cabinet are happy with the updated strategy, it will go to a meeting of the Full Council on Friday 28<sup>th</sup> March for approval.

<b>Report author</b>	Richard Gibson Policy and Partnerships Manager 01242 235354 richard.gibson@cheltenham.gov.uk
<b>Appendices</b>	1. Draft Corporate Strategy action plan 2011-12
<b>Background information</b>	1. 2010-2015 Corporate Strategy, Report to Council, 29 <sup>th</sup> March 2010.

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# 2010 to 2015 Corporate Strategy

2011-12 draft action plan



**CHEL TENHAM**  
BOROUGH COUNCIL

[www.cheltenham.gov.uk](http://www.cheltenham.gov.uk)

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# CBC five year corporate strategy framework 2010 - 2015

## Objectives

Enhancing and protecting our environment

Strengthening our economy

Strengthening our communities

Enhancing the provision of arts and culture

Ensuring we provide value for money services that effectively meet the needs of our customers

## Outcomes

Cheltenham has a clean and well-maintained environment

Cheltenham is able to recover quickly and strongly from the recession

Communities feel safe and are safe

People have access to decent and affordable housing

Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment

The council delivers improved outcomes for customers and communities whilst meeting our 'Bridging the Gap' targets for cashable savings and increased income

Carbon emissions are reduced and we adapt to climate change

Cheltenham's natural and built environment is enhanced and protected

We attract more visitors and investors to Cheltenham

Our residents enjoy a strong sense of community

People are able to lead healthy lifestyles

## Improvement actions

Delivery of joint waste project with Tewkesbury Borough Council

Complete service review into leisure and culture services

- Develop capacity within communities to resolve community safety

Implement St. Pauls regeneration

- Art Gallery and Museum extension project
- Complete service review into leisure and culture services

- Strategic commissioning
- Bridging the Gap
- Implement GO programme
- Develop the accommodation strategy

- Carbon reduction and climate change adaptation programme

- Development of North place and Portland Street
- Commissioning planning and strategic land use
- Develop the JCS

Review of how best to provide economic development

- Engagement processes
- Address needs of vulnerable

Complete service review into leisure and culture services

## Welcome

Welcome to the first annual update of Cheltenham Borough Council's corporate strategy 2010-2015.

Preparation of this action plan has taken place against the background of an unprecedented financial crisis which has resulted in huge cuts in public expenditure. The budget gap between what the Council needs to spend to maintain services at standstill / current service levels and what it has available to spend, taking into account both the grant settlement and the impact of depressed income levels, was **£2.87m** for 2011/12 and **£2.5m** for the period of the Medium Term Financial Strategy (MTFS) 2012/13 to 2016/17.

Accordingly, a much reduced action plan for 2011-12 is being proposed (with 14 less improvement actions compared to last year) that restricts our improvement actions to those that meet the following criteria:

- Actions which will cut management and administration costs through the sharing of back office functions to deliver efficiencies and savings which result from reviewing the way we deliver services whilst improving the services to our customers;
- Actions that will deliver the council's commitment to commissioning;
- Actions that will deliver the current priorities which include projects that are seen as important for the future of the borough (the Art Gallery and Museum extension, Joint Core Strategy, St. Pauls, taking forward the civic pride project, tackling climate change) or associated with building community and VCS capacity.

## Our Vision

The Corporate Strategy continues its support for the Sustainable Community Strategy's twenty year vision for Cheltenham which sets out an aspirational goal for the long-term future of Cheltenham:

***"We want Cheltenham to deliver a sustainable quality of life, where people, families, their communities and businesses thrive; and in a way which cherishes our cultural and natural heritage, reduces our impact on climate change and does not compromise the quality of life of present and future generations."***

## Commissioning

***"Working to secure value for money and deliver the best possible outcomes that meet the needs of our citizens, communities and service users."***

As part of our commitment to this vision we will explore different ways of delivering services that meet the needs of our customers and deliver value for money.

The Council has now formally agreed to adopt a strategic commissioning approach which will put a strong focus on understanding the needs of Cheltenham and its people in designing outcomes for public services, seeking to work much more closely (including sharing budgets where appropriate) with other parts of the public service and making objective, transparent, evidence-based decisions about how services should be provided and by whom. By using a strategic commissioning approach we can improve the outcomes for people who rely on the council and the wider public sector whilst at the same time creating opportunities for financial savings.



## Our objectives

The strategy sets out the following three community objectives:

- Enhancing and protecting our environment;
- Strengthening our economy; and
- Strengthening our communities.

These are supported by two cross-cutting objectives of:

- Enhancing the provision of arts and culture; and
- Ensuring we provide value for money services that effectively meet the needs of our customers.

## Our outcomes

The outcomes are critical in that they describe the improvements we will make to improve the well-being of whole population of Cheltenham. By putting outcomes centre-stage in our strategy, we are making a commitment that our customers and communities will judge us by how well we are improving the quality of life rather than other measures of success.

Some of these outcomes we will be able to deliver by ourselves, but for many other outcomes we will have to work in partnership with other organisations.

From consultation activities and needs analyses we have agreed a set of outcomes that council is focusing on.

Objectives	Outcomes
Enhancing and protecting our environment.	Cheltenham has a clean and well-maintained environment.
	Cheltenham's natural and built environment is enhanced and protected.
	Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change.
Strengthening our economy.	Cheltenham is able to recover quickly and strongly from the recession.
	We attract more visitors and investors to Cheltenham.
Strengthening our communities.	Communities feel safe and are safe.
	People have access to decent and affordable housing.
	People are able to lead healthy lifestyles.
	Our residents enjoy a strong sense of community and involved in resolving local issues.
Enhancing the provision of arts and culture.	Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment.
Ensuring we provide value for money services that effectively meet the needs of our customers.	The council delivers improved outcomes for customers and communities whilst meeting our 'Bridging the Gap' targets for cashable savings and increased income.

The outcomes also relate back to the nine community aims set out in Cheltenham's Sustainable Community Strategy. This means that the council is continuing its commitment to support the delivery of the community strategy.

## **Sustainability**

Throughout this document we use the terms sustainable and sustainability. Our interpretation of these terms follows the principles set out in 'Securing the Future', the UK Sustainable Development Strategy. This means that we want to achieve a strong, healthy and just society where we all respect and live within the limits of the planet's environment. We will do this by means of building a strong, stable and sustainable economy, promoting good governance in which everyone can participate and taking account of scientific evidence as well as public attitudes and values in our thinking. It is a core part of the council's approach to its work and will underpin our planning and activities.

To sum up, we want to deliver services and provide economic and social opportunities for everyone living and working in Cheltenham which will improve their quality of life and enable all our communities to prosper. But we must do this in a way which doesn't damage the Earth's environment, resources or its variety of plant and animal life for the generations which will follow us.

## **Equality and Diversity**

We have developed the strategy using a robust assessment of local needs which helped us understand the inequalities faced by some of our communities. We have used this assessment to identify the key actions we can take as a council to promote equality and diversity.

## Future challenges – 2011 update Page 45

In last year's corporate strategy, we identified a number of challenges that would begin to impact on our work. We said then that the only certainty was that there was going to be even more uncertainty in the future and that preparing a rigid five year strategy that would accurately plot the course for the council to reach a fixed destination was not an option. Instead we agreed to focus on our communities, their needs and aspirations and use them as a basis to move forward; sometimes with pace and certainty, but sometimes slowly and incrementally.

In terms of the current situation, we face a number of challenges.

### **Public sector financial restraint**

Even last year, we knew that whichever party won the 2010 general election we were certain to enter into a period which would see significant reductions in public sector budgets as the government addressed the budget deficit.

We know now that local government is facing a period of severe financial restraint with the CSR 2010 announcing a decrease in government financial support of 28.4% over a four year period. This was broadly in line with the assumptions for a reduction in government support modelled in the council's Medium Term Financial Strategy (MTFS) although the council anticipated some front loading and planned for a 10.7% cut in 2011/12.

The actual settlement was very different. The council will receive a cash reduction in government support (revenue support grant plus share of redistributed non domestic rates) of £1.09m, a cut of 15.16% in 2011/12 followed by a further cash cut of £580k (8.81%) in 2012/13. Cumulatively, this equates to a 23.22% cut over 2 years. Funding levels for the following 2 years i.e. 2014/15 and 2015/16, have yet to be announced but it is likely that they will continue to impact on the council's finances detrimentally.

Therefore promoting value for money will continue to be a key focus for the council. Cumulative efficiencies achieved since 2004-05 are worth £3.26m, nearly £1m ahead of target. But we know that this effort has to be increased if we are to meet our current financial targets set out in our medium term financial strategy (MTFS). This will include looking at what services we provide and how we provide these services within a commissioning context.

### **Workforce challenges**

The severe reductions in budgets have led to the council adopting a more challenging approach to resourcing and recruitment which is likely to be in place for the foreseeable future which may see only those posts filled which are seen as being critical.

Some of these vacancies arise through normal turn-over, others are planned eg through restructures. However, there is a risk that we begin to lose valuable skills and experience without prospects of replacing them. The situation will be exacerbated in areas where particular technical or professional skills are needed which may preclude the transfer of other members of staff into these areas. The council will need to manage reductions sensitively and legally whilst managing the motivation of the workforce in general.

We also know that the council has an ageing workforce with 50% of our employees aged over 45 in 2009 and that putting the brakes on recruitment may prevent us from bringing younger people into our workforce. We therefore need to consider our approach to retention and in-house skills development to ensure that we have a workforce with the right skills to deliver the aspirations of the corporate strategy. The council will also retain its focus on deploying apprentices wherever appropriate and recruiting to areas that are under-represented.

**The over-riding challenge for the strategy is to secure improved outcomes in the areas that matter most to local people whilst at the same time reducing our core costs so that we can achieve better value for money.**

With a tighter financial climate for public services in the foreseeable future, and given the impact of the economic downturn, the effectiveness of our collective service delivery becomes more critical. We need to be assured that resources are targeted towards needs and priorities, and that the services we deliver are based on good evidence of what works, and give the best possible value for money, irrespective of provider.

Cheltenham Strategic Partnership has developed a draft needs analysis as a way of estimating the nature and extent of the needs of our community so that services can be planned accordingly. This will help commissioners and providers focus effort and resources where they are needed most.

This draft needs analysis takes information from the following sources:

- Gloucestershire Labour Market Information Unit
- Gloucestershire County Council Research Team
- Director of Public Health annual report 2010
- Children and Young People's Needs Analysis 2010 - Gloucestershire County Council
- Joint Strategic Needs Assessment (version 3)
- Indices of Deprivation 2007

The report is split up into sections; depending on the level of the information:

- Information that is presented at a Cheltenham-wide level and is relevant to all communities and neighbourhoods;
- Information that is of particular relevance to particular places;
- Information that is of particular relevance to particular people.

The needs analysis suggests a range of issues that commissioners of services need to tackle through their plans:

## **Cheltenham-wide**

- The need to ensure communities feel safe in their neighbourhoods.
- The need for communities to enjoy clean and well-maintained environments.
- The need to build resilient communities through empowerment, capacity building and developing their expertise in order that they have more control over their well-being.
- The need to find ways of supporting preventative work with people and communities who might be placed at risk due to withdrawal/closure of services, reduction in services, withdrawal/reduction in funding for individuals or increase in charges for individuals.
- The need for Cheltenham to be able to adapt to the impacts of climate change; by ensuring the borough's built and green environment and economy are sufficiently flexible to be able to cope with the likely changes
- The need to mitigate our impact on climate change by reducing greenhouse gas emissions. This will need to be achieved through greater energy efficiency, increasing renewables and low carbon energy production, reducing waste and increasing recycling, promoting sustainable transport and promoting and protecting local food production.

## **Places**

To develop partnership responses to meet the intensity of needs in our areas of deprivation:

- Tackling crime and the fear of crime;
- Improving educational attainment;
- Creating better access to further education and training;
- Reducing health inequalities;
- Helping people into employment to reduce rates of benefit dependency.

**People**

To develop partnership responses to meet the needs of our more vulnerable citizens:

- Children and families living in poverty;
- Older people living in poverty;
- Families suffering from domestic abuse;
- People with mental ill-health who are not receiving appropriate support;
- Disabled people.

Outcomes	Improvement actions 2011-12
Cheltenham has a clean and well-maintained environment.	<ul style="list-style-type: none"> <li>• Delivery of the joint operational management unit project with Tewkesbury Borough Council to cover; waste, recycling, street cleansing, grounds maintenance and cemeteries and crematorium services.</li> </ul>
Cheltenham's natural and built environment is enhanced and protected.	<ul style="list-style-type: none"> <li>• Delivery of the Cheltenham Development Taskforce project.</li> <li>• Complete a commissioning exercise into how best we can deliver our planning and strategic land use services within the context of the Government's localism bill.</li> <li>• Continue to develop the Joint Core Strategy with Tewkesbury Borough and Gloucester City councils that protects the environmental, social and economic quality of Cheltenham.</li> <li>• Determine the options and phasing of improvements to Imperial and Montpelier Garden</li> </ul>
Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change.	<ul style="list-style-type: none"> <li>• Implement planned carbon reduction measures, identify new invest-to-save schemes and embed climate change adaptation actions within our service delivery.</li> </ul>
Cheltenham is able to recover quickly and strongly from the recession.	<ul style="list-style-type: none"> <li>• To develop and deliver an economic development action plan within the context of the roll-out of local enterprise partnerships which addresses gaps in provision and delivers measurable support for the local economy.</li> </ul>
We attract more visitors and investors to Cheltenham.	<ul style="list-style-type: none"> <li>• To complete the service review looking into how we provide our leisure and cultural services.</li> </ul>
Communities feel safe and are safe.	<ul style="list-style-type: none"> <li>• Develop capacity within communities so that they are more able to resolve low-level anti-social behaviour and promote community safety.</li> </ul>
People have access to decent and affordable housing.	<ul style="list-style-type: none"> <li>• Implement the St. Pauls regeneration scheme.</li> </ul>
People are able to lead healthy lifestyles.	<ul style="list-style-type: none"> <li>• To complete the service review looking in to how we provide our leisure and cultural services.</li> </ul>
Our residents enjoy a strong sense of community and are involved in resolving local issues.	<ul style="list-style-type: none"> <li>• To ensure that engagement processes are embedded in our commissioning processes and that we work with community groups to develop their capacity to be more influential in shaping public service delivery through neighbourhood management.</li> <li>• To work in partnership to commission specific programmes that will address the needs of our most vulnerable citizens.</li> </ul>
Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment.	<ul style="list-style-type: none"> <li>• Start work on the Art Gallery and Museum extension project and plan for future improvements to the Town Hall.</li> <li>• To complete the service review looking in to how we provide our leisure and cultural services.</li> </ul>
The council delivers improved outcomes for customers and communities whilst meeting our 'Bridging the Gap' targets for cashable savings and increased income.	<ul style="list-style-type: none"> <li>• Implement our approach to strategic commissioning.</li> <li>• Implement the Bridging the Gap Programme.</li> <li>• Implement GO programme.</li> <li>• Develop an accommodation strategy that makes best use of council assets.</li> </ul>

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**Our outcomes and what we want to achieve  
in 2011-12**

**Objective and outcome**

**Cheltenham has a clean and well-maintained environment**

**Who is accountable for this outcome**

**Cabinet Member - Cabinet Member Sustainability**  
**Lead Officer – Director Operations**  
**O&S committee – Environment O&S**

**1. What CBC resources are currently available to deliver this outcome?**

The indicative net budget for 2010-11 for this outcome is **£1,879,800**. This includes:

Refuse collection	£963,500	Recycling collections	£405,700
Street cleaning	£864,200	Garden waste scheme (net income)	-£214,700
Recycling centre	£249,400	Cemetery and Crematorium (net income)	-£782,800

**2. What are the longer-term risks to the delivery of this outcome?**

- If sufficient resources and capacity are not made available to meet the high expectations of cleanliness and maintenance then we may fail to meet safety standards and achieve increased customer satisfaction.
- If the council fails to allocate sufficient resource and take effective action to promote recycling and composting then the amount of waste to landfill will not be reduced. This will result in increased disposal and collection costs and increased carbon emissions.

**3. How should the council commission this work to secure longer-term delivery of this outcome, deliver improved value for money and to address risks**

The council is developing a shared services approach for its waste and recycling services. The council is changing its household waste and recycling services from April 2011 to reduce the amount of household waste going to landfill to fulfil our ambition that 50% of household waste is recycled or composted by 2015

**4. What are our planned improvement actions in 2011-12 to deliver this outcome and to address risks?**

Improvement Action	Key milestones	Dates	Lead
Delivery of the joint operational management unit project with Tewkesbury Borough Council to cover waste; recycling; street cleansing; grounds maintenance; and cemeteries and crematorium services	To launch the Joint Operational Management Unit in both authorities	June 2011	Director Operations

**5. How will we know what difference we have made in 2011-12?**

Proposed indicators	Measured by this indicator	Baseline (year)	March 2012 Target	Lead
<b>Direct service indicators</b>	Residual household waste per head (based on NI 191)	627kg (2009-10)	611kgs	Waste and Recycling Manager
	% of household waste recycled and composted (based on NI 192)	32.46% (2009-10)	46%	
	Amount of household waste land-filled (based on NI 193)	68.69% (2009-10)	54%	



## Objective and outcome

### Cheltenham's natural and built environment is enhanced and protected

#### Who is accountable for this outcome

Cabinet Member – Cabinet Member Sustainability

Lead Officer – Director Built Environment

O&S committee – Environment O&S

#### 1. What CBC resources are currently available to deliver this outcome?

The indicative net budget for 2011-12 for this outcome is **£2,532,700**. This includes:

Planning and conservation services	£696,800	Off-street car parking (net income)	-£1,692,700
Civic pride	£282,400		
Parks and gardens	£1,163,900		

#### 2. What are the longer-term risks to the delivery of this outcome?

- If there is a failure to agree the approach with key partners then key elements of the Civic Pride proposals might not be delivered.
- If there is failure to achieve buy in from Gloucester and Tewkesbury councils and our elected members and stakeholders for the joint core strategy, then this may affect the delivery timescales for the key milestones and may result in an unsound JCS.

#### 3. How should the council commission this work in future to secure longer-term delivery of this outcome, deliver improved value for money and to address risks

Future commissioning arrangements for this outcome will be explored within the sustainable communities work stream.

#### 4. What are our planned improvement actions in 2011-12 to deliver this outcome and to address risks?

Improvement Action	Key milestones	Dates	Lead
Delivery of the Cheltenham Development Taskforce project	<ul style="list-style-type: none"> <li>• To select preferred developer for North Place &amp; Portland Street by autumn.</li> <li>• Develop traffic modelling subject to GCC capital position.</li> <li>• Support proposals for Brewery phase 2</li> </ul>	Nov 2011 Feb 2012 March 2012	Civic Pride Managing Director
Complete a commissioning exercise into how best we can deliver our planning and strategic land use services within the context of the Government's localism bill.	<ul style="list-style-type: none"> <li>• Clarify need &amp; outcomes.</li> <li>• Ensure legal &amp; financial implications are adequately reviewed and engage with Members.</li> <li>• Complete initial assessment &amp; agree timeframe for detailed delivery of project.</li> <li>• Commence formal commissioning process.</li> </ul>	May 2011 May 2011 July 2011 July 2011	Executive Director
Continue to develop the Joint Core Strategy with Gloucester City and Tewkesbury Borough councils within the context of the localism bill.	Commence statutory public consultation on 'Developing Options'	September 2011	Director Commissioning & Director Built Environment
Determine the options/phasing of improvements to Imperial/Montpelier Garden	to be agreed		Director Operations

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#### 5. How will we know what difference we have made in 2011-12?

Proposed indicators	Measured by this indicator	Baseline	March 2011 Target	Lead
Direct service indicators	Processing of planning applications (based on NI 157)	TBA	TBA	AD Built Environment

Objective and outcome				
Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change				
Who is accountable for this outcome				
Cabinet Member – Cabinet Member Sustainability Lead Officer – Director Operations / Director Commissioning O&S committee – Environment O&S				
1. What CBC resources are currently available to deliver this outcome?				
The indicative net budget for 2011-12 for this outcome is <b>£413,950</b> . This includes:				
	Civil emergency planning	£243,000		
	Rivers and watercourses	£160,700		
2. What are the longer-term risks to the delivery of this outcome?				
If the council or its partners fail to provide adequate resources and investment then we will be unable to achieve our carbon reduction programme or make the changes necessary to ensure we are able to adapt to the impacts of climate change.				
3. How should the council commission this work in future to secure longer-term delivery of this outcome, deliver improved value for money and to address risks				
Future commissioning arrangements for this outcome will be explored as part of the development of the council's longer-term commissioning plan.				
4. What are our planned improvement actions in 2010-11 to deliver this outcome and to address risks?				
Improvement Action	Key milestones		Dates	Lead
Implement planned carbon reduction measures, identify new invest-to-save schemes and embed climate change adaptation actions within service delivery.	Officer group established for climate change adaptation Service delivery plans include climate change mitigation and adaptation measures Funded carbon reduction schemes installed		June 2011 July 2011 March 2012	Director Commissioning / Director of Resources
5. How will we know what difference we have made in 2010-2011?				
Proposed indicators	Measured by this indicator	Baseline	March 2012 Target	Lead
<b>Environment and sustainability indicators</b>	Reduction in CO2 emissions from energy use, fuel use and business mileage	4,007 tonnes CO <sub>2</sub> (2009/10)	Min 6% on baseline.	Director Commissioning
	Gas and electricity consumption	10,992,635 kWh (2008/9)	9% reduction on baseline	
	Fleet fuel useage	Baseline and target to be included prior to consideration by cabinet in March	<b>Note: a carbon emissions reduction target for 2015 will be included prior to consideration by council in March</b>	
	Office recycling	Starting to monitor for Municipal Offices to establish baseline during 2011-12.		
	Water use	Will begin monitoring to establish baseline in 2011/12		

<b>Objective and outcome</b>				
<b>Cheltenham is able to recover quickly and strongly from the recession</b>				
<b>Who is accountable for this outcome</b>				
Cabinet Member – Leader Lead Officer – Director Built Environment O&S committee – Economy and Business Improvement O+S				
<b>1. What CBC resources are currently available to deliver this outcome?</b>				
The net budget for 2011-12 for this outcome is <b>£180,850</b> . This includes: Business and economic development £143,800				
<b>2. What are the longer-term risks to the delivery of this outcome?</b>				
If the council and its partners do not provide a coordinated and effective inward investment approach, or provide ongoing support for existing businesses, then the recovery of Cheltenham economy may not be sustained.				
<b>3. How should the council commission this work in future to secure longer-term delivery of this outcome, deliver improved value for money and to address risks</b>				
Future commissioning arrangements for this outcome will be explored as part of the development of the council's longer-term commissioning plan.				
<b>4. What are our planned improvement actions in 2011-12 to deliver this outcome and to address risks?</b>				
<b>Improvement Action</b>	<b>Key milestones</b>	<b>Dates</b>	<b>Lead</b>	<b>DP</b>
To develop and deliver an economic development action plan within the context of the roll out of local enterprise partnerships which addresses gaps in provision and measurable support for the local economy.	<ul style="list-style-type: none"> <li>Agree a service level agreement with Gloucestershire First which addresses gaps in service provision and in turn improves the local economy</li> <li>To provide economic intelligence into developing spatial options through the joint core strategy</li> <li>Increase membership of business pride by 20% and interact with these businesses at a minimum level of once a month</li> </ul>	May 2011 by July 2011 March 2012	Director Built Environment	DP O S
<b>5. How will we know what difference we have made in 2010-2011?</b>				
<b>Proposed indicators</b>	<b>Measured by this indicator</b>	<b>Baseline</b>	<b>March 2012 Target</b>	<b>Lead</b>
<b>Community-based indicators</b>	Unemployment levels- claimant rate (% of working people claiming job seekers allowance)	3.0%	2.6%	Economic Development Manager
	Number of empty business premises in Cheltenham	700	680	
	% of young people not in education, employment or training	5.0%	4.5%	
	Business pride membership	580	640	

<b>Objective and outcome</b>				
<b>We attract more visitors and investors to Cheltenham</b>				
<b>Who is accountable for this outcome</b>				
Cabinet Member – Sport & Culture Lead Officer – Director Wellbeing & Culture O&S committee – EB&I				
<b>1. What CBC resources are currently available to deliver this outcome?</b>				
The net budget for 2011-12 for this outcome is <b>£153,750</b> . This includes:				
Tourist Information Centre	£91,250			
Twinning	£27,000			
Christmas in Cheltenham	£35,500			
<b>2. What are the longer-term risks to the delivery of this outcome?</b>				
If the amount of disposable income that people have decreases, then we might continue to see a decline in visitor numbers to Cheltenham.				
<b>3. How should the council commission this work in future to secure longer-term delivery of this outcome, deliver improved value for money and to address risks</b>				
We will review future commissioning arrangements for this outcome within the leisure and culture work strand of our commissioning programme.				
<b>4. What are our planned improvement actions in 2011-12 to deliver this outcome and to address risks?</b>				
Improvement Action	Key milestones	Dates	Lead	
Complete the service review looking into how we provide our leisure & cultural services	Commissioning strategy for leisure and culture to be approved by Cabinet by end of June 2011	June 2011	Executive Director	
Review our approach to providing tourism and marketing services	Agreement to Tourism & Marketing Strategy Action Plan Conclusion of the merger of the Art Gallery and Museum and Tourist Information Centre frontline services.	April 2011 October 2011	Museum, Arts & Tourism Manager	
<b>5. How will we know what difference we have made in 2011-2012?</b>				
What will we do directly and be accountable for	Measured by this indicator	Baseline	March 2012 Target	Lead
<b>Direct service indicators</b>	The number of website visits to www.visitcheltenham.com	1,128,000	1,128,564	Museum, Arts and Tourism Manager
	No. of visitors to Cheltenham TIC.	80,000	80,000	
<b>Community-based indicators</b>	Footfall in Cheltenham town centre	TBA	TBA	Business Partnership Manager

<b>Objective and outcome</b>				
<b>Communities feel safe and are safe</b>				
<b>Who is accountable for this outcome</b>				
Cabinet Member – Cabinet Member Housing and Safety Lead Officer – Director Operations and Director Commissioning O&S committee – Social and Community				
<b>1. What CBC resources are currently available to deliver this outcome?</b>				
The indicative net budget for 2011-12 for this outcome is <b>£1,085,900</b> . This includes:				
Crime and disorder	£81,600	Pest control	£92,000	
Pollution control	£180,100	Licensing (net income)	-£32,400	
<b>2. What are the longer-term risks to the delivery of this outcome?</b>				
If sufficient resources are not available to support local policing and community safety activities, then partners may not be able to deliver sufficient activity to sustain a reduction in crime levels.				
If the withdrawal of universal youth services in Cheltenham is not mitigated with services to support vulnerable young people and support for providers of youth services, we may see an increase in youth-related crime.				
<b>3. How should the council commission this work in future to secure longer-term delivery of this outcome, deliver improved value for money and to address risks</b>				
Future commissioning arrangements for this outcome will be explored as part of the development of the council's longer-term commissioning plan.				
<b>4. What are our planned improvement actions in 2011-12 to deliver this outcome and to address risks?</b>				
<b>Improvement Action</b>	<b>Key milestones</b>	<b>Dates</b>	<b>Lead</b>	<b>Page 55</b>
Develop capacity within communities so that they are more able to resolve low-level anti-social behaviour and promote community safety through a neighbourhood management approach	Develop our framework for dealing with anti-social behaviour in response to national changes to tools and powers available together with a closer working partnership with police.	Sept 2011	Community Protection Manager	
	Agree with cabinet any changes to our neighbourhood management approach in light of: <ul style="list-style-type: none"> <li>Social and Community O+S review of our neighbourhood management approach</li> <li>Changes being proposed by Gloucestershire Constabulary</li> </ul>	September 2011	Policy & P'ships Manager	
	Begin delivery of a training programme for our staff and community leaders that builds confidence within themselves to work with communities to address high risk safety issues: <ul style="list-style-type: none"> <li>Prevention of violent extremism raised within the counter-terrorism local profile</li> <li>Safeguarding of children and vulnerable adults</li> </ul>	September 2011	Policy & Partnerships Manager / Community Protection Manager	
<b>5. How will we know what difference we have made in 2011-2012?</b>				
<b>Proposed indicators</b>	<b>Measured by this indicator</b>	<b>Baseline</b>	<b>March 2012 Target</b>	<b>Lead</b>
<b>community-based indicators</b>	Total volume of recorded crime per annum	10,454 (April 09 to March 2010)	10,040 (2% pa)	Director Commissioning
	Serious acquisitive crime rate	19.21% (April 09 to March 2010)	19%	
	Number of anti-social behaviour incidents	7,226 (April 09 to March 2010)	6,940 (2% pa)	
	Incidences of violence under the influence of alcohol and/or drugs	409 (April 09 to March 2010)	400	
	Incidents and repeat incidents of domestic abuse	32.11% (April 09 to March 2010)	28%	

<b>Objective and outcome</b>				
<b>People have access to decent and affordable housing</b>				
<b>Who is accountable for this outcome</b>				
Cabinet Member – Cabinet Member Housing and Safety Lead Officer – Director Built Environment O&S committee – Social and Community				
<b>1. What CBC resources are currently available to deliver this outcome?</b>				
The indicative net budget for 2011-12 for this outcome is <b>£643,600</b> . This includes:				
Homelessness                               £316,600 Housing standards and grants       £240,000				
<b>2. What are the longer-term risks to the delivery of this outcome?</b>				
<ul style="list-style-type: none"> <li>If the economic situation does not improve, then the delivery of market housing developments and associated affordable homes will not increase. The estimated completion of just 16 units in 2011-12 will not meet demand in the system.</li> <li>Impact of benefit changes and budget reductions in complementary services could impact significantly on performance to prevent and reduce homelessness.</li> </ul>				
<b>3. How should the council commission this work in future to secure longer-term delivery of this outcome, deliver improved value for money and to address risks</b>				
Future commissioning arrangements for this outcome will be explored as part of the development of the council's longer-term commissioning plan.				
<b>4. What are our planned improvement actions in 2011-12 to deliver this outcome and to address risks?</b>				
<b>Improvement Action</b>	<b>Key milestones</b>	<b>Dates</b>	<b>Lead</b>	Director Built Environment
Implement the St. Paul's regeneration scheme.	Progress compulsory purchase action in relation to outstanding privately-owned interests in Crabtree Place Appraise options for delivering Phase II of the St Paul's housing redevelopment Identify preferred delivery option for Phase II and funding feasibility	TBA		
<b>5. How will we know what difference we have made in 2011-2012?</b>				
<b>What will we do directly and be accountable for</b>	<b>Measured by this indicator</b>	<b>Baseline</b>	<b>March 2012 Target</b>	<b>Lead</b>
<b>Direct service indicators</b>	Net additional dwellings	275 (2009/10)	no target set	Director Built Environment
	Gross Affordable housing completions	43 (est. completions for 10/11)	23 units	
	The number of households living in Temporary Accommodation	Average – 22	50	
	The number of homelessness acceptances.	27	80	
<b>Community-based indicators</b>	Number of new dwellings started by tenure	998 Private / 137 RSL (09/10)	no target set	Director Built Environment
	Number of new dwellings completed by tenure	264 Private / 35 RSL / 1 LA (09/10)	no target set	

**Objective and outcome**

**People are able to lead healthy lifestyles**

**Who is accountable for this outcome**

**Cabinet Member – Cabinet Member Sport and Culture and Cabinet Member Housing and Safety**  
**Lead Officer – Director Wellbeing and Culture**  
**O&S committee – Social and Community**

**1. What CBC resources are currently available to deliver this outcome?**

The indicative net budget for 2011-12 for this outcome is **£3,285,350**. This includes:

Leisure@	£1,659,250	Holiday play-schemes	£106,200
Sports pitches & open spaces	£1,208,100	Sports development & healthy lifestyles	£139,200

**2. What are the longer-term risks to the delivery of this outcome?**

If sufficient resources are not available to support local healthy lifestyles activities, then partners may not be able to deliver sufficient activity to meet the targets for healthier lifestyles.

**3. How should the council commission this work in future to secure longer-term delivery of this outcome, deliver improved value for money and to address risks**

Future commissioning arrangements for this outcome will be explored within the leisure and culture work strand of our commissioning programme.

**4. What are our planned improvement actions in 2011-12 to deliver this outcome and to address risks?**

Improvement Action	Key milestones	Dates	Lead
To complete the service review looking in to how we provide our leisure and cultural services	Commissioning strategy for leisure and culture to be approved by Cabinet by end of June 2011	June 2011	Executive Director

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**5. How will we know what difference we have made in 2011-2012?**

proposed indicators	Measured by this indicator	Baseline	March 2012 Target	Lead
<b>Direct service indicators</b>	Attendances during the annual Summer of Sport initiative Overall footfall at leisure@ Attendance free under 16 swim Attendance at Active Life (50+) sessions Attendance on the Re-Active programme Number of GP referrals Number of Reactive Concession referrals Concession card scheme membership	1,480 attendances in 2010  279,895 (09-10) 47,235 (09-10) 27,811 (09-10) 109 (1 April 10 to 31 Dec 10) 38 (09-10) new new	1,554 in 2011 (5% increase) 294500 49700 35000 1000 250 150 2000	Healthy communities partnership manager     Leisure@ Commercial Manager
<b>community-based indicators</b>	NI 8/Active People adult participation in sport (collected through the annual Active People national survey which acknowledges an estimated 2% accuracy variance +/-)	Results reported in December 2010 • NI8 – 31.5% • Active People – 25.7%	NI8 – 31.5% AP – 25.7%	Healthy Communities Partnership Manager

**Objective and outcome**

**Our residents enjoy a strong sense of community and are involved in resolving local issues**

**Who is accountable for this outcome**

**Cabinet Member – Cabinet Member Finance and Community Development**  
**Lead Officer – Director Commissioning**  
**O&S committee - Social and Community**

**1. What CBC resources are currently available to deliver this outcome?**

The indicative net budget for 2011-12 for this outcome is **£595,200**. This includes:  
 Housing advice £155,000  
 Grants to regeneration partnerships £80,400

**2. What are the longer-term risks to the delivery of this outcome?**

If the council cannot continue to support improved engagement processes with key stakeholders then we might not be able to meet the expectations of local residents.

**3. how should the council commission this work in future to secure longer-term delivery of this outcome, deliver improved value for money and to address risks**

Future commissioning arrangements for this outcome will be explored as part of the development of the council’s longer-term commissioning plan.

**4. What are our planned improvement actions in 2011-12 to deliver this outcome and to address risks?**

Improvement Action	Key milestones	Dates	Lead
To ensure that engagement processes are embedded in our commissioning processes and that we work with community groups to develop their capacity to be more influential in shaping public service delivery through neighbourhood management	To hold a resilient communities event to showcase examples of local community action and to agree how CBC and other organisations can support and build on these to help deliver improved outcomes for local people within the context declining public finances.	July 2011	Director Commissioning
	Agree a partnership-wide strategy that can sustain support for the continuation and growth of the CHAMPS (Cheltenham Ambassadors for People and Services) network.	July 2011	
	Commission a package of support to create additional capacity and expertise within voluntary and community sector providers of services for young people with the aim of sustaining a wide range of general services for young people in Cheltenham.	July 2011	
	Using the 2012 Diamond Jubilee and the Olympics as a catalyst, agree and promote a pack of information to help community groups organise street parties and other events to help create a strong sense of community.	September 2011	
To work in partnership to commission specific programmes that will address the needs of our most vulnerable citizens.	Review the Inspiring Families project and use the learning from this to inform the development of joint commissioning arrangements with partners.	November 2011	Director Commissioning
	Implement a rolling training programme for supporting agencies to raise awareness of the local housing allowance changes and the new services Housing Options will be offering to both tenants and landlords.	By March 2012	Housing Options team

**5. How will we know what difference we have made in 2011-2012?**

What will we do directly and be accountable for	Measured by this indicator	Baseline	March 2012 Target	Lead
Community-based indicators	number of VCS organisations supported that have gone onto deliver former public services	to be established	to be agreed	Director Commissioning



**Cross-cutting outcome**

**Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment**

**Who is accountable for this outcome**

Cabinet Member - Sport & Culture  
 Lead Officer - Director Wellbeing and Culture  
 O&S committee - Social & Community

**1. What CBC resources are currently available to deliver this outcome?**

The indicative net budget for 2011-12 for this outcome is £2,375,000. This includes:

Town Hall	£783,700	Everyman Theatre grant	£161,200
Art Gallery and Museum	£904,800		

**2. What are the longer-term risks to the delivery of this outcome?**

If we fail to raise the funding for the development scheme, then work on the Art Gallery and Museum will not commence or be delayed.

Due to the non-statutory nature of arts and culture services, there is a considerable risk of receiving continuous budget reductions resulting in diminishing investment to the borough's cultural fabric and infrastructure and arts provision. This may result in the council becoming over-reliant on funding through other public bodies at a time when they themselves are facing significant funding reductions. Therefore, if the council does not work with its cultural partners to create a financially sustainable structure for arts and culture, then we may see a reduction in arts and culture provision.

**3. How should the council commission this work in future to secure longer-term delivery of this outcome, deliver improved value for money and to address risks?**

Future commissioning arrangements for this outcome will be explored within the leisure and culture strand of our commissioning programme.

**4. What are our planned improvement actions in 2011-12 to deliver this outcome and to address risks?**

Improvement Action	Key milestones	Dates	Lead
Deliver the Art Gallery and Museum extension project.	<ul style="list-style-type: none"> <li>Closure of the AG&amp;M and start of the construction and refurbishment of the new extension and buildings</li> <li>Launch and delivery of the touring off-site exhibitions and activity programme and operation of regular events at 3 St. Georges Place during the closure period</li> <li>Launch of the Phase III Fundraising Campaign</li> <li>Partnerships with the Gloucestershire Guild of Craftsmen and University of Gloucestershire (All dependent on the outcome of the HLF bid and reaching the current Phase II Fundraising Campaign target of £1,119,525)</li> </ul>	April 2011  May 2011  March 2012	Director Wellbeing and Culture
To complete the service review looking in to how we provide our leisure and cultural services	Commissioning strategy for leisure and culture to be approved by Cabinet by end of June 2011	June 2011	Executive Director

**5. How will we know what difference we have made in 2011-2012?**

What will we do directly and be accountable for	Measured by this indicator	Baseline	March 2012 Target	Lead
Direct service indicators	Number of people accessing engagement programme	6,000 per annum	18,150	Museum and Art Gallery Manager
	Visitor numbers	74,302 (09-10)	20,000	
	Website visits	Current website targets are 230,000	311,500	

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## Cross-cutting outcome

**The council delivers improved outcomes for customers and communities whilst meeting our ‘Bridging the Gap’ targets for cashable savings and increased income**

### Who is accountable for this outcome

**Cabinet Member – Leader / Corporate Services**  
**Lead Officer – Chief Executive**  
**O&S committee - All**

### 1. What CBC resources are currently available to deliver this outcome?

The indicative net budget for 2011-12 for this outcome is **£3,989,400**

civic and democratic processes	£1,056,000
asset management (net income)	-£281,950
local taxation	£646,400
corporate management and unapportionable overheads	£2,568,950

### 2. What are the longer-term risks to the delivery of this outcome?

If the council is unable to come up with long term solutions which bridge the gap in the medium term financial strategy then it will find it increasingly difficult to prepare budgets year on year without making unplanned cuts in service provision.

If the council does not co-ordinate the projects in our various projects and programmes, then we may fail to maximise outcomes from each of these projects and demonstrate good use of resources.

If we do not adhere to a robust, informed and consistent decision making processes and consider the variety of issues associated with assets, when making short and long term decisions about them, then there is likely to be an impact on the delivery of corporate outcomes, reputation and consequently the MTFs.

### 3. how should the council commission this work in future to secure longer-term delivery of this outcome, deliver improved value for money and to address risks

We will continue to explore a range of different ways of delivering our services through our approach to strategic commissioning

### 4. What are our planned improvement actions in 2011-12 to deliver this outcome and to address risks?

Improvement Action	Key milestones	Dates	Lead
Implement our approach to strategic commissioning.	Lead our community by taking a strategic commissioning approach.  Develop a joint commissioning strategy with our partners based on a set of shared outcomes and agree the structure of CBC partnerships flowing from new Leadership Gloucestershire structure.	31st March 2012  September 2011	Chief Executive
Deliver services within the approved budget for 2011/12	Quarterly budget monitoring and financial outturn position.	June 2011 September 2011 December 2011 March 2012	Senior Leadership Team
Deliver the Bridging the Gap Programme targets for savings and increased income in 2011/12.	Delivered 2011/12 BtG programme.  Agreed budget proposal for 2012/13 including additional BtG initiatives to bridge the 2012/13 funding gap.	31 March 2012  24 February 2012	Director of Resources

Realise the benefits of the GO programme.	Cabinet agreement on the potential for taking forward shared services Implement the ERP system in the partner organisations	September 2011 31 March 2012	Executive Director	
Develop an accommodation strategy that makes best use of council assets	Cabinet agreement to accommodation strategy	TBA	Director of Resources	
<b>5. How will we know what difference we have made in 2011-2012?</b>				
<b>proposed indicators</b>	<b>Measured by this indicator</b>	<b>Baseline</b>	<b>March 2012 Target</b>	<b>Lead</b>
<b>Financial health indicators</b>	Net budget requirement 2011/12	Net budget requirement 2011/12 £14.08m	£14.08m	Director of Resources
	BtG programme target savings 2011/12	BtG programme target savings 2011/12 £2.807m	£2.807m	
	Budget gap 2012/13	Budget gap 2012/13 £779k	£0	
	MTFS funding gap	MTFS funding gap £2.5m	Reduce the MTFS gap.	
<b>organisational health indicators</b>	No. days lost due to sickness absence. % employees with a disability. % employees from BME communities. % percentage of women in the top 5% of earners, Turnover 12 month ave	8.9 days (2009-10) 1.72% (2009-10) 2.81% (2009-10) 32% (2009-10) 11% (2009-10)	7.5dys per fte 2% 3% 35% 12.5% (local gvt ave)	Director of HR and Organisational Development
	% appraisals completed  Customer relations: • number of complaints • Fol requests	100%  196 complaints (2009-10) 339 requests (2009-10)	100%  no target set no target set	

## Appendix A - the 2011-12 budget framework

The Council approved its budget for 2011-12 in February 2011. The table below shows how the net budget of £15,675,450 is spent across the 11 outcome areas.

Objectives		Outcomes	2010/11 Budget Book	2011/12 Budget book
<i>Enhancing &amp; protecting our environment</i>		<i>Cheltenham has a clean and well-maintained environment</i>	3,133,000	1,879,800
<i>Total</i>	<i>Total</i>	<i>Cheltenham's natural and built environment is enhanced and protected</i>	2,723,300	2,532,700
<i>2010/11</i>	<i>2011/12</i>	<ul style="list-style-type: none"> <li><i>Integrated transport and car parking</i></li> </ul>	(633,500)	(1,460,050)
£5,631,500	£3,366,400	<i>Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change</i>	408,700	413,950
<i>Strengthening our economy</i>		<i>Cheltenham is able to recover quickly and strongly from the recession</i>	319,700	180,850
<i>Total</i>	<i>Total</i>	<i>We attract more visitors and investors to Cheltenham</i>	378,700	153,750
<i>2010/11</i>	<i>2011/12</i>			
£698,400	£334,600			
<i>Strengthening our communities</i>		<i>Communities feel safe and are safe</i>	1,000,400	1,085,900
<i>Total</i>	<i>Total</i>	<i>People have access to decent and affordable housing</i>	925,700	643,600
<i>2010/11</i>	<i>2011/12</i>	<i>People are able to live healthy lifestyles</i>	2,731,500	3,285,350
£5,288,000	£5,610,050	<i>Our residents enjoy a strong sense of community and are involved in identifying and resolving local issues</i>	630,400	595,200
<i>Enhancing the provision of arts and culture</i>		<i>Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment</i>	2,431,700	2,375,000
<i>Total</i>	<i>Total</i>			
<i>2010/11</i>	<i>2011/12</i>			
£2,431,700	£2,375,000			
<i>Ensuring we provide value for money services that effectively meet the needs of our customers</i>		<i>The council delivers improved outcomes for customers and communities whilst meeting our 'Bridging the Gap' targets for cashable savings and increased income</i>		
<i>Total</i>	<i>Total</i>	<ul style="list-style-type: none"> <li><i>Civic &amp; democratic processes</i></li> </ul>	1,240,300	1,056,000
<i>2010/11</i>	<i>2011/12</i>	<ul style="list-style-type: none"> <li><i>Asset management</i></li> </ul>	(334,800)	(281,950)
£3,859,150	£3,989,400	<ul style="list-style-type: none"> <li><i>Local taxation</i></li> </ul>	587,100	646,400
		<ul style="list-style-type: none"> <li><i>Corporate management &amp; unapportionable overheads</i></li> </ul>	2,366,550	2,568,950
<b>TOTALS</b>				
<i>2010/11</i>	<i>2011/12</i>			
£17,908,750	£15,675,450		£17,908,750	£15,675,450

## Appendix B – the corporate strategy performance framework

The corporate strategy sets out our intended milestones, performance indicators and risks associated with the 11 outcomes and provides the basis for monitoring the council's performance over the next twelve months. The indicators are made up of performance indicators (based on the former national indicator set) and local performance indicators (chosen by ourselves).

Once agreed, the performance data will be made available through the council's electronic performance management system via the intranet, which then allows officers and elected members to track progress.

To promote accountability, our Senior Leadership Team will receive quarterly performance reports that will set out progress made against corporate strategy milestones and performance indicators.

Monitoring reports will be brought to the overview and scrutiny committees at least twice a year, mid-way through the performance cycle and at the end of the year as elected members have indicated their satisfaction with this timescale. However, an additional report at the end of the third quarter will be made if members and officers feel that this would help them take any remedial action where performance shortfalls are identified. In addition, the annual report detailing performance from the previous financial year will be brought in June to council for consideration.

Outcomes	2010-11 Indicators	Proposed 2011-12 indicators
Cheltenham has a clean and well-maintained environment	<p><b>National Indicators</b></p> <p>NI 191 Residual household waste per head</p> <p>NI 192 amount of household waste recycled and composted</p> <p>NI 193 amount of municipal waste landfilled</p> <p>NI 195/196 street and environmental cleanliness</p> <p><b>Local indicators</b></p> <p>Satisfaction with keeping public land clear of litter and refuse</p> <p>Satisfaction with waste collection and doorstep recycling</p>	<p><b>Direct service indicators</b></p> <p>Residual household waste per head (based on NI 191)</p> <p>Percentage of household waste recycled and composted (based on NI 192)</p> <p>Amount of municipal waste land-filled (based on NI 193)</p>
Cheltenham's natural and built environment is enhanced and protected	<p><b>Local indicators</b></p> <p>Satisfaction with parks and open spaces</p> <p>The number of residential developments with silver or gold "Building for Life" assessments</p> <p>concessionary travel scheme shortfall</p>	<p><b>Direct service indicators</b></p> <p>Processing of planning applications (based on NI157)</p>
Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change	<p><b>National Indicators</b></p> <p>NI 185 Reduction in CO2 emissions from our operations</p> <p>NI 186 Decrease the per capita rate of CO2 emissions (NI 186)</p> <p>NI 187 Tackling fuel poverty – people receiving income based benefits living in homes with a low energy efficiency rating</p> <p>NI 188 Increase our ability to adapt to climate change</p>	<p><b>Environment and sustainability indicators</b></p> <p>Reduction in CO2 emissions from energy use, fuel use and business mileage (revised version of NI 185)</p> <p>Gas and electricity consumption</p> <p>Fleet fuel usage</p> <p>Office recycling</p> <p>Water use</p>
Cheltenham is able to recover quickly and strongly from the recession	<p><b>National Indicators</b></p> <p>NI 151 overall employment rate</p> <p>NI 152 the number of working age people on out-of-work benefits</p> <p>NI 171 The VAT registration rate</p> <p><b>Local indicators</b></p> <p>Number of apprentices on placement with the council</p> <p>Number of apprentices going on to secure further employment within the borough</p>	<p><b>Direct service indicators</b></p> <p>Number of apprentices</p> <p><b>community-based indicators</b></p> <p>Unemployment levels- claimant rate (% of working people claiming job seekers allowance)</p> <p>Number of empty business premises in Cheltenham</p> <p>% of people not in education, employment or training</p>

Outcomes	2010-11 Indicators	Proposed 2011-12 indicators
We attract more visitors and investors to Cheltenham	<b>Local indicators</b> the number of visitors to Cheltenham's TIC the number of website visits the number of accommodation bookings satisfaction level of the marketing activity by Cheltenham Business Pride community	<b>Direct service indicators</b> the number of website visits the number of accommodation bookings  <b>community-based indicators</b> Footfall in Cheltenham town centre
Communities feel safe and are safe	<b>National Indicators</b> NI 17 Perceptions of anti-social behaviour NI 20 Assault with injury crime rate NI 32 repeat incidences of domestic violence NI 42 perceptions of drug use or dealing as a problem  <b>Local indicators</b> the percentage of people saying they feel safe during the day the percentage of people saying they feel safe at night Total volume of recorded crime per annum Number of anti-social behaviour incidents incidences of violence under the influence of alcohol and/or drugs The percentage of people who agree that the Police and council are dealing with crime and anti social behaviour (measured by the British Crime Survey).	<b>community-based indicators</b> Total volume of recorded crime per annum Serious acquisitive crime rate Number of anti-social behaviour incidents Incidences of violence under the influence of alcohol and/or drugs Incidents and repeat incidents of domestic abuse
People have access to decent and affordable housing	<b>National Indicators</b> NI 154 the number additional homes provided NI 155 the number of affordable homes delivered NI 156 the number of households living in Temporary Accommodation NI 158 proportion of decent homes NI 159 supply of ready to develop housing sites NI 160 Local authority tenants' satisfaction with landlord services  <b>Local indicators</b> The number of homelessness acceptances. Tenant satisfaction	<b>Direct service indicators</b> Number of new dwellings started by tenure Number of new dwellings completed, by tenure Gross Affordable housing completions Net additional dwellings The number of households living in Temporary Accommodation (based on NI 156) The number of homelessness acceptances.
People are able to lead healthy lifestyles	<b>National Indicators</b> NI 8 adult participation in sport  <b>Local indicators</b> Attendances during the annual Summer of Sport initiative overall footfall at leisure@ number of Under 16 swims attendance at Active Life sessions attendance on the Re-Active programme The gap in life expectancy at birth between those born in the most deprived fifth of areas and the Cheltenham average	<b>Direct service indicators</b> Attendances during the annual Summer of Sport initiative Overall footfall at leisure@ Attendance free under 16 swim Attendance at Active Life (50+) sessions Attendance on the Re-Active programme Number of GP referrals Number of Reactive Concession referrals Concession card scheme membership  <b>community-based indicators</b> adult participation in sport (based on NI 8)
Our residents enjoy a strong sense of community and are involved in identifying and resolving local issues	<b>National Indicators</b> NI 1 the number of people who believe people from different backgrounds get on well together in their local area NI 4 the number of people who feel they can influence decisions in their locality NI 5 overall/general satisfaction with the local area NI 6 participation in regular volunteering NI 7 Environment for a thriving third sector	<b>community-based indicators</b> number of VCS organisations supported that have gone onto deliver former public services

Outcomes	2010-11 Indicators	Proposed 2011-12 indicators
Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment	<b>Local indicators</b> Savings across the cultural sector Customer satisfaction levels across cultural services	<b>Direct service indicators</b> Number of people accessing engagement programme Visitor numbers Website visits
The council delivers improved outcomes for customers and communities whilst meeting our 'Bridging the Gap' targets for cashable savings and increased income	<b>National Indicators</b> NI 179 Value for money  <b>Local indicators</b> Medium term financial strategy cash-saving targets The percentage of people who are very or fairly satisfied with how council runs things Proportion of annual milestones that are delivered on target at year end. Level achieved within the equality framework for local government No of FTE days absence per employee	<b>Financial health indicators</b> Net budget requirement 2011/12 BtG programme target savings 2011/12 Budget gap 2012/13 MTFS funding gap  <b>Organisational health indicators</b> % top 5% earners; women, BME, with a disability. No. days lost due to sickness absence. % employees with a disability. % employees from BME communities. Turnover 12 month ave Invoice payment dates Customer relations – number of complaints / FoI requests Appraisal completion

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## Cheltenham Borough Council

**Cabinet – 15 March 2011**

### **Property Lettings and Disposals to the Third Sector, Voluntary and Community Groups Report**

<b>Accountable member</b>	<b>Cabinet Member Built Environment, Councillor John Rawson</b>
<b>Accountable officer</b>	<b>Head of Property Services, David Roberts</b>
<b>Accountable scrutiny committee</b>	<b>Environment</b>
<b>Ward(s) affected</b>	<b>All</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Executive summary</b>	<p><b>The issue</b></p> <p>The Council has, over many years, entered into a variety of property letting arrangements with the voluntary or 'third sector', sometimes providing grant assistance or preferential tenancy terms, thereby subsidising the provision of services deemed to be of community benefit.</p> <p>Increasingly, the Council is being asked to consider letting property, or granting interests in property to community-based organisations on a subsidised basis, rather than at 'best consideration'.</p> <p>Current arrangements cover some 35 properties including:-</p> <ul style="list-style-type: none"> <li>• third sector, community &amp; voluntary groups with a matching grant;</li> <li>• third sector, community &amp; voluntary groups with no grant but currently occupying rent free;</li> <li>• third sector, community &amp; voluntary groups that were initially grant funded for a preset period and supposed to revert to open market value, but not pursued as the organisation is financially vulnerable.</li> </ul> <p>Typically, in line with the Council's property disposal strategy, each individual case has been and will be reported to Cabinet as and when the need arises.</p> <p>A more consistent, transparent and streamlined process has been developed to facilitate officer negotiations with tenants or purchasers by the development of an assessment tool and matrix, outlined in Appendix 2, and that is the subject of this report.</p>
<b>Recommendations</b>	<p>Cabinet approves the Assessment Tool and Matrix for determining the eligibility for rent subsidies of properties let by Cheltenham Borough Council to third sector, voluntary and community groups. Cabinet delegates authority to the Head Of Property and Asset Management in negotiation with the Cabinet Member Built Environment to adopt the framework for assessing subsidy levels as per Appendix 5 subject to any amendments following a consultation period with the Voluntary Community Sector.</p>

<p><b>Financial implications</b></p>	<p>The Council faces significant budgetary challenges in continuing to support the current range of services provided either directly or indirectly by the Authority.</p> <p>The financial implications of any revised or additional support to third sector or community organisations need to be considered carefully in light of the Council's corporate priorities and the medium term financial strategy.</p> <p><b>Contact officer: Mark Sheldon, Chief Finance Officer</b>  <b>email mark.sheldon@cheltenham.gov.uk. 01242 2644123</b></p>
<p><b>Legal implications</b></p>	<p>Under S123 Local Government Act 1972, leases for a term greater than 7 years must be for the best consideration reasonably obtainable. The only exemption to this is where the letting at less than best consideration contributes to the 'social, economic or environmental well-being' of the Council's area or residents. Whilst leases for a term of less than 7 years do not have to be for the best consideration reasonably obtainable, the Council must still have regard to its general fiduciary duty.</p> <p>The Council must not fall foul of rules against State Aid. State Aid occurs when financial assistance is given by a public body which favours certain organisations and distorts or threatens to distort competition between Member States of the EU. Letting at an undervalue to community organisations will not comprise State Aid if:</p> <ul style="list-style-type: none"> <li>• The proposed tenant is a not for profit organisation;</li> <li>• The use of the building will be for a community purpose; and</li> <li>• The activities carried out by the organisation(s) are of local interest only.</li> </ul> <p><b>Contact officer: Donna McFarlane, Solicitor Onelegal</b>  <b>email donna.mcfarlane @tewkesbury.gov.uk, 01242 775116</b></p>
<p><b>HR implications</b></p>	<p>None</p>

<p><b>Key risks</b></p>	<p><b>Statement on Risk</b> (see Appendix 1)</p> <ul style="list-style-type: none"> <li>• Medium – the matrix seeks to put in place a degree of objectivity in assessing the level of subsidy and reducing the risk of setting adverse financial precedents with the granting of overly generous subsidies, or in the disposal of property interests which would impact on the Medium Term Financial Strategy (MTFS);</li> <li>• Medium – the matrix helps in assessing the viability of the organisation in the provision of the services;</li> <li>• High - if the recommended assessment matrix and transparent legal agreements are not implemented this could reduce the Council's ability to remove tenants;</li> <li>• Low – if the applicant's Business Plan is not robust (which will be an integral part of the assessment, as it helps to identify the more risky ventures that would be prone to failure), this could have an adverse impact on the reputation of the Council.</li> </ul>
<p><b>Corporate and community plan Implications</b></p>	<p><b>Enhancing and protecting our environment</b></p> <ul style="list-style-type: none"> <li>• Using our property assets effectively for the benefit of the community;</li> </ul> <p><b>Strengthening our economy</b></p> <ul style="list-style-type: none"> <li>• Contributing to the work of regional and local partnerships;</li> </ul> <p><b>Strengthening our communities</b></p> <ul style="list-style-type: none"> <li>• Working in consultation with the community, community groups and the voluntary sector;</li> <li>• Recognising, promoting and assisting community groups and volunteers.</li> </ul>

**1. Background**

- 1.1 In March 2010 a report was submitted to Cabinet titled 'Property Lettings and Disposals to the Third Sector, Voluntary and Community Groups' (Agenda item 6), which set out a framework of principles to be applied to each CBC owned subsidised property (copy attached in **Appendix 3**). Cabinet resolved to accept the framework of principles outlined.
- 2.2 In July 2010 Cabinet approved the Asset Management Plan 2010-2015 with a revised Appendix H (Policy for Property lettings and disposals to the third sector, voluntary and community groups). This document redefined and amended the previous March 2010 Cabinet report. An extract of the Policy is set out in **Appendix 4**.

**2. Reasons for recommendations**

- 2.1 Over many years, the Council has allowed various subsidised arrangements in relation to the letting of its land and buildings to voluntary, community or third sector organisations, without having an explicit set of guiding principles to underpin related decision making. The Council now has an agreed policy framework and a set of principles, but needs to agree the eligibility and assessment criteria. The proposed criteria and discount rates are set out at **Appendix 2**.
- 2.2 The spreadsheet in **Appendix 5** (an exempt item) outlines the current arrangements and third sector organisation commitments with indicative rent subsidies calculated in accordance with the above guidelines. On agreement of the assessment tool and matrix it is proposed to revise the current rent arrangements.

**3. Consultation and feedback**

- 3.1 Consultation has been carried out individually with Corporate Asset Group officers, cross-party Asset Management Working Group (AMWG) members and specifically with the Leader of the Council and Cabinet Member Built Environment.
- 3.2 AMWG discussed the draft report on the 24<sup>th</sup> February 2011 and resolved that the report be recommended to Cabinet for approval on the 15<sup>th</sup> March 2011. The framework will be sent to the Voluntary Community Sector organisations across Cheltenham via Cheltenham Voluntary and Community Action to receive comments over a four week period to be taken into consideration by the Head of Property and Asset Management in consultation with the Cabinet Member Built Environment.

**4. Performance management – monitoring and review**

- 4.1 The new arrangements will be monitored and reviewed by the AMWG.

<b>Report author</b>	<b>Contact officer: Tom Mimmagh, Building Services Manager</b> <b>email tom.mimmagh@cheltenham.gov.uk</b>  <b>01242 264164</b>
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<p><b>Appendices</b></p>	<ol style="list-style-type: none"> <li>1. Risk Assessment</li> <li>2. Eligibility of rental discounts to third sector, voluntary and community groups – Assessment Tool</li> <li>3. Cabinet Report 16<sup>th</sup> March 2010, Report of the Cabinet Member Built Environment, 'Property lettings and disposals to the third sector, voluntary and community groups'</li> <li>4. Adopted Asset Management Plan 2010-2015 with a revised Appendix H (Policy for Property lettings and disposals to the third sector, voluntary and community groups).</li> <li>5. Spreadsheet outlining the current lease arrangements with the third sector, voluntary and community groups plus sports organisations with indicative rent subsidies. (please note this is exempt)</li> </ol>
<p><b>Background information</b></p>	<ol style="list-style-type: none"> <li>1. 'Making Assets Work' - The Quirk Review of community management and ownership of public assets.</li> </ol>

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
1	Financial; the risk of setting adverse financial precedents with granting of overly generous subsidies, or in the disposal of property interests which could impact on the MTFS	DR	2011	4	2	8	Accept	Corporate Asset Group assessment and Cabinet approval required on each subsidy request.	asap	DR	
2	Financial; the viability in the provision of the services	DR	2011	3	3	9	Accept	Corporate Asset Group assessment and Cabinet approval required on each subsidy request.	asap	DR	
3	Financial/Legal: if the recommended assessment matrix and transparent legal agreements are not implemented this could reduce the Council's ability to remove tenants	DR	2011	4	4	16	Accept	Corporate Asset Group assessment and Cabinet approval required on each subsidy request.	asap	DR	
4	Reputation:.. if the applicant's Business Plan is not robust this could have an adverse impact on the reputation of the Council	DR	2011	2	2	4	Accept	Corporate Asset Group assessment and Cabinet approval required on each subsidy request.	asap	DR	

## Eligibility of rental discounts to third sector, voluntary and community groups – Assessment Tool

This Assessment Tool for determining the eligibility of rent subsidies of properties let by Cheltenham Borough Council to the third sector, voluntary and community groups, should be read in conjunction with the 'Policy for Property Lettings and disposals to the third sector, voluntary and community groups,' found at Appendix H of the related July 2010 Cabinet Paper.

The Policy for Property Lettings and disposals to the third sector, voluntary and community groups states:

'As a general rule, when leases are due to be renewed, and at the Cabinet's discretion, buildings that are operating primarily as social or sports clubs *with a paying membership* [our emphasis] should be given the standard 20% discount against the full market rent that applies to all charities hiring Council property.

Buildings being leased to organisations that are open *to the community at large* and *are working to further the aims of the council's community plan* [our emphasis] can be given up to 100% discount, subject to a business plan outlining their activities, how they align with the corporate or community plan and how they intend to make their activities sustainable.'

Cheltenham Borough Council's Corporate Strategy 2010-2015 identifies 3 key community objectives, which are as follows:

- Enhancing and protecting our environment
- Strengthening our economy; and
- Strengthening our communities

These are supported by an additional 'cross-cutting' objective of

- Enhancing the provision of arts and culture

Rental subsidies will be determined by the degree to which organisations support these objectives in their business plans.

Alongside the Corporate Strategy is Cheltenham's Sustainable Community Strategy 2008-2011. This Strategy identifies nine priorities for Cheltenham:

- Promoting Community Safety
- Promoting Sustainable Living
- Promoting a strong and sustainable economy
- Building healthy communities and supporting housing choice
- Investing in environmental quality
- Investing in travel and transport
- Investing in arts and culture
- A focus on children and young people

Nearly all of these priorities 'fit' in some way with the 4 related objectives in the Council's Corporate Strategy. The focus on children and young people is however more cross-cutting. In view of this, and the recognition that the Community Strategy has given the need for a clear focus on children and young people, any organisation whose work has such a focus, which improves those outcomes for children and young people, as identified within Every Child Matters, will also be given recognition for this when calculating rent subsidies.

### **Calculating the Rent Subsidies**

The Corporate Asset Group will form an Assessment Panel to review each property rent subsidy request. Where an organisation is able to demonstrate clearly and to the satisfaction of the Assessment Panel that it is making a significant contribution to one or more of the objectives identified within the Corporate Strategy and/or the outcomes for children and young people, as identified within Every Child Matters, it will be entitled to a 20% discount on the rental costs for significantly contributing to each objective/priority.

The Cabinet reserves the right to award an additional discount in exceptional cases, where the organisation concerned has demonstrated, via a clearly evidenced business plan, that they are providing a comprehensive community benefit which is not satisfactorily reflected through the application of the rental discount criteria specified within this document.

Organisations will only have the power to sub-let with the agreement of the Council, which will not be unreasonably withheld so long as the income is used to further the aims and activities of the organisation.

This discount will be staggered incrementally, as follows:

One objective	– 20% discount
Two objectives	– 40% discount
Three objectives	– 60% discount
Four or more objectives	– 80% discount

As agreed by the Cabinet in July 2010, a further 20% discount is available to any charity renting Council property.

As a general rule, when leases are due to be renewed and at the Cabinet's discretion, buildings that are operating primarily as social or sports clubs with a paying membership should be given the standard 20% discount against the full market rent, that applies to all charities renting Council property.

The following Assessment Matrix identifies the objectives currently identified within the Corporate Strategy and the Sustainable Community Strategy, and provides a framework for calculating the rental subsidies.

It is the responsibility of the Cabinet, acting on the advice from the Cabinet Member responsible for Community Development, following consultation with relevant officers and Cabinet portfolio holders, to decide whether or not the organisation contributes sufficiently to the Council's Corporate Plan or the Local Strategic Partnership's Community Plan, to merit a discount on the rent and what the level of discount should be.



**Assessment Matrix**

Name of Organisation:	Registered Charity? Yes/No	Does the organisation have a paying membership? Yes/No	% subsidy awarded
<b>Based on their Business Plan, what contribution does this organisation make to the Council's Corporate Strategy and/or Cheltenham's Sustainable Community Strategy?</b>	<b>Which objectives does the Organisation significantly contribute towards?  (Tick and give reasons where appropriate)</b>	<b>Does the business plan show how these activities are sustainable?  Yes/No (Give reasons where appropriate)</b>	
Objective 1: Enhancing & protecting our environment (includes investing in environmental quality, investing in travel and transport and promoting sustainable living)			
Objective 2: Strengthening our economy			
Objective 3: Strengthening our communities (includes promoting community safety, promoting housing choice, building healthier communities and supporting older people)			
Objective 4: Enhancing the provision of arts and culture			
Objective 5: A focus on children and young people i.e. where One or all of the following outcomes for children and young people are met:  – Be healthy – Stay safe – Enjoy & Achieve – Making a positive contribution – Achieving economic well-being			

State Aid avoidance checklist:-

- Is the proposed tenant a not for profit organisation?
- Is the use of the building for a community purpose?
- Are the activities carried out by the organisation of local interest only?

**Date of Assessment:**

**Assessed by:** Name and Job Title(s)

Signature(s)

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## Cheltenham Borough Council

Cabinet – 16<sup>th</sup> March, 2010

### Asset management

#### Property lettings and disposals to the third sector, voluntary and community groups

#### Report of the Cabinet Member Built Environment

### 1. Executive Summary and recommendation

#### 1.1 The issue

1.2 The Council has, over many years, entered into a variety of property letting arrangements with the voluntary or so-called 'third sector', sometimes providing grant assistance or preferential tenancy terms, thereby subsidising the provision of services deemed to be of community benefit.

1.3 Increasingly, the Council is being asked to consider letting property, or granting interests in property to community-based organisations on a subsidised basis, rather than at 'best consideration'.

1.4 Current arrangements cover some 34 arrangements including:-

- third sector, community & voluntary groups with a matching grant;
- third sector, community & voluntary groups with no grant but currently occupying rent free;
- third sector, community & voluntary groups that were initially grant funded for a preset period and supposed to revert to open market value, but not pursued as the organisation is financially vulnerable.

1.5 Typically, in line with the Council's property disposal strategy, each individual case has been reported to Cabinet as and when the need arises. This process can be both time consuming and due to the issues involved, can be a disproportionate drain on officer time.

1.6 A more consistent, transparent and streamlined process is needed to help facilitate officer negotiations with tenants or purchasers and that is the subject of this report.

1.6.1 I therefore recommend that Cabinet:-

1.6.2 **Agrees to consider lettings or disposals to the third sector on the recommendation of a 'sponsoring service' (as defined in the report) and a relevant Cabinet member at less than best consideration, based upon the framework of principles set out at Appendix A;**

1.6.3 **Agrees the set of principles outlined at Appendix A, to be applied by the Head of Property and Asset Management in framing recommendations to Cabinet as**

**to whether a voluntary sector letting or disposal merits (or continues to merit) a monetary discount, at what level and on what terms.**

## **1.7 Summary of implications**

### **1.7.1 Financial**

The Council faces significant budgetary challenges in continuing to support the current range of services provided either directly or indirectly by the authority.

The financial implications of any revised or additional support to third sector or community organisations need to be considered carefully in light of the Council's corporate priorities and the medium term financial strategy.

**Contact officer: Mark Sheldon, Chief Finance Officer**

**E-mail: mark.sheldon@cheltenham.gov.uk**

**Tel no: 01242 264123**

### **1.7.2 Legal**

Under S123 Local Government Act 1972, leases for a term greater than 7 years must be for the best consideration reasonably obtainable. The only exemption to this is where the letting at less than best consideration contributes to the 'social, economic or environmental well-being' of the council's area or residents. Whilst leases for a term of less than 7 years do not have to be for the best consideration reasonably obtainable, the council must still have regard to its general fiduciary duty.

Legal advice was sought on whether this policy would fall foul of rules against State Aid. State Aid occurs when financial assistance is given by a public body which favours certain organisations and distorts or threatens to distort competition between Member States of the EU. The advice is that the letting at an undervalue to community organisations will not be State Aid if:

- The proposed tenant is a not for profit organisation;
- The use of the building will be for a community purpose; and
- The activities carried out by the organisation(s) are of local interest only.

**Contact officer: Donna McFarlane**

**E-mail: donna.mcfarlane@tewkesbury.gov.uk**

**Tel no: 01242 775116**

## **1.8 Implications on corporate and community plan priorities**

### 1.8.1 An excellent and sustainable council

- Using our property assets effectively;
- Recognising and promoting the role of community groups and volunteering;
- Contributing to the work of regional and local partnerships.

### 1.8.2 Building strong communities

- Empowering communities, community groups and the voluntary sector.

### 1.9 Statement on Risk

- Medium - if the Council is overly generous in subsidising tenancies with grant, or in the disposal of property interests, there is the potential for financially adverse precedent-setting implications, resulting in reduced income from assets and cumulative impacts on the Council's medium term financial strategy;
  - Medium - failure to provide appropriate support to community-based organisations and services could result in such organisations becoming unviable and the services provided could be lost, to the detriment of the social and economic well-being of the town;
  - High - if appropriate and transparent legal agreements are not put in place, tenants may be more difficult to remove if they fail to meet the terms of any subsidised letting arrangement, with the potential for associated adverse publicity for the Council;
  - Medium - if prospective tenants cannot demonstrate a robust business plan when taking on property commitments from the Council, there is an increased risk of failure and associated financial and reputation impacts for the authority.
- 

## 2. Background

- 2.1 This report informs Cabinet of the arguments for a more streamlined policy for certain property transactions involving community groups and social enterprises. It puts forward the principles that should be applied in determining whether or not to grant concessions in relation to such arrangements.
- 2.2 The Council's current disposal strategy states: 'subject to any policy decision by the Cabinet, all proposed disposals at less than best consideration will be referred to Cabinet for approval, prior to any commitment by the Council to the transaction.'
- 2.3 This report proposes that Cabinet agrees 'in principle' to disposals to the third sector at less than best consideration, based upon an agreed framework. The assessment framework will be applied by the Head of Property and Asset Management prior to making any recommendations to Cabinet regarding lettings to the voluntary or third sector at less than best consideration.
- 2.4 The aim is to create a more streamlined, consistent and transparent approach to dealing with voluntary sector disposals.
- 2.5 Proposed disposals at less than best consideration will be subject to consultation with the Asset Management Working Group before being referred to Cabinet for approval and prior to any commitment by the Council to the transaction.

### **3. Proposed principles**

- 3.1** Voluntary, or third sector groups, have a broad diversity of purposes and missions and therefore, a set of principles needs to be agreed, in order that a uniform approach can be taken with each individual case. In the majority of cases, these principles should enable the Head of Property and Asset Management (in consultation with the Cabinet Member Built Environment), to make consistent, transparent and efficient recommendations as to whether a third sector disposal merits a monetary discount, at what level and on what terms (see Appendix A for proposed principles).
- 3.2** If the recommendations in this report are accepted, officers will ensure that appropriate documentation is maintained to show how the agreed principles have been applied to each case and the results of the consultation with the sponsoring Cabinet member, prior to making recommendations to Cabinet.
- 3.3** Where appropriate, arrangements may also be subject to consultation with the Corporate Asset Group (officers) and the Asset Management Working Group as well as being subject to the Council's normal auditing processes.
- 3.4** 'Premises held for community or third sector purposes' - this category of property includes all premises let, or otherwise made available to the third sector by the Council.
- 3.5** The key aim is to create transparency in the opportunity costs of making property available to the third sector and the value added by the third sector in helping to meet Community Plan objectives.
- 3.6** Sponsoring services will need to demonstrate the benefits of premises being let to voluntary or third sector organisations. The Council intends, over time, to move all third sector occupiers of its property onto arrangements reflecting the full market value and opportunity costs, together with a service agreement (where appropriate) which sets out the services to be provided and which may include a grant (or clearly identified rent reduction) to reflect the value of the letting to the community. Service agreements (which should ideally be structured on at least a three year basis) will be managed by the relevant 'Sponsoring service', together with appropriate performance monitoring arrangements.
- 3.7** As a guiding principle, the Council will, wherever practicable, seek to support and encourage third sector, voluntary or community organisations to become more self sufficient and less reliant upon on-going financial support from the Council.
- 3.8** To this end, the Council is supportive of the potential identified by the Quirk Review for the transfer of publicly-owned assets to accountable, community-based organisations, particularly where this can facilitate the achievement of objectives set out in the Community plan or the Council's business plan.
- 3.9** In summary, all lettings by the Council will start from the basis of a commercial or market rate clearly set out in the tenancy agreement and any subsidy, either in the form of a specific performance-related grant or reduction in the market rent will be explicitly identified.

### **4. Sponsoring service**

- 4.1** The decision on whether a particular third sector organisation should be offered

Council property at less than 'best consideration' needs to be related to the assessed benefits of the service it provides to the community. If the arrangement is subsidised in any way, it must avoid falling foul of European legal requirements relating to state aid.

- 4.2** These are issues which the Assistant Director (AD) with responsibility for the type of service provided by the voluntary or third sector organisation is usually best positioned to determine, in consultation with his or her Cabinet member. That AD would be the lead for the 'sponsoring service' that the third sector organisation and the Head of Property and Asset Management would need to consult with, in determining an appropriate recommended level of grant to offset the assessed market rent. The sponsoring service will also need to determine whether there is a need for a related performance contract in the form of a service level agreement, in consultation with the relevant Cabinet member.
- 4.3** Where there is no obvious 'sponsoring service' this will be determined in consultation with the Leader of the Council.

## **5. Consultation**

- 5.1** Consultation has been carried out with the officer Corporate Asset Group (CAG), cross-party Asset Management Working Group (AMWG) and specifically with the Leader of the Council and Cabinet Member Built Environment.
- 5.2** CAG was strongly of the view that in view of the identified funding gap in the medium term financial strategy, commercial properties should only be considered for letting at a sub-market rent as a last resort. In the event that marketing such properties fails to identify a suitable commercial tenant or purchaser, alternative offers will be considered or invited from voluntary or third sector organisations.
- 5.3** Existing community organisations supported by the authority will need to be considered on a case by case basis, with a view to the long term sustainability of their financial arrangements.
- 5.4** AMWG was of the view that whilst the Council's income from its assets was an important consideration, a careful balance needs to be struck which recognises the community benefits which can accrue from properties let or transferred to the third sector.
- 5.5** Some property assets have been occupied by community users for many years and others may at times be difficult to let. Members would like to have the option of letting such assets at below market rent where there is a demonstrable community benefit.

## **6. Conclusions**

- 6.1** Over many years, the Council has allowed various subsidised arrangements in relation to the letting of its land and buildings to voluntary, community or third sector organisations, without having an explicit set of guiding principles to underpin related decision making.
- 6.2** This has given rise to a range of issues which this report seeks to address, by setting out a more structured approach that will be more consistent, transparent and streamlined, ensuring decisions are informed by a framework of agreed principles.

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<b>Background Papers</b>	'Making Assets Work' - The Quirk Review of community management and ownership of public assets.
<b>Report Authors</b>	Joanna Sill, Property Surveyor 264365 <a href="mailto:joanna.sill@cheltenham.gov.uk">joanna.sill@cheltenham.gov.uk</a>  Mike Redman, Assistant Director Built Environment, Cheltenham 264160 (Ext 4160) <a href="mailto:mike.redman@cheltenham.gov.uk">mike.redman@cheltenham.gov.uk</a>
<b>Accountability</b>	Cabinet Member Built Environment
<b>Scrutiny Function</b>	Environment

**Appendix A****Proposed principles****Disposals**

This policy will not apply to public services which are commissioned or contracted out to third sector organisations and which have a clear monetary or commissioned value to the Council to i.e. Instances such as where a third sector group takes over the management or provision of a service on behalf of the Council should be dealt with separately. In these cases formal contracts or service level agreements would invariably be applicable.

**New lettings**

- The proposed disposal must fall within a general consent (as set out at Appendix B);
- There must be a 'sponsoring service' and a relevant Cabinet member in support of the disposal at less than best consideration;
- The proposal must contribute towards meeting identified priorities in the current Community Plan and/or Corporate Business Plan;
- A business plan must be submitted, clearly indicating the community benefits of the proposed operation and its financial viability over both the short and longer term;
- There must be a clear request for a discount on the basis that the funds are not available to meet the full market rent, but indicating how the proposal will be sustainable in the longer term;
- If a planning consent will be required, there must be a reasonable prospect that this can be obtained in a timely fashion, as advised by the Council's Development Control Manager;
- In the case of municipal shops, any related shopping facilities must not be adversely affected;
- The current state / condition of the premises and any proposed repairs by the incoming tenant will be taken into account in assessing the market rent.

**Existing leases**

*i.e. an existing third sector tenant is unable to meet the increase in rent following a rent review or lease renewal, or they have requested a 'rent holiday'.*



- Up to the last three years business accounts must be submitted as evidence of a current inability to pay the full rent;
- The proposed disposal must fall within a general consent (see Appendix B);
- There must be a sponsoring service and a relevant Cabinet member in support of the disposal at less than best consideration;
- The proposal must contribute towards meeting identified priorities in the current Community Plan and/or Corporate Business Plan;
- A business plan should be submitted, clearly indicating the community benefits of the proposed operation and how it will be viable in the longer term;
- In the case of municipal shops, any related shopping facilities must not have been adversely affected by the existing tenancy.

### **Temporary licences**

*E.g. Access licences to cross Council land. These are not classed as a disposal and therefore the disposal strategy does not apply and neither does 'opportunity cost'.*

- Access must be necessary to allow the organisation to function;
- The applicant must exempt from the State Aid rules as set out under Legal implications (see paragraph 1.6.2 above);

*An 80% discount will be applied in the case of temporary licences, to align with the discount given to charities on business rates.*

### **Legal documentation**

- The unrestricted market value of any disposal should be noted in the legal documentation, so as not to risk undermining the value of other Council assets;
- The unrestricted market value of the disposal should be noted in the financial accounts;
- The Council should be able to request an annual progress report on the operation if it so chooses;
- The Council will include appropriate rent review periods and mutually acceptable break clauses in all new letting arrangements, to provide financial assurance for both the authority and its tenants;
- If the tenant or use changes, the Council will have the option to withdraw from the agreement;
- The disposal must comply with European legislation relating to state aid.

### **General disposal consent**

Under S123(2) of the Local Government Act 1972 the consent of the Secretary of State is required to carry out a disposal at less than best consideration.

From time to time, the Secretary of State issues so-called 'General Consents' which apply to disposals meeting specified criteria. Where a general consent has been issued, a qualifying disposal can proceed without the need for referral to the Secretary of State. The General Disposal Consent (England) 2003 applies to disposals where:

- a) The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole of the whole or any part of its area, or of all or any persons resident or present in its area:
  - i) the promotion or improvement of economic well-being;
  - ii) the promotion or improvement of social well-being;
  - iii) the promotion or improvement of environmental well-being; and
  
- b) the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds)

**Policy for Property lettings and disposals to the third sector, voluntary and community groups****(Appendix H)**

The Cabinet considered and adopted a policy framework for Community lettings to the voluntary or third sector on 16th March, 2010.

**General Principles**

As a guiding principle, the Council seeks to maximise the return on its non-operational portfolio. However, where a property is occupied by a registered charity or community group which clearly supports the Council's priorities, the authority will consider a rent subsidy. The subsidy will be calculated against the total assessed rental value of the property on the open market and will be counted as grant aid.

In future all lettings by the Council will start from the basis of a commercial or market rate clearly set out in the tenancy agreement and any subsidy, either in the form of a specific performance-related grant or reduction in the market rent will be explicitly identified.

The decision on whether a particular third sector organisation should be offered Council property at less than 'best consideration' needs to be related to the assessed benefits of the service it provides to the community. If the arrangement is subsidised in any way, it must avoid falling foul of European legal requirements relating to state aid. State Aid occurs when financial assistance is given by a public body which favours certain organisations and distorts, or threatens to distort, competition between Member States of the EU. In addition the use of the building must achieve or promote social, economic or environmental well-being and that it falls within the state aid exemption.

State Aid occurs when financial assistance is given by a public body which favours certain organisations and distorts or threatens to distort competition between Member States of the EU.

The current position is that the letting at an undervalue to community organisations will not be State Aid if:

- The proposed tenant is a not for profit organisation;
- The use of the building will be for a community purpose; and
- The activities carried out by the organisation(s) are of local interest only.

In this process it is the responsibility of the Asset Management Working Group, acting on the advice of the Head of Property and Asset Management, to determine the lease conditions and the market rent for the property.

It is the responsibility of the Cabinet, acting on advice from the Cabinet Member responsible for Community Development, in consultation with appropriate officers and Cabinet portfolio holders, to decide whether or not the organisation contributes sufficiently enough to the Council's Corporate Plan, or the Local Strategic Partnership's Community Plan, to merit a discount on the rent and what the level of discount should be. The total discount will be considered to be grant aid.

As a general rule, when leases are due to be renewed and at the Cabinets discretion, buildings that are operating primarily as social or sports clubs with a paying membership should be given the standard 20% discount against the full market rent, that applies to all charities hiring Council property.

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Buildings being leased to organisations that are open to the community at large and are working to further the aims of the Council's Community Plan can be given up to 100% discount, subject to a business plan outlining their activities, how they align with the corporate or community plan and how they intend to make their activities sustainable.

## **Disposals**

This policy will not apply to public services which are commissioned or contracted out to third sector organisations and which have a clear monetary or commissioned value to the Council to i.e. Instances such as where a third sector group takes over the management or provision of a service on behalf of the Council should be dealt with separately. In these cases formal contracts or service level agreements would invariably be applicable.

## **New lettings**

The proposed disposal must fall within a general disposal consent (see below).

The proposal must contribute towards meeting identified priorities in the current Community Plan and/or Corporate Business Plan;

A business plan must be submitted, clearly indicating the community benefits of the proposed operation and its financial viability over both the short and longer term;

If a planning consent will be required, there must be a reasonable prospect that this can be obtained in a timely fashion, as advised by the Council's Development Control Manager;

In the case of municipal shops, any related shopping facilities must not be adversely affected;

The current state / condition of the premises and any proposed repairs by the incoming tenant will be taken into account in assessing the market rent.

## **Existing leases**

The proposed disposal must fall within a general consent;

The proposal must contribute towards meeting identified priorities in the current Community Plan and/or Corporate Business Plan;

A business plan should be submitted, clearly indicating the community benefits of the proposed operation and how it will be viable in the longer term;

In the case of municipal shops, any related shopping facilities must not have been adversely affected by the existing tenancy.

## **Temporary licences**

E.g. Access licences to cross Council land. These are not classed as a disposal and therefore the disposal strategy does not apply and neither does 'opportunity cost'.

Access must be necessary to allow the organisation to function;

The applicant must exempt from the State Aid rules as set out under Legal implications

An 80% discount will be applied in the case of temporary licences, to align with the discount given to charities on business rates.

## **Legal documentation**

The unrestricted market value of any disposal should be noted in the legal documentation, so as not to risk undermining the value of other Council assets;

The unrestricted market value of the disposal should be noted in the financial accounts;

The Council should be able to request an annual progress report on the operation if it so chooses;

The Council will include appropriate rent review periods and mutually acceptable break clauses in all new letting arrangements, to provide financial assurance for both the authority and its tenants;

If the tenant or use changes, the Council will have the option to withdraw from the agreement;

The disposal must comply with European legislation relating to state aid.

### **General disposal consent**

Under S123(2) of the Local Government Act 1972 the consent of the Secretary of State is required to carry out a disposal at less than best consideration.

From time to time, the Secretary of State issues so-called 'General Consents' which apply to disposals meeting specified criteria. Where a general consent has been issued, a qualifying disposal can proceed without the need for referral to the Secretary of State. The General Disposal Consent (England) 2003 applies to disposals where:

The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole of the whole or any part of its area, or of all or any persons resident or present in its area:

the promotion or improvement of economic well-being;

the promotion or improvement of social well-being;

the promotion or improvement of environmental well-being; and

the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds)

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## Cheltenham Borough Council

**Cabinet – 15<sup>th</sup> March 2011**

### **Imperial and Montpellier Gardens Strategy**

<b>Accountable member</b>	<b>Cabinet Member Sustainability, Councillor Roger Whyborn</b>
<b>Accountable officer</b>	<b>Assistant Director Operations, Rob Bell</b>
<b>Accountable scrutiny committee</b>	<b>Environment</b>
<b>Ward(s) affected</b>	<b>Lansdown</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Executive summary</b>	<p>This is a “problem born out of success”, resulting from year on year increase in the sale of tickets by Cheltenham Festivals over a period of some years. Increasing usage of Imperial Gardens for Festival marquees combined with some bad weather events in the year 2010 has pointed public attention at the standard of the gardens being lower than the Council would wish. This culminated in a public petition debated at Council on 13<sup>th</sup> December 2010, which in turn resulted in Council requesting cabinet to bring forward design proposals with three months. Secondly, Cheltenham Festivals themselves have requested that CBC review both the design and the usage of the gardens so as to allow further expansion, in a way which is suitable to both the town and its festivals, in terms of design. A meeting of stakeholders was held on 13<sup>th</sup> Jan 2011, in order to consider some of the implications of the increasing use of the gardens by Cheltenham Festivals.</p>
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1) <b>It is proposed that a design scheme for Imperial Gardens be worked up to the required standard for public consultation, the consultation process to take place during Spring 2011. This scheme should be based on</b> <ol style="list-style-type: none"> <li>a) <b>Either Option 1 of this report,</b></li> <li>b) <b>Or Option 2 of this report</b></li> </ol> </li> <li>2) <b>Following public consultation, authority be delegated to the Assistant Director (Operations) in consultation with the Cabinet Member, Sustainability and the Council leader, to go forward with a tendering process for Design and Works in Imperial Gardens.</b></li> <li>3) <b>At the same time, authority be delegated to the Assistant Director (Operations) in consultation with the Cabinet Member, Sustainability and the Council leader to go forward with a tendering process for infrastructure in Montpellier Gardens.</b></li> <li>4) <b>The final decision to go ahead with works in Imperial Gardens and Montpellier Gardens are to be referred back to Cabinet for decision, in time for completion of works over the winter 2011/2.</b></li> </ol>

<b>Financial implications</b>	<p>The 2011/12 budget, approved by Council on 11<sup>th</sup> February 2011 includes a one-off budget of £140,000 for the redesign of Imperial and / or Montpellier Gardens. The Option 2 proposals included in this report are costed within Appendix F, and are within this budgetary provision.</p> <p><b>Contact officer: Sarah Didcote,</b> <b>sarah.didcote@cheltenham.gov.uk, 01242 264125</b></p>
<b>Legal implications</b>	<p>The grant contract dated 28 October 2004 from HLF requires the HLF's consent to any disposal of Montpellier Gardens. Part of the grant may need to be repaid, and officers are currently in discussion with HLF regarding the disposal of the Lodge. The grant contract also requires the council to "arrange for the general public to have appropriate access to Montpellier Gardens", and requires that the council "ensures that no person is unreasonably denied access to Montpellier Gardens". Officers do not consider that the use of Montpellier Gardens by Cheltenham Festivals and other organisations infringes this requirement, but the views of HLF are being sought.</p> <p><b>Contact officer: Nicolas Wheatley,</b> <b>nicolas.wheatley@tewkesbury.gov.uk, 01684 272695</b></p>
<b>HR implications (including learning and organisational development)</b>	<p><b>No immediate HR implications as a direct result of this report.</b></p> <p><b>Contact officer: Julie McCarthy - HR Operations Manager ,</b> <b>julie.mccarthy@cheltenham.gov.uk, 01242 264355</b></p>
<b>Key risks</b>	<p>The risk assessment is included as appendix A</p>
<b>Corporate and community plan Implications</b>	<p>Four outcomes from the Council's Corporate Strategy that are of relevance:</p> <ul style="list-style-type: none"> <li>• Cheltenham has a clean and well-maintained environment</li> <li>• Cheltenham's natural &amp; built environment is enhanced and protected</li> <li>• Create a financially sustainable structure for delivering arts and culture activities.</li> <li>• Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment</li> </ul>
<b>Environmental and climate change implications</b>	<p>The current planting arrangement in Imperial Gardens is intensive in terms of water, material and labour input, and partially relies upon the use of peat based compost.</p> <p>This would be reduced if existing areas of seasonal bedding plants were turned over to grass to accommodate festival marquees, or replaced with perennial plants.</p>

## **1. Background and History**

- 1.1** Imperial Gardens has existed in various forms for over a century, and has always been integral with the Town Hall in civic design terms. The Town Hall foundation stone was laid in 1902, and the Winter Gardens opened later, which extended over part of the site now occupied by the gardens. The Winter Gardens was demolished in 1940 for security reasons. Following the war the opportunity was taken by the Borough Council to completely re-lay Imperial Gardens, and the present formal gardens were essentially laid out in the early 1950's, though there have been minor changes to the configuration subsequently. Imperial Gardens is well known around the nation, and beyond, as a place to see in Cheltenham, and is frequently photographed in tourism publicity and in travel books about Cheltenham.
- 1.2** Montpellier Gardens evolved through most of 19<sup>th</sup> century, starting in 1817, with the historic bandstand being constructed in 1864. The gardens were re-laid in 1955 by the Borough Council. Subsequently the restoration of the historic bandstand was initiated in the 1990's. The gardens were extensively renovated in 2006 using Heritage Lottery Fund money. Montpellier Gardens also has tennis courts, a cafe and a Proscenium. Montpellier Gardens is host to a number of events annually such as the Carnival, the Food Festival, Art Exhibitions, and Danter's Fair. In 2011 part of the Literature Festival will also use the Gardens.
- 1.3** Various Festivals have been held in Cheltenham since at least the early part of the 20th century. Cheltenham Festivals (CF) has existed as a separate organisation since 1948, and in recent years this activity has greatly expanded. The plan is for CF to become increasingly independent of the Council in business terms, though relations have been and will continue to be close. In 2010, CF sold some 175,000 tickets, the majority of which were for the Literature Festival. The contribution to the local economy is considerable, and consultants have advised CF it is worth some 129 jobs. The Festivals attract many celebrities and famous writers, scientists, politicians, musicians and others, and are very highly regarded, both nationally and internationally.
- 1.4** Thus the Festivals and the town's reputation as the tourist centre for the Cotswolds are just two of the major features which help to put Cheltenham on the map – along with Gold Cup week and others. Both of these important aspects of Cheltenham's reputation compete for the same space, in the case of Imperial Gardens, with its proximity to the historic baroque style town hall. Hence this gives the Council a challenging task in determining a solution which is best for Cheltenham.

## **2. Summary of the Issue**

### **2.1 Needs for change which have been identified**

**2.2** There is a general consensus amongst all parties so far consulted that Imperial Gardens is under some pressure, and that change will be needed if Cheltenham Festivals are to maintain or indeed expand their activities from 2012 onwards and the parks are to be maintained to a high standard for the enjoyment of the public. The minutes of the stakeholder event held on 13th December 2010 are attached as Appendix E.

**2.3** It was clear from the meeting of stakeholders that major re-landscaping with sustainable planting was not a viable option consistent with the ethos of Imperial Gardens, and indeed as much was expressed at full council in December 2010. Whilst some sustainable planting may be possible in some places, the overwhelming aim is to provide strong colours in most places. Indeed it would appear that there would be little objection if the grasses around the Holst statue were replaced by more colourful plants. In theory, that leaves the option of a full re-landscaping of the whole topography with bedding plants though in practice this would be open to the charge of change for change's sake, and certainly expensive, as it could involve extensive earthworks. For the same reason significant re-location of paths should be minimised as being both disruptive and expensive.

- 2.4 Cabinet believe that Imperial Gardens should be maintained and re-vamped as a formal garden and that this is consistent with its recognised status as an iconic symbol of Cheltenham. Similarly having recently invested in Montpellier Gardens using Heritage Fund money, the current pattern should be retained for the future. That said, I also recognise that the infrastructure for utilities (electricity, water, and drainage) in Montpellier Gardens is inadequate for the various users who from time to time occupy the gardens.
- 2.5 I am therefore putting forward a proposal for re-design in Imperial Gardens. There are a number of common features which have been informed by feedback received so far. These will be further refined as consultation proceeds, commencing with Overview and Scrutiny committees. In summary:
- A formal garden i.e. flower beds, should be retained in Imperial Gardens. Imperial Gardens is a key piece of Cheltenham's history, image, and tourism, and should continue to be gardens for the public to enjoy
  - The Council continues to be supportive of Cheltenham Festivals as a key and expanding part of Cheltenham's economy and tourism. Reconciling this statement with the foregoing statement is very challenging and will need careful thought in terms of any re-design proposals for the gardens.
  - It is essential to improve, i.e. reduce, occupancy time and improve the 'making good' regime following Festival usage. It is proposed to limit the use of Imperial Gardens by Cheltenham Festivals to 75 days p.a., instead of the recent practice of over 100 days per annum. A similar overall restriction would apply in Montpellier Gardens, in which would be factored in use by other users, currently some 30 days p.a. Cheltenham Festivals, however, have stated that they will be unable to meet this requirement given the restrictions on loading and unloading arising from the current layout.
  - Flower beds can be relocated to suit requirements of Festival marquees. **Significant reduction in the flower beds is unlikely to be accepted.**
  - Some sustainable planting is possible though probably not extensive.
  - Any new scheme should address the garden bar area, and enable it to be kept open during all the festivals, which is not currently the case.
  - Councillors have received frequent requests to re-vamp and re-open Skillicorne gardens, and I believe this opportunity should be taken within whatever scheme is adopted.
  - The adding of a statue or other suitable public art, subject to fund raising, could be considered later, and was mentioned by some at the meeting of stakeholders.
  - Consider the use of hard-standing in places – these could have removable planters, and they might well be small enough to be contained wholly within the footprint of a marquee.
  - Various groups have suggested re-instatement of the historic railings around Imperial Gardens as adding to the overall 'offering'. Whilst this is outside of the scope of the Council's funding, this option should be considered in parallel with, or as part of, the consultation process, or in order that a holistic solution is arrived at. The public appetite for this suggestion needs to be tested.
  - Any schemes for laying out the gardens would be subject to available funds. Budget indications are that an initial £140K would be available in 2011/12, and this sum includes any monies allocated to infrastructure in Montpellier Gardens.

### 3. Summary of evidence/information

#### 3.1 Options for change which have been considered

- 3.2 The more difficult issue to address is the question of how extensively Cheltenham Festivals (CF) should spread itself across the Imperial Gardens site, and/or overspill to Montpellier Gardens. I consider that the present arrangements, currently designated as a 'red-line' in the Festivals land use agreement for Imperial Gardens, are not working well due to over use of the lower tier and bar area and hence propose that two design options be initially pursued, which will subsequently be reduced to a single design option when more information and feed back is to hand.

### 3.3 Option 1

3.4 Bringing the “red-line” in Imperial gardens back to the E-W path from the Holst statue with minimal changes, other than to add colour by means of bedding plants (in the main) in those places where it is bare, and generally improving the maintenance and quality of the so called lower tier. See Appendix B.

3.5 A variation of this option is to leave the “red-line” in Imperial gardens where it is now, at the bank to the upper tier, but to thin out the density of tents, in particular in the area around the garden bar, and hence take the opportunity to re-lay the lower tier in a way that is less injurious to the turf, and enables the area around the garden bar to be re-claimed during festivals.

3.6 The rationale with this approach is that significant underlying expansion of CF’s activities is not anticipated, but that such expansion and overspill as there is would be applied to Montpellier Gardens rather than Imperial Gardens. See Appendix D. It is likely that with this approach at least one Festival could vacate the town centre. CF may decide on this course of action in any event. The *quid pro quo* of such a decision is likely to mean that any redevelopment of Imperial gardens will assume that the upper tier of the gardens need not accommodate festival marquees.

3.7 Option 1 of course would actually reduce the space capacity available to Cheltenham Festivals in Imperial Gardens.

### 3.8 Option 2

3.9 Create a “Festival in a Garden” approach by re-organising location of flower beds. This would greatly enhance the offering to festival goers, and indeed to the town, but would only be achievable if the density of marquees is kept to a realistic level. This would allow use of the whole of the gardens by CF’s marquees except for paths and bedded areas. See Appendix C. It would create two new large areas for marquees in the Upper tier, and the question of whether those would be turfed or hard-standing has not been fully explored at the time of writing. Either way, the rationale is that it would facilitate expansion of CF’s activities. The working assumption is that there would still be expansion, and some overspill applied to Montpellier Gardens for the Literature Festival, and possibly the Jazz Festival, unless the latter moved to an out of town location. See Appendix D.

**3.10 However, initial feasibility studies show that the level of tentage which is desired by Cheltenham Festivals in Imperial Gardens is at least 50%, and perhaps more, above the level required to achieve the “Festival in a Garden” theme. It is therefore unlikely that CBC can deliver on CF’s full aspirations, albeit this problem may only apply in the long-term.**

3.11 Cheltenham Festivals will review the suitability of the site for the Jazz Festival in time for the 2013 event. This will be a commercial decision and availability of space for marquees in Imperial or Montpellier gardens will be a significant factor but not the only one to be considered.

3.12 In view of the fact that it may prove too difficult for CBC to meet all of CF's long-term aspirations for available space and occupation time, consideration should be given to researching other sites which the Council owns, additional to Imperial and Montpellier Gardens. At the time of writing this is not a discussion which has been opened up with Cheltenham Festivals.

## 4. Summary of Proposals

### 4.1 Option 1 (use of lower tier of gardens only)

- Limit Cheltenham Festivals to lower tier of gardens only, and encourage Montpellier expansion
- Some minimal re-layouts required, especially in Garden Bar /Quadrangle area (too bare now)
- If possible, enable sufficient circulating area to open garden Bar during all Festivals.
- Essential to retain bedding plants with a few sustainables where tastefully accommodated.

- Re-vamp and re-open Skillicorne Gardens within scheme.
- Essential to improve, i.e. reduce, occupancy time and 'making good' regime. Consider restructured charging system, whereby Cheltenham Festivals pay for use with penalties for damage and/or overstaying, but receive discount in the form of grant – to replace present in-kind usage arrangement.
- Add a statue, subject to independent fund raising.
- May need to do some design tweaks in Montpellier Gardens to facilitate this move.
- Consider re-instatement of the historic railings around Imperial Gardens, funded by others.
- Provide significant upgrades to infrastructure in Montpellier Gardens.

### **4.2 Option 2 (use of both tiers of gardens only but retain formal gardens)**

- Re- design the whole of Imperial gardens to accommodate both Festivals and Gardens.
- Create Festival in a Garden appearance by judicious location of marquee sites versus beds
- Enable sufficient circulating area to open garden bar during all Festivals.
- Essential to retain bedding plants with a few sustainables where tastefully accommodated.
- Re-vamp and re-open Skillicorne Gardens within scheme.
- Essential to improve, i.e. reduce, occupancy time and 'making good' regime. Consider restructured charging system, whereby Cheltenham Festivals pay for use with penalties for damage and/or overstaying, but receive discount in the form of grant – to replace present in-kind usage arrangement. This of course would reduce the space capacity available to Cheltenham Festivals in Imperial Gardens.
- Add a statue, subject to independent fund raising.
- Some use of small areas of hard-standing – not too ambitious and with removable planters?
- Consider re-instatement of the historic railings around Imperial Gardens, funded by others.
- Provide upgrades to infrastructure in Montpellier Gardens, as required.

### **4.3 Feasibility of Proposals from the perspective of usage by festivals**

- 4.4** Presently, Cheltenham Festivals are thought to use some 2000M<sup>2</sup> of tentage in mainly the lower tier of Imperial Gardens i.e. within the current 'Red Line' area, as mapped for full Council on 13<sup>th</sup> Dec 2010. This existing Red line area is about 5500M<sup>2</sup> whereas the overall available area of gardens within Option 1 is 4325M<sup>2</sup> (as shown hatched on the plan) and 8820M<sup>2</sup> (as hatched) within Option 2. All these figures are approximate and depend on the assumptions made, but for the purpose of calculation ignore tents of 5M x 5M or smaller, used for awnings and colonnades and the like.
- 4.5** Cheltenham Festivals have suggested a number of marquees which in aggregate would occupy some 3500M<sup>2</sup> to 4000M<sup>2</sup>. This would be far too high to achieve a "Festival in a Garden" theme. A more realistic density of tentage would allow some 2750M<sup>2</sup>, based on Option 2, or well below 2000M<sup>2</sup> should CBC elect to confine tentage to the lower tier of the gardens, approximating to option 1.
- 4.6** Turning to Montpellier Gardens CBC has identified some 14,400M<sup>2</sup> of usable space i.e. for any and all users of those gardens. The density of tentage does not read across from one garden to the other, because Montpellier Gardens is largely turfed, and does not contain formal bedding. However there are some very important trees around the periphery, and elsewhere, and in particular the arboretum area is not seen as suitable for tentage. Nevertheless there is significant scope for expansion into Montpellier Gardens in terms of available area. What is however in much shorter supply there is availability. The gardens are already booked by numerous users, so the availability to CF would have to be limited to some 45 to 50 days per year, if we are to avoid reproducing the current problems of Imperial Gardens into Montpellier Gardens. This would effectively limit CF's usage to one or two of their four Festivals per annum. Even two Festivals would be very challenging for them in terms of achieving short enough set-up and breakdown times for tentage.

#### 4.7 Review of Proposals from a Landscape Perspective

4.8 The council's Green Space Development Manager has reviewed the landscape impacts of both options, and the following bullet points summarise this:

#### 4.9 Option 1

##### 4.10 Advantages

- Favours primary use of space as a public garden.
- Refurbishes and opens up Skillicorne Gardens (through controlled access by garden bar).
- Emphasis on good quality reinstatement after festivals to minimise negative impact on park users.
- Seasonal bedding schemes remain unaltered, or scope to modernise planting schemes with higher perennial content.
- Allows for accommodation of additional landscape features, such as public art and furniture.
- Could accommodate small scale use by other community event organisers e.g. Gloucestershire Association for the blind like to use the garden bar space.

##### 4.11 Disadvantages

- Area by quadrangle and garden bar is preferred space for Christmas light switch on, **as police can better manage crowd control through closure of The Promenade**. Under such circumstances the area accommodates a stage and large numbers of standing people. Introducing flower beds in this area would limit use of this space in this way.
- Would actually reduce the space capacity available to Cheltenham Festivals in Imperial Gardens.
- Would transfer festival growth to Montpellier Gardens, and place pressure on the recently restored landscape and infra-structure.

#### 4.12 Option 2

##### 4.13 Advantages

- There is potential to refurbish the garden bar space and Skillicorne Gardens

##### 4.14 Disadvantages

- Would significantly reduce the public amenity value of the gardens, i.e. less attractive and interesting space
- The same quantity of beds could not be replaced effectively in the spaces between marquees and structures.
- Most of the event space would not be accessible to the general public during the occupation of the gardens by the festivals, although the impact of this is lessened by putting a cap on the number of days use.
- The risk of damage caused to grass and decorative surfaces would be increased as a result of more construction vehicles accessing the space. The existing construction beneath footpaths is minimal and designed mainly for pedestrian use.
- Despite best attempts to re-instate grass after each festival, there would still be an overall decline in the quality of grass owing to the limited time between festivals for establishment of turf / seed. The extensive use of turf will be required to avoid large unsightly areas of grass after event activities.
- Year on year compaction and prolonged use of space may lead to long term drainage problems.

## 5. Reasons for recommendations

5.1 The reasons for works in Imperial and Montpellier Gardens are explained at length in this report.

At the time of writing the Overview and Scrutiny committees have not met, so the question of recommendation of Option 1 versus Option 2 will be addressed by the cabinet member in an oral report to cabinet.

**6. Alternative options considered**

**6.1** None at this stage, but the indications received are that if further expansion of usage of gardens for Festivals and other events is required in the future, beyond that which is embodied within this report, then the Council should consider new sites. It is considered that further expansion within Imperial Gardens would place undue strain on these gardens.

**7. Consultation and feedback**

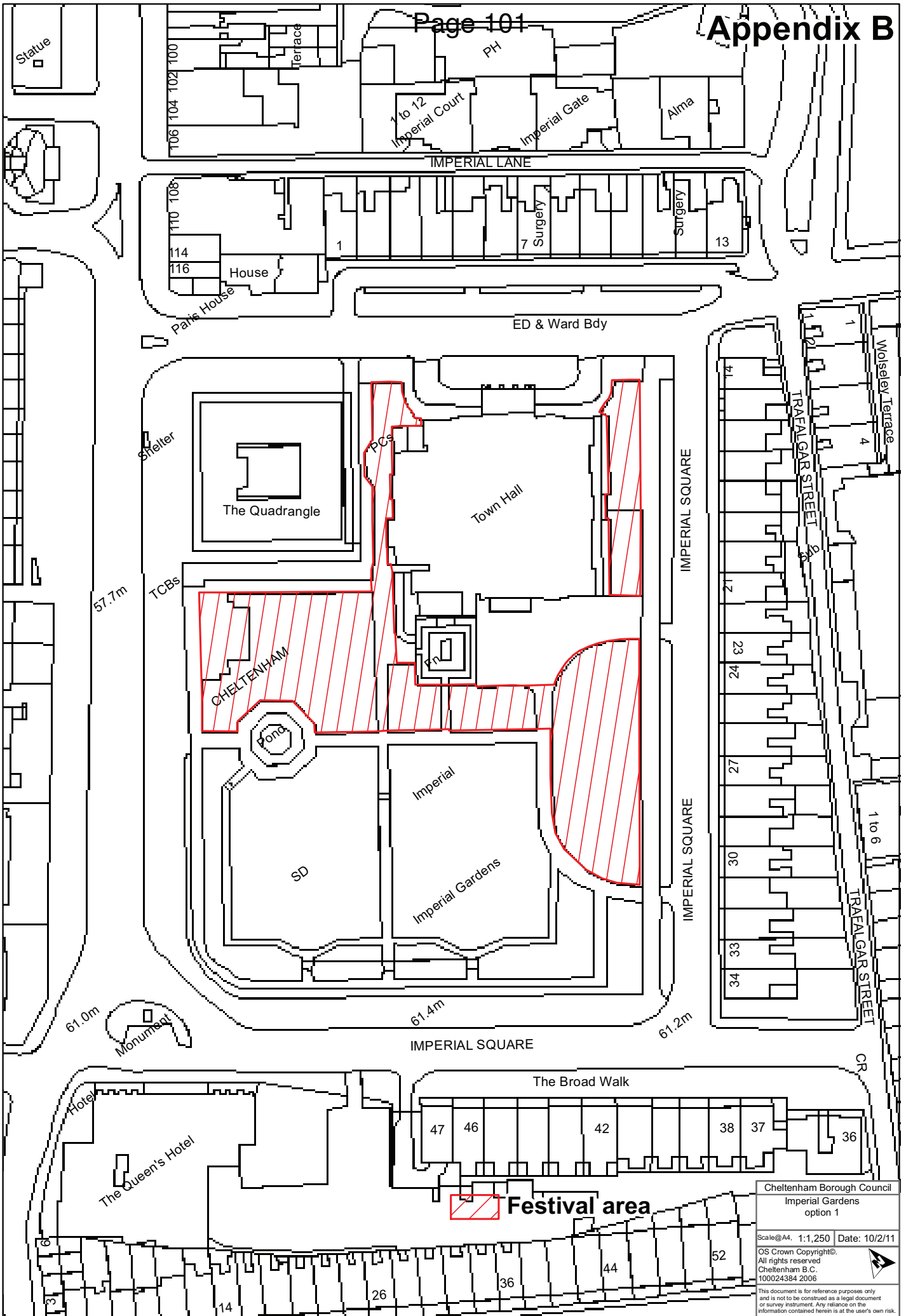
- 7.1** At the time of writing this matter is due to be heard by Environment Overview and Scrutiny Committee on 3<sup>rd</sup> March 2011, and Economic Business Improvement Scrutiny Committee on 7<sup>th</sup> March 2011. A summary of feedback from both of these meetings will be presented verbally.
- 7.2** A public consultation process, based on a design scheme in line with this report is proposed, and that this should take place in the spring of 2011 to allow sufficient time for subsequent evaluation and tendering to enable works to be completed for events in the gardens in 2012.

<b>Report author</b>	<b>Contact officer:</b> , @cheltenham.gov.uk, <b>01242</b>
<b>Appendices</b>	<p>Appendix A - Risk Assessment</p> <p>Appendix B - Map Imperial Gardens Option 1</p> <p>Appendix C - Map Imperial Gardens Option 2</p> <p>Appendix D – Map Montpellier Gardens Option 1 and Option 2</p> <p>Appendix E –Minutes of Stakeholders meeting 13/01/11</p> <p>Appendix F – Cost Estimate</p>
<b>Background information</b>	<p>Environment Scrutiny Committee 2nd March 2011</p> <p>EBI Scrutiny Committee 7<sup>th</sup> March 2011</p>



The risk				Original risk score (impact x likelihood)			Managing risk					
Risk ref.	Risk description	Risk Owner	Date raised	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register	
	<b>OPTION 1</b>											
	Does not offer the space required by Cheltenham Festivals, and they have to relocate else where.		23/02/2011	4	3	12	Yes	Identify suitable space else where	July 2011	Cheltenham Festivals		
	Heritage Lottery Fund declare that Council is not allowing appropriate level of public access to Montpellier Gardens and object to proposals.		23/02/2011	4	1	4	No	Legal view is that appropriate public access will be maintained and to liaise with Heritage Lottery Fund.	April 2011	NW, Legal		
	<b>OPTION 2</b>											
	Park users at both gardens may be dissatisfied with the extent of each site from which they excluded during festival times		23/02/2011	4	4	16	Yes	Do not offer any further space in either gardens. Reduce set up and take down duration.	July 2011	RB / AR		
	Increased use of the gardens for festival activities will accelerate wear and tear on the fabric of the gardens. i.e. use of heavy vehicles and machinery on surfaces not designed to accommodate such use.		23/02/2011	4	4	16	Yes	Festivals invest in regular aeration of ground. Re-instatement clauses in land use agreement enforced. Cheltenham Festivals allow cost plan these items into their operating costs. Investment in hardstanding re-reinforcement within Imperial gardens wil alleviaate this. Select option 1.	July 2011	RB / AR / Festivals		
	Too many marquees mean		23/02/2011	4	4	16	Yes	Proceed anyway and	July	AR /RB		

	that "Festival in a Garden" is unachievable.							accept risk. Manage publicity. Select Option 1.	2011		
	Heritage Lottery Fund declare that Council is not allowing appropriate level of public access to Montpellier Gardens and object to proposals.		23/02/2011	4	1	4	No	Legal view is that appropriate public access will be maintained and to liaise with Heritage Lottery Fund.	April 2011	NW, Legal	



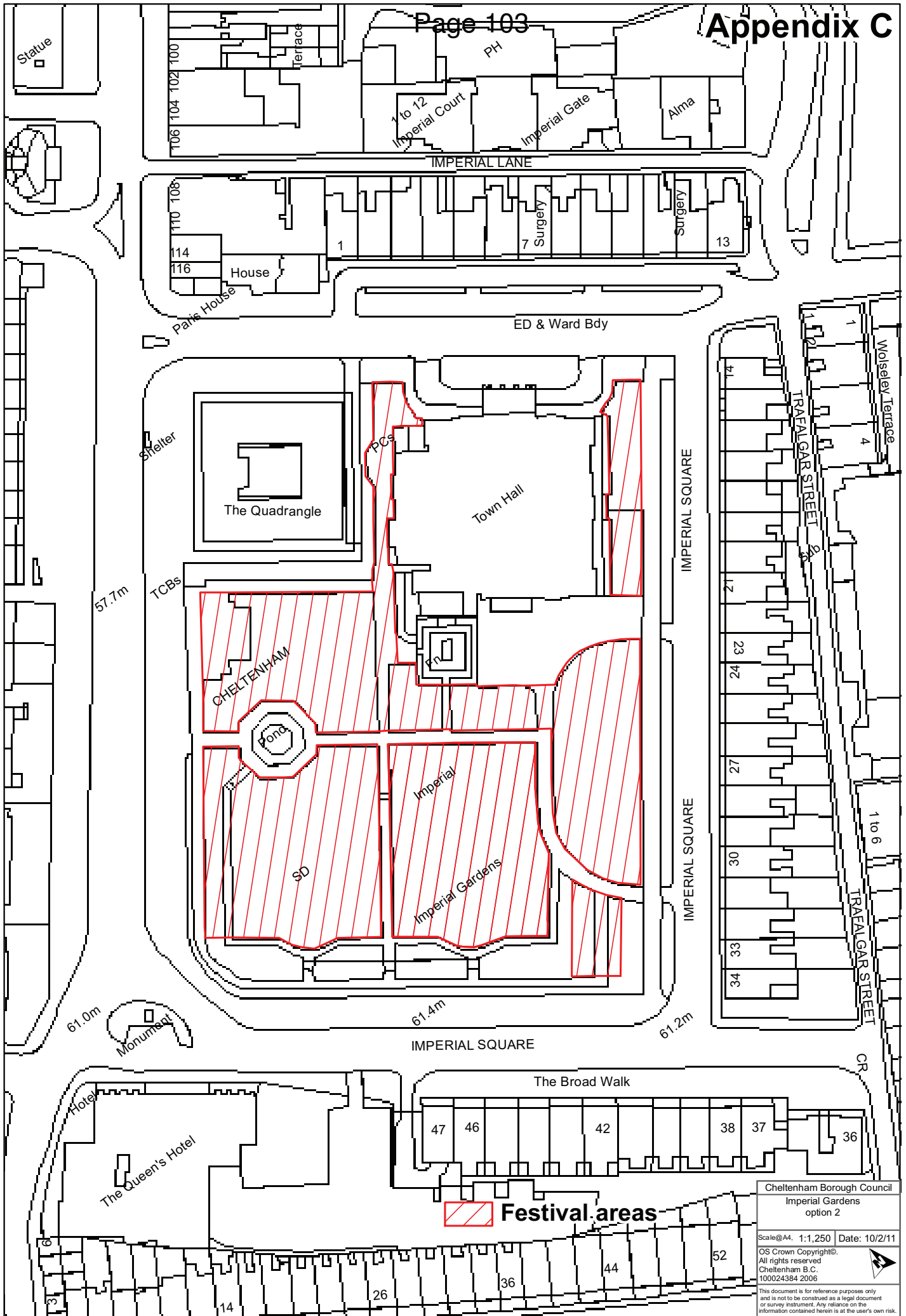
**Festival area**

Cheltenham Borough Council  
 Imperial Gardens  
 option 1

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 Festival areas

Cheltenham Borough Council  
Imperial Gardens  
option 2

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Cheltenham Borough Council  
 Montpellier Gardens  
 option 1 & option 2

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## Stakeholder meeting for use of Imperial and Montpellier Gardens

**Date:** Thursday, 13 January 2011  
**Venue:** Town Hall  
**Start Time:** 6:00 pm  
**End Time:** 7:25 pm

**Attendees:** Cllr Roger Whyborn (Chair) – Cabinet Member for Sustainability  
 Cllr John Rawson – Cabinet Member for Built Environment  
 Cllr John Webster – Cabinet Member for Finance & Community Development  
 Councillor Barbara Driver ) Lansdown Ward  
 Councillor Diggory Seacome ) Councillors

Grahame Lewis – Strategic Director (CBC)  
 Adam Reynolds – Green Space Development Manager (CBC)

Michele Beint – Capability Design  
 Stephen Clarke – Chairman – Cheltenham Civic Society  
 Dr Christine Facer Hoffman – Facerhoffman Landscape Design  
 Fiona Wild - Flowerbed Petition  
 Dr Brian Bracegirdle – Friends of Montpellier Bandstand & Gardens  
 Dr Diane Lewis – Cheltenham Civic Society  
 Christine Ryder – Cheltenham in Bloom  
 David Richards – Cheltenham in Bloom/Cheltenham Horticultural Society  
 David Stennett – Friends of Imperial Square & Garden  
 Bob Keevil – Friends of Imperial Square & Garden

Donna Renney – Chief Executive (Cheltenham Festivals)  
 Adrian Hensley – Production Manager (Cheltenham Festivals)

Sandra West – note taker

Item	Comment	Action by
1.	<b>Apologies</b> – Cllr Andrew McKinlay (Cabinet Member for Sport & Culture), Susan Blanchfield (FoMBaG) and Jeremy Williamson (MD – Cheltenham Development Task Force)	
2.	<p><b>Welcome / introduction</b></p> <p>Cllr Roger Whyborn gave a potted history from around 1948 of how both the Gardens and Festivals had evolved, culminating in the sale of 175,000 tickets for the festivals in 2010, the vast majority of which being the Literature Festival, which generated 129 jobs. He stressed how both the festivals and Imperial Gardens play an important and iconic part of Cheltenham's internationally renowned culture witnessed by many visiting the Cotswolds.</p> <p>Due to expansion of Cheltenham Festivals there was need to consider a new landscape for both Imperial and Montpellier Gardens, to make them less prone to damage from use during the festivals.</p> <p>The purpose of the meeting therefore was to hear what those present wished to say about the issue, and how to assist the Council in knowing</p>	

	what to promote and propose based on finances available.	
<b>3.</b>	<p><b>Cheltenham Festivals - the future</b></p> <p>Donna Renney explained how positive she felt about the potential to expand Cheltenham Festivals and wanted to make sure that those present were aware how valued the festivals are considered outside Cheltenham. Having recently attended Will Hutton's successful programme in London entitled 'Money Talks', she had been overwhelmed by his compliments made in eminent company, about the fact that she didn't appreciate what potential Cheltenham Festivals has on the cultural world. She then added that an invitation had been received from Washington DC for her to do a talk on Cheltenham Festivals 'Gold Standard' approach, and stressed that Cheltenham Festivals are held as 'Gold Standard' on an international basis.</p> <p>Donna Renney fully anticipated Cheltenham Festivals having to be self sustaining without grant from the Council in due course. The reduction of grant over the next 3 years would create further pressure to expand commercially to avoid loss of revenue from festivals selling out. Donna confirmed that Cheltenham Festivals was not yet out of a loss making situation, so the option to remain 'status quo' was not feasible. She believed the situation could be reversed if she didn't have to turn sponsors away due to lack of space and not being able to cope with sponsors' needs. The 'diamond model' which Cheltenham Festivals runs provides the best collaborations for both artists and audiences; a model that is very much valued.</p> <p>Cheltenham Festivals were currently conducting a feasibility study for using an out of town venue, which would have a massive impact on Town Hall and the town itself, as festivals provide £5.2 million direct spend into the local economy, which is not an insignificant figure. Having festivals in town means the whole town is involved in the experience, so hopes a plan can be developed to meet the needs of both Festivals and Gardens. Hopefully there might be a way to re-design the gardens so they become more of a talking point and provide creative energy.</p>	
<b>4.</b>	<p><b>Friends of Montpellier Gardens - the future of Montpellier Gardens</b></p> <p>Dr Brian Bracegirdle explained having set up FoMBaG in the early 90's to restore the bandstand with money from the Heritage Fund. He was unclear however whether the terms for funding included a tented village as recently mentioned in the media. He stressed that FoMBaG acknowledged the festivals as a good thing, but was concerned about the mess left behind in Imperial Gardens afterwards and the duration of time the festivals take up the gardens. He felt the tented accommodation left the gardens looking rough and did not want to see that perpetrated in Montpellier Gardens. He highlighted that these views were very widely felt.</p>	
<b>5.</b>	<p><b>Friends of Imperial Gardens - the future</b></p> <p>David Stennett (Friends of Imperial Square &amp; Garden) felt Donna Renney had been vague about her vision for the future for Cheltenham Festivals, and was still not clear about the repercussions for Imperial Gardens. He highlighted that after the 22 festival days the gardens had been left in a dreadful state (<i>Editor's note: the approx use of gardens in total was 107 days for 30 days of actual festivals</i>). He suggested Donna Renney consider setting up a Town Hall and Imperial Gardens type location as a festivals headquarters to avoid further deterioration of the existing gardens and enable Cheltenham's open space to have it's own identity. A resident of Imperial Gardens had recently pushed a note through his</p>	

	<p>door which highlighted the frustration felt in the Square from the loss of flower beds and deterioration of the gardens after this year's festivals. They believed Cheltenham must have been ashamed.</p>	
	<p>David Stennett insisted that Codes of Conduct must be imposed as too many false promises had been given and responsibilities ignored.</p> <p>Bob Keevil (Vice Chair of FoIS&amp;G) described Imperial Gardens as Cheltenham's 'Jewel in the Crown' and stressed that future development of the festivals should ensure the gardens are well maintained to enhance both their quality and colour. He wanted to see flowerbeds which had been removed, replaced and the footpaths sympathetically maintained – he felt black tarmac on red was a shabby way to treat Cheltenham's 'Jewel in the Crown'. Recognition should also be given to the tent capacity having been reached and there being insufficient recovery time for the lawns. Utilising the gardens as an additional site should not be at the expense of flower borders.</p>	
6.	<p><b>Opening of debate by Chairman</b></p> <p>Cllr Roger Whyborn asked where, from Cheltenham Festivals' perspective did they see need for expansion of the Gardens, highlighting that the red line on the map that went to Council, showed the upper tier of Imperial Gardens substantially untouched, confining expansion only to the lower tier. He questioned what Cheltenham Festivals themselves saw as the extent of expansion, based upon comments of capacity and the fact that both Montpellier Gardens and The Everyman would not be available venues for the Festivals in 2011.</p> <p>Donna Renney confirmed that to be to be sustainable Cheltenham Festivals need to use the whole of Imperial Gardens.</p> <p>David Richards had spoken to many who support Cheltenham Festivals, but at a meeting last month not one person supported the idea of the festivals utilising more land within Imperial Gardens, and they want to see flowerbeds reinstated. He quoted figures published by the RHS that week, stating that 50% of Cheltenham's population visit open space per week and upto 10% daily. Of those people 91% felt that open space improves their quality of life and that Imperial Gardens are considered one of the finest floral sites in the UK. Any further use of marquees in the gardens would be a disadvantage to both the town centre and those visiting the floral displays.</p> <p>Stephen Clarke's view was that both the Festivals and Parks &amp; Gardens are valued, but festivals have got stronger and gardens have declined in strength, so no longer the 'Jewel in the Crown' they used to be. That did not reflect on staff but how funding was being reduced. A good solution could not be reached with such an unbalanced negotiating group. He questioned how, in the long term, the Council could improve the status of the gardens to overcome the problem. The current design was tired and battered. It needed to be designed to self grow in the 21<sup>st</sup> century. The design needs to retain colour, maybe a gravel base surrounded by trees. He suggested gravel would be less arduous to maintain than grass.</p> <p>He commented that Imperial Gardens is a colourful and restful place to be, but as the Skillicorne garden was now locked-up, he could see no reason why it could not be used to allow more space. Whilst he understood Friends of Imperial Gardens' concern they need to consider change. A balance needs to be found through a consultative committee between the Festivals and Gardens. There needs to be a sounding board for these two groups to work together.</p>	

Christine Ryder stressed the view of Cheltenham in Bloom was that colour is paramount in both Gardens and would therefore like to see some form of bedding retained. She stressed that sustainable planning needs to be maintained as regularly as any other garden and asked if Cheltenham Festivals paid a bond for damage - like in other areas? Donna Renney confirmed that Cheltenham Festivals always paid to repair damage caused by the festivals, but had never been aware of a bond agreement.

As a personal view Chris Ryder also believed colour to be paramount and mentioned an idea that had come from a past employee of the Council, which was to have another statue of a famous person perhaps, with colourful bedding planted around, which the Friends Group could hopefully find funding for.

Fiona Wild was a member of the Festivals so certainly not anti-festivals, but couldn't see why the Centaur wasn't used more. She didn't think the Festivals should become a Colossus as there are people here all year that don't go to the festivals. Flowers provide a pleasant background, flowerbeds feed into the local economy and help the Festivals, so we want a view point and colour; Montpellier Gardens are different. At one time there had been 30 gardeners in Cheltenham, so reducing the gardens could result in a gardener being sacked – though she hoped not. She highlighted the strength of feeling behind the 'flowerbed petition' that 934 people had signed, and she believed there would have been more.

Cllr Roger Whyborn explained that in 2010 there had been a situation where the shortage of gardeners had affected services, but believed that was now under control.

Michele Beint had previously carried out an exercise in Warwickshire where the cost of a floral island had been costed at £2,500 per annum, against £300 per annum if a sustainable approach had been taken, concluding that sustainable planting works. Cllr Barbara Driver commented that she did not think sustainable planting worked in gardens.

Dr Diane Lewis questioned the economic soundness of Donna Renney's earlier remarks (Item 3 para 2) and questioned why on the first Saturday morning of the Festival this year she had attended the event in the Town Hall by General Sir Richard Dannatt and the venue was only half-full. She noted from the brochure that four other events were being held during that same time slot, so wanted to know if events were being filled, and how did that equate in percentage terms? Donna Renney explained that there had been 100 sold out events; therefore 25% of all events sold out, which she felt was good. Originally they had programmed Richard Dannatt's event for a different venue but swapped it to the Town Hall where there are 1,000 seats. She stressed that it's difficult to fill more than half that venue on a Saturday morning.

David Stennett said he had found Donna Renney's earlier comments threatening, but was assured by Donna that it was not intended. In response to his query regarding the amount Cheltenham Festivals paid for the use of the Town Hall, she advised that a cash contribution of approximately £100,000 per annum was made. *(Post meeting note, the figure of £79,680 for the Town Hall has been advised by Cheltenham Festivals, Imperial Gardens are provided on an in-kind basis.)* In reply to his further query as to how Cheltenham Festivals proposed to expand if they had no money to do so, she said they would be able to do so if she didn't have to turn down sponsorship deals worth £50,000.

David Stennett stressed how incensed the residents had been this last year because damage caused by the festivals had not been repaired afterwards. Adam Reynolds explained that the weather conditions had not been favourable at times when access was allowed between festivals and to drill seed they need descent weather. This was mooted as 'a lame excuse' by David Stennett.

Dr Christine Facer Hoffman queried whether repair work was just to the grass, and reinforced the maintenance advantages of using some gravelled areas in Imperial Gardens. Though she recognised the need to do more in terms of restoration work with Cheltenham Festivals, the key would be to reduce occupancy time if all the grass was to be retained.

Donna Renney handed over to Adrian Hensley who explained how he uses a small local Gloucestershire marquee company, but that there are other challenges to contend with which add to the time a festival site is occupied. He stressed that everything cannot be done overnight. He admitted that a mistake had been made last year in leaving a tent up to avoid dismantling it for a short period between use. He explained that the site has access limitations which have to be scheduled into the equation. He tries to minimise noise and parking access to the Town Hall car park, but accepts they need to look at the occupancy issue. They work very closely with Adam Reynolds regarding design and as Festivals have grown more building work has been entailed. It takes a week to build the basic structure, then further time to fit it out with seating, lighting etc.

Having read an article in Cotswold Life about Donna Renney proposing to move into Montpellier Gardens, Rob Keevil asked if Cheltenham Festivals could possibly use other open space to avoid all borders being destroyed?

Donna Renney explained that it's about giving sponsors the right footfall – a discussion on which was currently taking place she stated. A certain critical mass has to be reached before being able to afford the investment to move into Montpellier Gardens. To take the Science Festival up to Montpellier needs rapid growth; it's a big space, but Cheltenham Festivals did want more stands and activities in that area.

Stephen Clarke felt that the current arrangement for the Festivals in Imperial Gardens was an odd plan, when Imperial Gardens had originally been designed for something different, and asked how many venues Donna Renney wanted, and whether other sites within the town had been considered?

Cllr John Rawson stated that there would come a point when it would be necessary to consider what we want out of this process, and if there is a creative solution. Without question there is a straightforward clash of interest. It might be possible to re-design the gardens to meet both needs, and stated Cheltenham Festivals may relocate out of town (though he didn't want to see that). He suggested there be a strand of work established to come up with a strategy to mitigate damage when Imperial Gardens is used. He believed certain things could be done, though there may be a clash that can't be solved. However he believed we owe it to the town as Stephen Clarke suggested, to modify the gardens to accommodate both interests.

Cllr Roger Whyborn highlighted being on record for saying that flower beds would be kept in Imperial Gardens and that not all planting would be sustainable. The cost would be debated elsewhere.

	<p>David Stennett acknowledged that everyone had different views, and that Stephen Clarke made a good point, but that a person living in the Square had pointed out that the festivals were taking over, so we need to get around that problem somehow.</p> <p>David Richards stressed how difficult it is to keep high quality standards of maintenance when often you can hardly see grass for people. You can't just put sustainable plants in as it needs a lot of work to look good, and it's not cost free.</p> <p>Cllr Barbara Driver felt a re-design of the gardens, but keeping colour was the answer and requested the Police be involved in designing out anti-social behaviour problems previously experienced. Cllr Roger Whyborn confirming not having invited either the Police or Press to the meeting as it was inappropriate.</p> <p>Michele Beint agreed with Cllr Rawson and Stephen Clarke and agreed a creative solution was needed as there were two different attitudes to Gardens. As a Garden Designer she believed sustainable planting was worth looking at as it does reduce costs. A fresh approach was needed as it was now 2011, not the 1950's. Hay on Wye turned festivals out of town and they are now on a green field site; disastrous for the town.</p> <p>Dr Christine Facer Hoffman explained how she used sustainable planting to reduce costs at her Regent Park property in London, and that cutting beds out and filling them with garish coloured plants was both very expensive and went out of vogue after the First World War. She effectively saw the garden as being a dated Victorian site, now both tired and labour intensive. Residents of Imperial Gardens confirmed that during the summer months the gardens have to be watered upto three times per day, replanting twice a year, and maintenance is obviously continuous. A creative solution would be to design a contemporary style of planting to reflect the interesting surrounding buildings, colourful but low maintenance keeping some grass with possibly small scale structures / statues themed for the festivals. The design should be for long term co-existence and be of interest to both horticulturalists and visitors to the festivals. She already had two potential sponsors.</p> <p>Christine Ryder was frustrated with the implication that things were already 'done and dusted'. She was also upset by Michele Beint's comparison of the gardens to a floral island. Christine would insist that colour was still required, and would make an issue if things really were 'done and dusted' when residents should be involved in the decisions being made.</p>	
<p><b>7.</b></p>	<p><b>Council / Overview &amp; Scrutiny involvement</b></p> <p>Cllr Roger Whyborn explained that the next stage was to work out with the Council how to take this forward. He anticipated taking a report to Overview &amp; Scrutiny during February/March and to Cabinet in March.</p> <p>Potential design solutions needed to be explored, and any support for that would be valued, but need to remain open-minded. It would then go out for public consultation.</p> <p>He foresaw both Imperial Gardens and the Long Gardens keeping their bedding plants, and stressed that it's about doing a few things well in a reduced number of spaces. He did not want festivals to go out of town.</p>	

	<p>Grahame Lewis questioned further about setting up a consultation group, and how it would be formulated / constituted, but Cllr Roger Whyborn did not wish to set hares running at this point, but suggested that if such a consultancy group was set up it would be made up of many of those around the table.</p> <p>Cllr Whyborn thanked everyone for attending the meeting in good spirit.</p>	
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Revised as per Cllr Whyborn's email to Stakeholders dated 9 February 2011

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## Appendix F

**Cost Estimates for Option 2 based on an overall budget of £140,000**

<b>Item</b>	<b>Description</b>	<b>Estimate</b>
1.	Provision of three phase electricity to Montpellier Gardens. (subject to response from electricity company).	£12,000
2.	Water supply to Montpellier Gardens	£7,000
3.	Foul sewer connection to Montpellier Gardens	£4,000
4.	Upgrade to existing electricity supply in Imperial Gardens	£2,500
5.	Modification to existing paths and provision of new hardstanding in Imperial Gardens finished in macadam (this does not include new hard standing within the ornamental flower area).	£27,500
6.	Landscape refurbishment of Skillicorne Gardens	£39,000
7.	Landscape enhancement to garden bar area.	£38,000
8.	Turfing over of flower beds / recutting and preparation of new beds where suitable.	£10,000
	<b>TOTAL</b>	<b>£140,000</b>

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## Environment Overview and Scrutiny Committee

Wednesday, 2nd March, 2011

5.30 - 7.55 pm

Attendees	
<b>Councillors:</b>	Penny Hall (Chair), Ian Bickerton, Nigel Britter, Jacky Fletcher, Sandra Holliday, Helena McCloskey, Diggory Seacome (In place of Rob Garnham), Charles Stewart and Paul Wheeldon
<b>Also in attendance:</b>	Councillor Colin Hay, Councillor John Rawson and Councillor Roger Whyborn

### Extract from the Minutes

#### 1. IMPERIAL AND MONTPELLIER GARDENS STRATEGY

The Cabinet Member Sustainability introduced the paper as circulated with the agenda.

The strategy was born of two elements, the first, Cheltenham Festivals (CF) requests for a review of the design and usage of the Gardens to allow expansion due to increased demand and the second, concerns of residents about the increased use of Imperial Gardens and resulting standards of the gardens.

This culminated in a public petition which was debated at Council in December and resulted in a request that Cabinet attempt to resolve the issues, which in turn should be reviewed by the relevant O&S Committees (Environment and Economy & Business Improvement).

There were no easy answers, simply saying yes to one and no to the other was not an option given how important both CF and the gardens were to the town.

In consideration of all the issues, as set out in item 3 of the paper, two options were developed.

Option 1 favoured the primary use of the gardens as a public garden and denying CF increased usage of Imperial Gardens. Restricting CF to the lower tier of Imperial Gardens and reducing tentage would resolve resident concerns but would not address CF's issues.

Option 2 provided an opportunity to redesign Imperial Gardens to accommodate CF, achieving a 'festival within a garden' feel and allowing use of Montpellier Gardens. Whilst offering a lower capacity in Imperial Gardens, it would allow expansion into Montpellier Gardens and the positioning of flowerbeds between tents would ensure the retained look and feel of the garden whether the tents were up or down. This would be beneficial to festival goers too.

The Cabinet Member Sustainability echoed the comments at Council about the desire to reopen Skillicorne Gardens.

The Chair explained that she would now allow speakers on behalf of CF, Friends of Imperial Square and Gardens (FoISaG) and Friends of Montpellier Bandstand and Gardens (FoMBaG).

Adrian Hensley of CF introduced himself to the committee. He welcomed the paper which he felt, moving forward, opened constructive discussion.

The proposed limit to use of the gardens to 75 days had necessitated in depth discussions with the relevant contractors in an effort to identify opportunities to reduce the time spent building and removing the tents. Access was key as this had a direct impact on the period CF were in the gardens.

A larger site would result in a shorter festival, whilst a smaller site would require a longer festival period in order that it were financially viable.

Future decisions about size and duration of various festivals would be greatly affected by the design of the gardens. If permitted expansion, CF would need to be involved in discussions regarding design in order that CF were not hindered by the design, given that walkways between tents were specific widths, etc.

From CF's point of view improvements to the infrastructure were required, improved external water and power supplies would make for more efficient festivals and negate the need to transport and house large generators, etc.

Another approach for CF to meet reduced timeframes would be to utilise Montpellier Gardens, though there was no desire on CF's part to move the problem.

There were many challenges to overcome but CF welcomed the open dialogue between all interested parties.

Adrian Hensley of CF offered the following responses to questions from members of the committee;

- There were 2 approaches to reducing time in Imperial Gardens to 75 days. The first was moving the Jazz Festival to Montpellier Gardens, which had the added benefit of relieving Imperial Gardens before the Science Festival started a short time after. The second would be improving access to Imperial Gardens which was currently accessed via the Town Hall. He was confident that either of these approaches would make it possible to achieve the 75 days limit.
- It was difficult to say what the optimum amount of space would be in the future as CF couldn't predict requirements of future years. Knowing the maximum amount of space and design of gardens would allow CF to build to suit the space that was available to them.
- As the Production Manager for CF, he wasn't an authority on the issue but venues were often organised after artists had stipulated their availability (date/time) and as such there were occasions when the venue was a little large for the size of the audience.
- Over the last 12 years CF had endeavoured to use local contractors wherever possible. However, given the increased scale of tents and

reduced time, the current tent contractor had admitted that they wouldn't be able to undertake work to both Imperial and Montpellier Gardens. The tender process had allowed for open discussions with contractors about the time constraints, etc. CF were eager to support local companies, many of whom had grown with the Festivals and would strive to continue to do so where possible.

Mr Hensley thanked the committee for extending an invite to CF to attend the meeting.

Mr Keevle, the Vice Chair of FoISaG introduced himself to the committee.

He didn't intend to go through the pros and cons of the 2 options given that they were well set out in the paper that had been produced, but he did note how constructive he had found the whole process and how appreciative FoISaG were for the opportunity to be involved.

He considered Imperial Gardens and others like it to be the jewel in the crown of Cheltenham and Option 1 would be his preferred option, retaining and/or increasing the flower beds and reducing the space for CF.

He did realise that this would not be entirely acceptable to everyone and had therefore considered Option 2. He felt this option had merit too and especially liked the reference to 'festival within a garden'.

However, he felt strongly that Option 2 would need strict conditions, rewards and fines associated with it which would need to be policed, though admittedly there was reference to this within the paper.

A sensible approach would be for at least one of the festivals, perhaps Jazz as the smallest, to go elsewhere, with Montpellier Gardens the obvious choice. The feeling was that the Literature Festival in October caused the most damage to Imperial Gardens and allowing it time to recover should be a consideration for the future. Perhaps boarding over the beds could be another option.

Whilst he understood the need to include some sustainable planting, he urged that the flower beds retain at least some of the coloured flowers and saw distinct benefits to opening Skillicorne Gardens.

He was comfortable with the idea of some hard standings in Imperial gardens which would minimise damage to the grass and beds, though personally, he struggled to accept that it was not possible to use restorative treatments on the lawns, which he felt was wholly necessary if the use of the gardens was to increase.

In closing he explained that FoISaG were looking to establish a charity in order to secure funding to replace the railings at Imperial Gardens in acceptance that the Council were not in a position to provide funding, though they would be fully consulted.

The Chair thanked Mr Keevle for his very practical approach.

As a point of clarification Adrian Hensley of CF explained that the hope was to move the Jazz Festival to Montpellier Gardens in 2012 rather than 2011.

Members agreed with Option 2 as a way forward and were impressed that both parties accepted the need to reduce the period in which tents were in Imperial Gardens. The suggestion by Mr Keevle to board over flower beds was an imaginative one and welcomed by members.

The Chair reminded members and attendees that the committee were a sounding board rather than the decision maker but welcomed general consensus having been achieved.

Brian Bracegirdle the Secretary of FoMBaG for over 20 years, introduced himself to the committee. He apologised for the comments that he would make which members may construe as negativity but in his mind had to be said.

In order to meet the demands of CF the Council planned to 'lump together' Imperial and Montpellier Gardens which was in the opinion of FoMBaG was unfeasible given their differing sizes, users and number of residents in proximity.

In 2004 the Council received a substantial sum of Heritage Lottery Funding to renovate Montpellier Gardens and Clause 8 of the funding agreement stated "The Grantee will arrange for the general public to have appropriate access to the Property. The Grantee will ensure that no person is unreasonably denied access to the Property". His interpretation of which was that Montpellier Gardens were restored for general use and not as a show ground. He had presumed that Officers currently employed by the Council were unaware of such a clause and had therefore highlighted it to them last week. His concern was that the Council would grant CF use of Montpellier Gardens in contradiction of the clause.

The Managing Director of CF claimed to have evidence that the Festivals generated huge financial benefits for the Town and yet despite more than one request, she had failed to submit any proof to substantiate her claims.

Imperial Gardens were in very poor condition following last years Festivals.

To conclude he stated that by allowing use of Montpellier Gardens by CF for 75 days of 'shows' would fall foul of Clause 8 of the HLF agreement of 2004 and it was his duty to highlight this. Having undertaken surveys of users of the Montpellier Gardens where he had put the proposals to them had evoked concern and discontent.

He and his wife were in fact patrons of the Festivals and he had been compelled to raise the issue in spite of it appearing negative.

In response to concerns of members about the weight that the clause carried, the Assistant Director – Operations advised that given that Members and Officers with first-hand knowledge of the agreement had since moved on, the matter would need to be investigated further and prior to Cabinet. He couldn't imagine that the clause would preclude doing things in the gardens, the Food Festival for example.

Members felt that the Festivals were the jewel in the crown of tourism for Cheltenham and did not doubt the financial benefits that came with it.

The Cabinet Member Sustainability highlighted that the issue of the clause had been raised too late for inclusion in the paper which had been circulated. The paperwork associated with the HLF funding was currently being reviewed by Officers and therefore no definitive answer could be provided at this time. His initial understanding was that the agreement did not preclude events such as the Food Festival as the gardens remained open to the public, except when it was necessary for safety reasons to close them (erecting and dismantling tents). He hoped to have achieved clarity on the issue before Monday (7 March), when the item was scheduled for discussion at Economy & Business Improvement and would include members of this committee in any emails.

Councillor Barbara Driver, as the relevant Ward Member asked that she be included in any emails relating to the issue.

In response to a question from a member of the committee the Cabinet Member confirmed that continuation of the current arrangements was referred to within the paper. However, there had been no merit to offering it as a third option given that it clearly wasn't working as well as it should.

Councillor Seacome felt obliged as the Chairman of the Licensing Committee to reaffirm the decision of the committee almost 5 years ago to grant a year-round license to both Imperial and Montpellier Gardens in order that individual events didn't need to apply each time. He wondered whether this may pose an issue in light of the clause.

The Chair moved to bring discussion to a close given the time permitted on the agenda. Whilst not tasked with making a decision, members had indicated their preference towards Option 2 and she looked forward to hearing the issue discussed at Cabinet - the matter was hugely important and at the point of agreeing a way forward to the future.

She thanked everyone, including members of the public, for their attendance for what she felt was a very thought provoking discussion.

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**Economy and Business Improvement Overview and Scrutiny Committee**

**Monday, 7th March, 2011  
6.00 - 7.25 pm**

<b>Attendees</b>	
<b>Councillors:</b>	Malcolm Stennett (Chairman), Garth Barnes, Nigel Britter (substitute for Councillor Paul Massey), Tim Cooper, Paul McLain, Lloyd Surgenor, Pat Thornton, Peter Jeffries and Jon Walklett
<b>Co-optees:</b>	
<b>Also in attendance:</b>	Councillor Steve Jordan and Councillor Colin Hay.
<b>Apologies:</b>	Councillors Paul Massey and Andrew Wall

**Extract from the Draft Minutes**

- 1. STRATEGY FOR THE USE OF IMPERIAL AND MONTPELLIER GARDENS**

The chair introduced this agenda item by reminding members that the Environment Overview and Scrutiny Committee had reviewed this report with a focus on the environmental aspects. The focus of this committee should be to look at the economic aspects of the options presented. However he highlighted the lack of financial information contained in the report. For example a figure of £5.2 million was quoted for the economic benefits that the festivals brought to the town but there were no details on how this figure was calculated. The impact on tourism was also a factor but again there were no details in the report. He also highlighted that only two options were given in the report but there should be a third option which was to maintain the status quo. He had circulated a breakdown of the costs for option 2 which had been made available with the Cabinet agenda for 15 March 2011 but there were no comparative figures available for option 1. The report was also light on the views of residents. In view of this it was going to be difficult for this committee to give a considered opinion on the economic aspects.

The Leader apologised on behalf of the Cabinet Member Sustainability who had not been able to attend this meeting. He emphasised that Cabinet had made a commitment to bring back a report on the strategy at the March meeting. In meeting this commitment they acknowledged that full details were not yet available but these would be worked up during the next stage. He stressed that there had been consultation with stakeholders and there would be further consultation during the next stage. Referring to the figures that had been circulated, he stressed that the £140,000 being spent was for a package of improvements which would benefit all users of the gardens. In particular it was hoped that the improvements made would enable Cheltenham Festivals to stay in the town centre.

In the discussion that followed members made the following comments:

- The report contained no feedback from the Chamber of Commerce or the Town Centre Manager.
- Consideration should be given to other options beyond the two described in the report such as using the the racecourse or the Pittville Pump Rooms and Pittville Park
- A detailed assessment should be made regarding the impact on the town centre if the festivals moved to the racecourse. During Race Week, businesses in the town do get a boost from the evening trade even if the retail trade was down during the day.
- The council should be supporting the Festivals and accommodating their needs. There was also an opportunity for the council to open up new income streams on the back of the Festivals.
- The cost of reinstating the gardens after a Festival must be a factor. The damage to Imperial Gardens had not been rectified following the most recent festival and the gardens were still currently in a poor state.

The Chair moved to bring the discussion to a close by summarising the views of the committee. Generally members were supportive of Cheltenham Festivals and were keen to find a way forward which was acceptable to all. The committee considered they had received a lightweight paper for such an important decision and due to the lack of financial information, they were unable to make a formal recommendation to Cabinet.

Resolved that:

1. The committee recommend Cabinet receive additional economic and financial information in order for them to be in a position to assess the benefit of implementing changes to the town centre parks in an endeavour to meet the requirements of Cheltenham Festivals. Along with the proposed options consideration should also be given to maintaining the status quo and / or using areas at the racecourse or in Pittville Park.
2. The committee request that they be involved in reviewing the economic aspects during the next stage of the consultation and receive a detailed report on the options with a full financial breakdown when it is available.

## Cheltenham Borough Council

**Cabinet 15 March 2011**

### Joint Working in Waste and Environmental Services

<b>Accountable member</b>	<b>Councillor Roger Whyborn, Cabinet Member Sustainability</b>
<b>Accountable officer</b>	<b>Rob Bell, Assistant Director Operations</b>
<b>Accountable scrutiny committee</b>	<b>Environment Overview and Scrutiny Committee</b>
<b>Ward(s) affected</b>	<b>There are no service implications as a result of this report.</b>
<b>Key Decision</b>	<b>Yes</b>
<b>Executive summary</b>	<p>The Gloucestershire Authorities have been looking at the case for joint working in waste to understand the value of potential savings and the implications of realising these savings. This report sets out the work undertaken by officers to implement joint working in Gloucestershire.</p> <p>Joint working may be divided into three interrelated work streams –</p> <ul style="list-style-type: none"> <li>• Interim management arrangements between Cheltenham Borough Council (Cheltenham) and Tewkesbury Borough Council (Tewkesbury)</li> <li>• Shared collection and depot services between Cheltenham, Tewkesbury and Cotswold District Council (Cotswold) from August 2012.</li> <li>• Shared disposal / collection arrangements for Gloucestershire.</li> </ul> <p>A joint committee option for shared disposal / collection arrangements, ideally combined with a local authority company for operational service delivery for waste collection and other environmental services, is considered the best overall option for meeting the strategic objectives of the joint waste programme within Gloucestershire and for this council.</p>
<b>Recommendations</b>	<p><b>I recommend that Cabinet:</b></p> <ol style="list-style-type: none"> <li><b>1. Approve the interim arrangements for joint depot services between Tewkesbury Borough Council and Cheltenham Borough Council as set out in the business case (Appendix 1), subject to Tewkesbury Borough Council passing an appropriate resolution confirming their commitment to the formation of a local authority company as set out in section 4 of this report or alternatively authorise the Executive Director to work with Tewkesbury Borough Council to develop another interim arrangement that may deliver the required savings such arrangement being time limited to 31<sup>st</sup> July 2012.</b></li> <li><b>2. Authorise the Executive Director, in consultation with the Cabinet Member Sustainability, The Director of Resources and the Borough Solicitor to develop a detailed business case to form a local authority</b></li> </ol>

owned company wholly owned by Cheltenham Borough Council and Cotswold District Council (and Tewkesbury Borough Council if it passes an appropriate resolution as set out in section 4 of this report) and to agree all necessary documentation in order to have finalised documentation in place by June 2011 subject to

- The detailed business case identifying a minimum saving of £50,000 per Council per annum.
- A further report being submitted to Cabinet in June 2011 for final decision on this matter.

3. Having considered the risks set out in the paper attached to this report at Appendix 4, to authorise the Executive Director to negotiate the terms of all the relevant documentation to implement the recommendations of the Joint Waste Partnership in consultation with the Cabinet Member Sustainability, the Director of Resources and the Borough Solicitor and to bring a further report to Cabinet in September 2011 for final decision on this matter.

<p><b>Financial implications</b></p>	<p>The additional costs and potential savings as identified in the report below represent the best estimates currently available. Further more detailed work will need to be undertaken by officers to verify the exact level of future costs and potential savings when partnership arrangements have been further resolved.</p> <p><b>Contact officer: <a href="mailto:Andrew.powers@cheltenham.gov.uk">Andrew.powers@cheltenham.gov.uk</a>, 01242 264121</b></p>
<p><b>Legal implications</b></p>	<p>Legal powers to implement each stage of the joint waste project as follows:</p> <ol style="list-style-type: none"> <li>1. Interim arrangements – Section 113 Local Government Act 1972 allows local authorities to second staff to each other for the delivery of their functions. Secondments are only appropriate for short term/interim periods.</li> <li>2. Local authority company - Section 2 of the Local Government Act 2000 ('well being' powers) gives local authorities powers to set up local authority companies. Key features of a local authority company are set out in Appendix 2 and full legal implications for the council will be set out in the further report to Cabinet in June 2011.</li> <li>3. Joint Committees – Sections 101 and 102 Local Government Act 1972 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2000 enables local authorities to set up joint committees. A joint committee does not have legal personality and so it is necessary to appoint an administering authority to enter into contracts and to employ staff on its behalf. Full implications for the council will be set out in the further report to Cabinet in September 2011.</li> </ol> <p><b>Contact officer: Shirin Wotherspoon, <a href="mailto:shirin.wotherspoon@tewkesbury.gov.uk">shirin.wotherspoon@tewkesbury.gov.uk</a>, 01684 272017</b></p>

<p><b>HR implications (including learning and organisational development)</b></p>	<p>Interim management arrangements for the shared depot service with Tewkesbury Borough Council have been agreed and a project initiation document drafted to outline the process to develop a detailed business case for a full integrated shared service arrangement. A HR Advisor will work the project team to help develop the full detailed business case for joint working. Any changes to Cheltenham Borough Councils employees terms and conditions of employment will require full consultation with representatives from the recognised trade unions. All proposed changes will be actioned in line with current employment legislation.</p> <p><b>Contact officer: Julie McCarthy, HR Operations Manager, julie.mccarthy@cheltenham.gov.uk, 01242 264355</b></p>
<p><b>Key risks</b></p>	<p>Risk management implications are contained within the business case.</p> <p>See risk template at end of this report and Appendix 4.</p>
<p><b>Corporate and community plan Implications</b></p>	<p>The corporate strategy 2010 – 2015 states that future commissioning arrangements for a clean and well maintained environment will include the potential for shared services. Partnership working also contributes to delivering cashable savings, improving customer satisfaction and better performance through the effective commissioning of services.</p>

## **1. Background**

- 1.1** On 21<sup>st</sup> September 2010, Cabinet confirmed the council's participation in the development of the Gloucestershire Waste Partnership and approved the Project Initiation Document for the development of a business case for shared depot services with Tewkesbury Borough Council (Tewkesbury) as a first step, recognising that the project scope may be subsequently amended to accommodate other partners as and when conditions were favourable.
- 1.2** At the same time similar confirmations were approved by Gloucestershire County Council, Forest of Dean District Council and Cotswold District Council ('Cotswold').
- 1.3** This report sets out the work undertaken by officers to implement the above mentioned resolutions and to progress joint working in waste services in Gloucestershire.

## **2. Reasons for recommendations**

- 2.1** The Joint waste services project may be divided into 3 interrelated work streams:
- (1) Interim arrangements for joint depot services between Tewkesbury and Cheltenham (from June 2011 to August 2012 at the latest).
  - (2) Shared collection/depot services between Cheltenham and Cotswold (and possibly Tewkesbury – see section 4 below) (from August 2012).
  - (3) Shared disposal and collection services for Gloucestershire, excluding Gloucester City Council and Stroud District Council (final decision required by September 2011).
- 2.2** The staged approach to the implementation of shared waste services within Gloucestershire enables Members to properly and carefully consider the implications for their council before important decisions are made about these key frontline services.

## **3. Interim arrangements for joint depot services between Tewkesbury and Cheltenham Borough Councils**

- 3.1** Following the decision of Cabinet in September 2010 a project team was formed to deliver the interim joint depot service project in a timely manner. The business case for the interim joint working arrangements for depot services between Tewkesbury and Cheltenham is attached at Appendix 1.
- 3.2** The joint working arrangements include the management of the following services:
- Waste and Recycling
  - Street and other cleaning
  - Grounds maintenance
  - Bereavement Services (cemeteries and crematorium)
- 3.3** In view of the urgent need to find efficiency savings, it was essential that the joint working arrangement be implemented as soon as possible in the financial year 2011/2012. Having considered a number of options for the legal form of the joint working arrangement, officers concluded that the secondment of staff under section 113 Local Government Act 1972 together with a revised memorandum of understanding will achieve implementation of the joint working arrangements by June 2011 and was, therefore, the most appropriate option. All staff affected by the proposal have been consulted and are supportive of the arrangements.
- 3.4** The interim arrangement is predicated by either a local authority company with Tewkesbury or a section 101 delegated arrangement with Tewkesbury. If Tewkesbury are not able to pass an appropriate resolution as set out in paragraph 4 below to participate in the setting up of the local authority company, the interim arrangement cannot be implemented. The consequences of not implementing the interim arrangement are that the budget savings identified for 2011/12 would not be realised.

- 3.5 The key benefits are detailed in the business case and the financial benefit to both authorities in 2011/12 is £75,000.
- 3.6 The business case sets out the service monitoring arrangements. The Joint Services Management Team would be led by Cheltenham's Assistant Director of Operations, who is currently acting as Tewkesbury's interim Head of Direct Services. The postholder would become the Head of the Joint Service. A senior officer Board would be established comprising of Tewkesbury's Corporate Head of Community Development and Partnerships and Cheltenham's Executive Director. The Board would be supported by the Head of the Joint Service.
- 3.7 Cabinet are asked to approve the interim arrangements for joint depot services between Tewkesbury and Cheltenham as set out above and in the business case, subject to Tewkesbury passing an appropriate resolution confirming their commitment to the formation of a local authority company as set out in section 4.

**4. The collection/depot services between Cheltenham, Tewkesbury and Cotswold ( from August 2012).**

- 4.1 Following the commencement of the project work for joint working between Tewkesbury and Cheltenham, Cotswold approached those councils expressing a desire to create a shared arrangement with Tewkesbury and Cheltenham in time for the expiry of their outsourced service in August 2012. The three councils then entered into a Memorandum of Understanding in which they committed to working together to see if an acceptable shared arrangement could be agreed.
- 4.2 By including Cotswold in the proposed joint depot services project the governance/legal form for the delivery unit in Cotswold had to be limited to a local authority owned company. Other delivery options were unacceptable because of the impact of pension costs. Detailed consideration of other factors such as equality claims need to be considered but as a general principle section 101 delegated arrangements are not an option for a joint depot shared service with Cotswold.
- 4.3 Cotswold further advised that because of the EU procurement rules and their contract procedure rules they required the local authority owned company to be established by June 2011. Tewkesbury and Cheltenham officers advised Cotswold that it would not be reasonably possible for the company to be operational by June 2011 but that they would consider whether all necessary documentation could be finalised by that date.
- 4.4 This report seeks authority to proceed to set up a company with Cotswold within the required timescales. Tewkesbury is due to report to their Executive Committee on 30<sup>th</sup> March and Council on 31<sup>st</sup> March 2011. If Tewkesbury passes a resolution similar to the recommendation set out in this report relating to the establishment of a local authority company with the required timescales then Cheltenham, Cotswold and Tewkesbury would set up a tri-partite company. If Tewkesbury do not pass the resolution as mentioned then Cheltenham will proceed to set up the local authority company with Cotswold only.
- 4.5 The key features of a local authority company are set out in the note attached as Appendix 2.
- 4.6 Cheltenham, Cotswold and Tewkesbury have considered the sharing of costs and savings for this tri-partite arrangement. Potential savings may be summarised as follows:

Depot infrastructure	£ 21,000
Operational management	£ 55,000
Productivity	£111,000
Procurement	£ 19,000
Vehicle procurement	£ 6,000

Total: £212,000

- 4.7 Work completed by the Section 151 officers of each authority has revealed that potential set up costs of £189,000 and ongoing running costs of £75,000 per annum for the Local Authority Company. These figures are seen by many to be at the higher end of any financial projection. Further detailed work is therefore to be done to verify these figures as certain assumptions still need to be challenged in greater depth. This further piece of work will also look to ascertain not only the accuracy of the financial projections but also to regulate and agree the interpretation that may have been placed on them in the past.
- 4.8 It is important to consider a potential fallback scenario. If the financial/business case is not made to set up a local authority company and Cotswold revert to the EU procurement option, then Cheltenham could still seek to set up a 101 delegated arrangement with Tewkesbury (if Tewkesbury agree).
- 4.9 In these circumstances, it is recommended that the Executive Director, in consultation with Cabinet Member of Sustainability the Director of Resources and the Borough Solicitor, develop a detailed business case to form a local authority owned company wholly owned by Cheltenham Borough Council and Cotswold District Council (and Tewkesbury Borough Council if it passes an appropriate resolution as set out in section 4 of this report) and to agree all necessary documentation subject to:
- The detailed business case identifying a minimum savings of £50,000 per Council per annum and
  - A further report being submitted to Cabinet in June 2011 for final decision on this matter.

## 5. The disposal / collection governance arrangements (final decision September 2011).

- 5.1 Following the decision in September 2010 confirming the Council's participation in the development of the waste partnership a formal and detailed analysis has been undertaken of the governance options and legal form for the Joint Waste Partnership (JWP). The governance paper is attached at Appendix 3. Members should note that this paper is provided in draft form to support decision making at this time. The JWP makes the following recommendations:
- (1) At strategic level the establishment of a joint committee. As the joint committee does not have any legal personality it is necessary to appoint an Administering / Host Authority to employ staff and to act as the contracting body. It is recognised that the most appropriate body to undertake this role is Gloucestershire County Council who have agreed in principle to do so.
- (2) A joint management unit. This unit would consist of officers who will act for the joint committee
- (3) At operational level a mix of local authority company and outsourced disposal and collection contracts.
- 5.2 The key benefit of a joint committee is the fact that responsibility for collection services (currently with district councils) and disposal services (currently with the county council) is delegated to one body which undertakes and takes responsibility for both disposal and collection services, thereby facilitating integration, service improvement and financial efficiencies. This means that individual councils will no longer have responsibility for those matters delegated to the joint committee. It should be stressed that it is intended that certain key decisions would be retained (i.e. not delegated) to the joint committee and these have been identified as the annual financial plan and collection service design matters. It is, however, important to recognise that it is not possible for individual councils to retain a general 'veto' over all decisions of the joint committee.
- 5.3 Further discussions, workshops and seminars will be held with Members to discuss these and any other issues prior to a final decision being made. With regard to the decision making process,



Gloucestershire County Council, the Forest of Dean District Council and Cotswold have indicated that they are ready to agree to the establishment of a joint committee and joint management unit at this stage so that implementation is not delayed. However, those Councils have recognised that Cheltenham (and Tewkesbury) require more time to consider the implications of such a decision. It has, therefore, been agreed by the JWP that although work will commence on implementing the recommended governance arrangements as set out in paragraph 5.1 above, Cheltenham (and Tewkesbury) will bring a further report to Cabinet in September for a final decision.

**5.4** Cabinet is referred to the paper attached as Appendix 4 which sets out the consequences of this 'staggered' decision making process. Cabinet will note that the key risks associated with this proposal are significant (financial and reputation) if the JWP is aborted.

**5.5** In view of the staggered decision making process it is recommended that Cabinet:

- note the recommendations of the JWP to establish a joint waste committee and to appoint Gloucestershire County Council as the administering authority and host of a joint management unit.
- having considered the risks set out in the paper attached to this report at Appendix 4, to authorise the Executive Director to negotiate the terms of all the relevant documentation to implement the recommendations of the JWP in consultation with the Cabinet Member Sustainability the Director of Resources and the Borough Solicitor and to bring a further report to Cabinet in September 2011 for final decision on this matter.

## **6. Alternative options considered**

**6.1** The status quo was considered but discounted as it does not deliver efficiencies and does not address capacity issues within the operations management team.

## **7. Consultation and feedback**

**7.1** The Gloucestershire Joint Municipal Waste Management Strategy, approved by Cheltenham Borough Council in October 2007, endorsed the development of service delivery partnerships between local authorities and the private sector and the delivery of efficiency savings through the integration of collection services. This followed full public consultation in 2006 including workshops, community panels and the "Great Gloucestershire Debate" which was facilitated by the local media.

**7.2** The executive members and senior officers of all partner authorities have been fully consulted in the preparation of the updated business case. A Cheltenham Borough Council Member seminar was held on Thursday 2nd September 2010 to inform Members of the options and to seek feedback. Feedback from those Members present was generally positive.

## **8. Performance management –monitoring and review**

**8.1** Projects will be managed in accordance with Prince 2 methodology with progress against key milestones monitored via the corporate performance management system.

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<p><b>Appendices</b></p>	<ol style="list-style-type: none"> <li>1. Business Case for the Interim Arrangements between Tewkesbury and Cheltenham Borough Councils.</li> <li>2. Key features of a local authority company.</li> <li>3. Governance arrangements for the JWP</li> <li>4. Risks associated with a staggered decision making process for the JWP</li> </ol>
<p><b>Background information</b></p>	<ol style="list-style-type: none"> <li>1. Cabinet 21<sup>st</sup> September 2010, Joint Working in Waste Services.</li> <li>2. Cabinet 21<sup>st</sup> July 2009, Joint Working in Waste Services.</li> <li>3. Cabinet 15<sup>th</sup> January 2008, Joint Working in Waste and Environmental Services</li> <li>4. Cabinet 30<sup>th</sup> October 2007, Gloucestershire Joint Municipal Waste Management Strategy</li> </ol>

**Cabinet Report risk template**

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If cashable savings are not delivered through partnership and other service efficiencies it will impact on the council's ability to balance a challenging budget.	AD Ops	01/09/10	3	3	9	Reduce	Seek partnership efficiencies with other Glos partners.  Implement the short term projects already underway.	30/11/10	AD Ops	
	If the financial projections in the business case prove to be inaccurate then target savings may not be achieved.	AD Ops	01/09/10	3	3	9	Reduce	Continuously scrutinise and challenge assumptions and projections and refresh business case.	Ongoing	AD Finance	

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**OUTLINE BUSINESS CASE FOR JOINT WORKING IN DEPOT SERVICES**

**CHELTENHAM BOROUGH COUNCIL  
AND  
TEWKESBURY BOROUGH COUNCIL**

**1. BACKGROUND AND STRATEGIC CONTEXT**

The Local Government and Public Involvement in Health Act 2007 stressed the importance of implementing effective working arrangements in two tier administrative areas such as Gloucestershire to deliver increased efficiencies and improved outcomes. It set goals for two tier areas to deliver shared back office functions and integrated service delivery mechanisms.

Both Cheltenham Borough Council (CBC) and Tewkesbury Borough Council (TBC) have been examining options for joint working in waste services as members of the Gloucestershire Waste Partnership. The Joint Municipal Waste Management Strategy 2007 – 2020 makes a clear commitment to partnership working to make waste management more sustainable, including the development of service delivery partnerships with other authorities and the private sector. Both councils subsequently considered and accepted a detailed business case that outlines a programme of change to deliver significant efficiency savings across the partnership, with savings being achieved on both collection and disposal budgets. The timeline for change and realisation of the full range of savings is stretched over a period of 10 years.

CBC and TBC are committed to improved service delivery and efficiency within their respective council vision and plans. CBC's corporate strategy 2010 – 2015 has as a key outcome that the council delivers cashable savings, as well as improved customer satisfaction overall and better performance through the effective commissioning of services. To do this CBC will work with other district councils to realise cost savings from shared services. TBC have also identified shared services as a key work stream.

Both councils have therefore been working together and with other authorities in Gloucestershire to identify opportunities for joint working. Currently, CBC and TBC share legal and building control services.

Given the immediate and acute financial pressure placed upon CBC and TBC both councils have expressed a desire to deliver cost savings from depot based services in 2011/12 without a reduction in service quality or standards. Efficiency targets have been included in the medium term financial strategies of both councils. In July 2010 both councils entered into a memorandum of understanding to build on the success of their depot sharing arrangement and to explore the option of shared service delivery in:

- waste and recycling
- street and other cleaning
- parks
- grounds maintenance
- fleet services

Due to the inherent synergy between grounds maintenance and cemeteries, the latter has also been included in the scope of this business case.

In September 2010, Cotswold District Council also expressed a desire to create a joint working arrangement with CBC and TBC and a revised memorandum of understanding was approved in November 2010. This set out terms that CBC and TBC should continue to work towards delivering efficiencies in 2011/12 but in such a way as not to inhibit the inclusion of Cotswold District Council in August 2012.

This business case is therefore focused on Phase 1 of joint working arrangements between CBC and TBC in 2011/12. Phase 2 is the delivery of further efficiencies through joint operational service delivery in 2012/13. The potential to include Cotswold District Council and wider partnership arrangements will be dealt with under separate cover.

## **2. BUSINESS CASE RATIONALE**

The development of this business case stems from three key factors.

1. It is for each council to determine their own strategies, policies, service levels and standards, but the councils commit to a process of prior consultation and liaison when change is being considered. This business case is therefore limited to operational management and administration of service delivery.
2. Both councils have identified in their medium term financial strategy the need to deliver cashable savings from joint working in depot based services. These have been identified as £50,000 per authority in 2011/12 and a further £50,000 per authority in 2012/13. If these savings are not delivered through joint working then other potentially more damaging cuts will have to be identified.
3. From the Gloucestershire Waste Partnership there are possible longer term opportunities to deliver further efficiencies. The first of these may be the inclusion of Cotswold District Council in a tripartite shared service arrangement and this business case and the identified savings in 2011/12 have been developed in such a way as to retain flexibility and facilitate the transition to a tripartite service delivery model.

This business case is, therefore, an interim arrangement for the period June 2011 to August 2012.

## **3. AIMS AND OBJECTIVES**

For joint working to be effective there must be a clear set of aims and objectives. This will guide the form of the partnership, control implementation of the business case and monitor progress and achievement.

The aim of the joint working arrangement is to create a single direct service management team which will deliver a high quality, sustainable range of 'in scope' services as well as cashable savings without compromising the ability of each council to determine their own strategies, policies, service levels and standards.

The objectives are:

- a. To develop the joint working arrangement over time, taking a phased approach rather than a big bang implementation. This will assist with managing risk.
- b. To implement the joint working arrangements for 2011/12 as simply as possible and to provide flexibility to adapt to changing circumstances.
- c. Allow for the inclusion of other partners over time and in particular the inclusion of Cotswold District Council in August 2012.
- d. To deliver cashable savings of £50,000 per annum for each council in 2011/12 through reduced management and administrative overhead.
- e. To facilitate further cashable savings of £50,000 per annum for each council in 2012/13 through operational efficiencies.
- f. To enable improved cover for absence and staff turnover.
- g. To avoid duplication of effort in the implementation of statutory responsibilities e.g. health and safety risk assessments and safe working procedures.
- h. To build on the strong working relationship developed through shared depot and interim management arrangements and to share best practice.
- i. To achieve and sustain a high level of client satisfaction
- j. To improve service resilience and response to emergency situations
- k. To enhance the reputation of both councils within the Gloucestershire Waste Partnership and within the wider local government and public sector environment.
- l. To provide a value for money benchmark for any county wide joint service arrangement.

#### **4. OPTIONS FOR JOINT WORKING**

Officers have evaluated a number of options to deliver the specified aims and objectives. Outsourcing was considered but discounted for the following reasons:

- a. CBC are currently managing a significant programme of change to waste and recycling services. Outsourcing these services at this time would present significant risk.
- b. Comparison of unit prices for both councils compare favourably with similar councils who have outsourced.
- c. The uncertainty over the medium term financial strategy has strengthened the belief of both executives that direct control over service delivery will more easily and effectively deliver change and cashable savings.
- d. The process to outsource the services in scope is such that immediate cashable savings could not be delivered.
- e. Outsourcing is best evaluated once the partnership arrangements have matured.

For these reasons the focus has been on delivering the aims and objectives through continued in-house service delivery.

One option for this is through a full shared service arrangement. This would require an administrative arrangement under S101 of the Local Government Act 1972 – Delegation of functions into another council. Under this option one council (the lead authority) undertakes the functions of the other council under delegated powers set out in an agency agreement. The lead authority employs all staff and those staff who currently work for the council which has delegated its functions would transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). This option has been discounted for the following reasons:

- a. Entering into such an arrangement would remove a degree of flexibility because any changes will require variations to the formal legal agreements that have been entered into by the councils under s101. This may make it difficult for the inclusion of other partners at a later date (e.g. Cotswold District Council).
- b. The arrangement, whilst not permanent, does not provide a realistic short term exit strategy should it prove unsuitable to either party.
- c. The transfer of staff involves a lengthy process which may impact of the delivery of immediate cashable savings.

The least risk option on which this business case is constructed is that of localised joint management and administration arrangements through secondment of staff from both councils. This can be achieved through secondment arrangements under S113 of the Local Government Act 1972 up to a maximum date of August 2012. In this way each partner makes a equal contribution to joint working and risk is shared equally between the two councils.

The advantages of a secondment option are :

- a. It is a relatively simple process that can be completed within the required timescale.
- b. Risk is shared equally and there can be a short term exit strategy should either party consider that the arrangement is not delivering the desired outcomes.
- c. It is a flexible arrangement which can be easily changed.
- d. It will deliver the 2011/12 cashable savings identified in the MTFs of both councils.
- e. Set up costs are kept to a minimum and delivered within core budget.
- f. It will reduce duplication of effort in some tasks and streamline service delivery through joint planning, organisation and control.
- g. A shared management and administrative resource can rapidly flex staff to cover shortfalls and periods of peak demand.

The disadvantage of this approach is:

- a. The joint management and administration team will, in the short term, have to work with two sets of management and information systems, human resource policies and procedures, financial regulations and reporting systems. There are already



some shared systems in place (i.e. the garden waste service database) and with reasonable adjustments this dual system arrangement can be accommodated.

**5. IMPACT ON KEY STAKEHOLDERS**

As there is no change to the policies, service levels or standards of either council there will be no impact on those customers who receive the services in scope. There is however a risk that reduced management and administrative resource will have an impact on non urgent response times. Frontline service delivery will continue to be branded as it currently is with the respective council being promoted in the area for which it is responsible.

Elected members of both councils will continue to have access to officers and to have an overview of the services in scope via the existing monitoring and reporting mechanisms.

The Trades Unions have been consulted regarding the impact on staff and will work closely with management through the implementation stage. Staff are aware of the outline proposal and further engagement will take place in line with the communication plan.

**6. FINANCIAL BENEFITS**

The cashable savings identified in the respective MTFS will be delivered in 2011/12 by suspending establishment posts that are currently vacant and distributing responsibility across the joint team, having first eliminated duplication of effort.

The savings generated by suspending establishment posts will be split equally between the two Councils in accordance with principles established in previous shared service arrangements. The same principle will apply to the sharing of one-off costs associated with the project and any in year variances between budget and actual.

The current annual employee costs of each council for the services in scope are summarised in the table below, along with the proposed employee costs and the variance.

	<b>Current</b>	<b>Proposed</b>	<b>Variance</b>
	<b>£s</b>	<b>£s</b>	<b>£s</b>
CBC	599,027	524,027	75,000
TBC	403,394	328,394	75,000
Combined	1,002,421	852,421	150,000

The posts that are currently vacant and will be suspended are:

- Operational Service Manager, Waste and Recycling - CBC
- Bereavement Services Manager - CBC
- Customer Service Assistant (part time) - CBC
- Direct Services Manager - TBC
- Direct Services Supervisor - TBC

The savings attributed to the suspension of the Customer Service Assistant (part time) post have already been built into CBC's 2011/12 base budget so the additional cashable saving to CBC is reduced to £63,000.

It is estimated that the project will incur costs of no more than £21,000 to cover the cost of IT amendments and employee costs for enhanced roles. As stated, these costs will be

shared equally and have been taken into account when arriving at the figures shown in the table.

All operational budgets and the base budgets of the management and admin teams will remain with the respective Councils. Support Services to the newly formed Delivery Unit will remain with the respective Councils.

Costs of accommodation are subject to a separate agreement.

## **7. PROPOSED STRUCTURE**

An existing structure chart for those CBC services in scope is attached as Appendix A. The corresponding chart for TBC is attached as Appendix B (Part 1 and 2).

The proposal is to second management and administrative staff into joint teams for waste and recycling, environmental maintenance (street cleaning and grounds maintenance), bereavement services (cemetery and crematorium) and shared depot administration. The other sections currently within the operations division of CBC remain unaffected – Green Space Development, Public Protection and Fleet Services – although further work will be done in 2011/12 to explore the potential for joint working efficiencies in these areas.

The joint service management team will be led by CBC's Assistant Director Operations who is currently also acting as Interim Head of Direct Service at TBC. Line management responsibility for each of the services in scope will rest with one person who will plan, organise and control operational service delivery across both districts and manage operational staff from both councils.

The proposed joint service management team and the proposed structure chart for each service in scope are provided as Appendix C.

## **8. MONITORING ARRANGEMENTS**

The most appropriate monitoring arrangement for the operational management service set out in this report would be to establish a Senior Officer Board. This would provide a degree of flexibility to deal with operational issues that may arise during the interim period. The Board would consist of:

TBC Corporate Head of Community Development and Partnerships

CBC Strategic Director

and would be supported by the Head of Joint Service.

Terms of reference will need to be agreed but should include monitoring the working arrangements of the service. The financial benefits of the joint working arrangement will be monitored and reported through the respective finance systems and budget monitoring reports.

The Board is likely to meet as often as is necessary but not less than quarterly.

## **9. EXIT STRATEGY**

The aim is to develop joint working arrangements and alternative business models and to allow for the inclusion of new partners. However, each party should be free to withdraw from joint working and therefore the arrangement may be terminated by either party by giving not less than 6 months notice in writing.

## **10. IMPLEMENTATION PLAN**

A joint project team has been established consisting of key officers from both councils. This team will be responsible for implementation if the business case is approved.

Key milestones are provided as Appendix D.

## **11. COMMUNICATION ARRANGEMENTS**

Monthly progress / project highlight reports will be made available to members and senior management. Regular reports will also be made to the respective corporate programme boards.

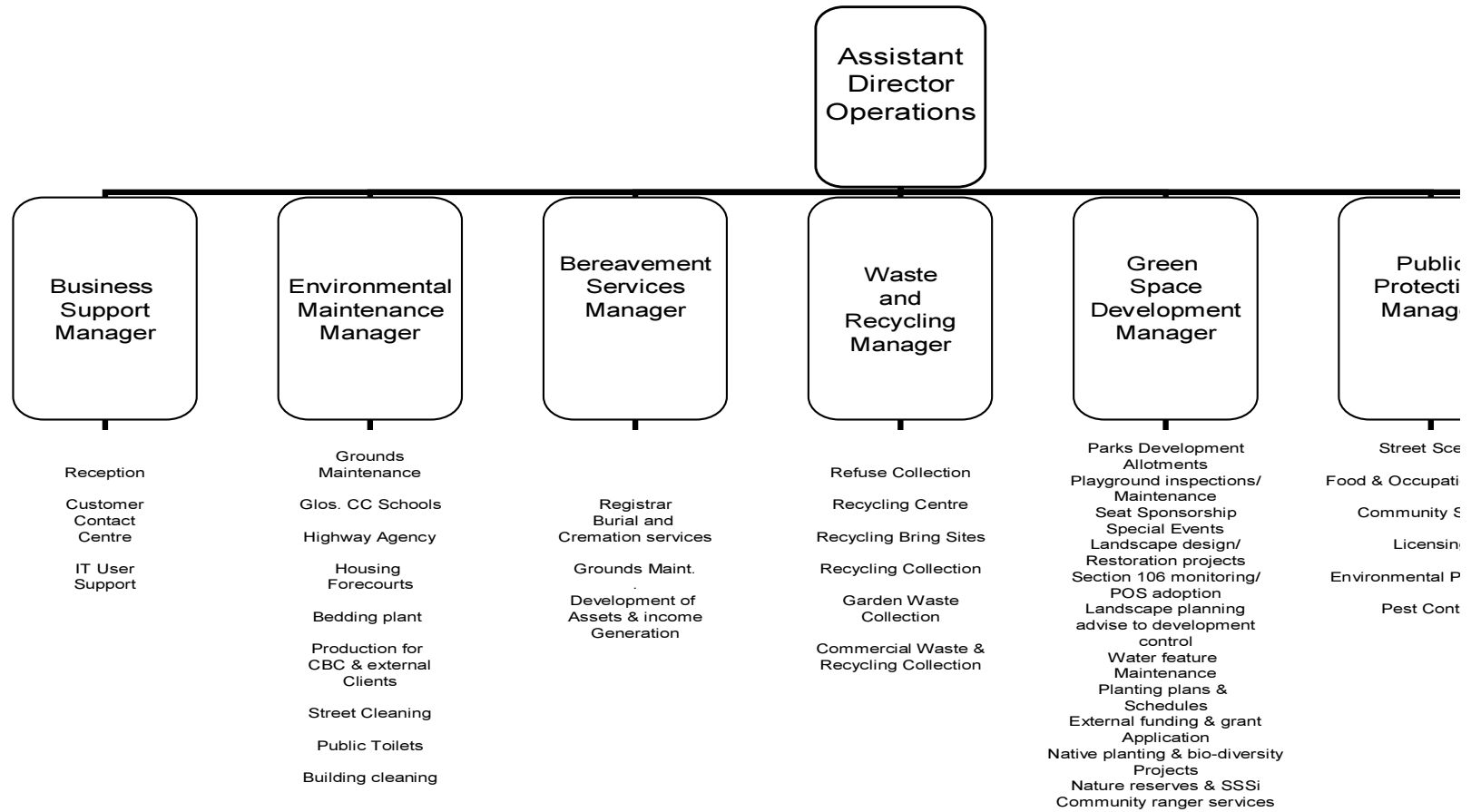
Trades Unions have been consulted through the Joint Liaison Forum and further meetings will be scheduled to agree the detail of the implementation phase.

Staff have been briefed and reacted positively to the outline proposal. Regular team meetings will continue throughout the duration of the implementation phase. Individual one to one meetings will be scheduled for each individual directly affected by this proposal to clarify and agree personal and team working arrangements.

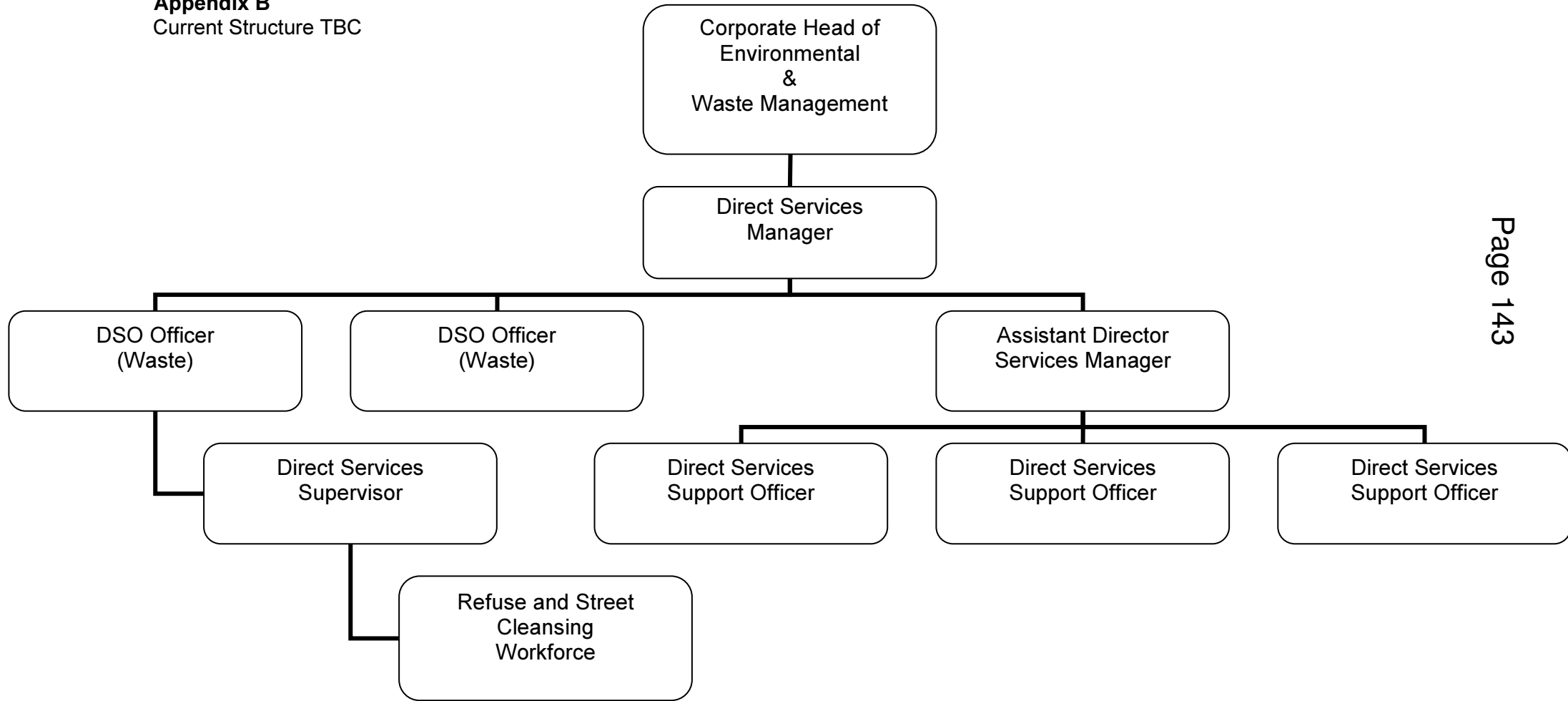
## **12. RISK**

A risk register is provided as Appendix E.

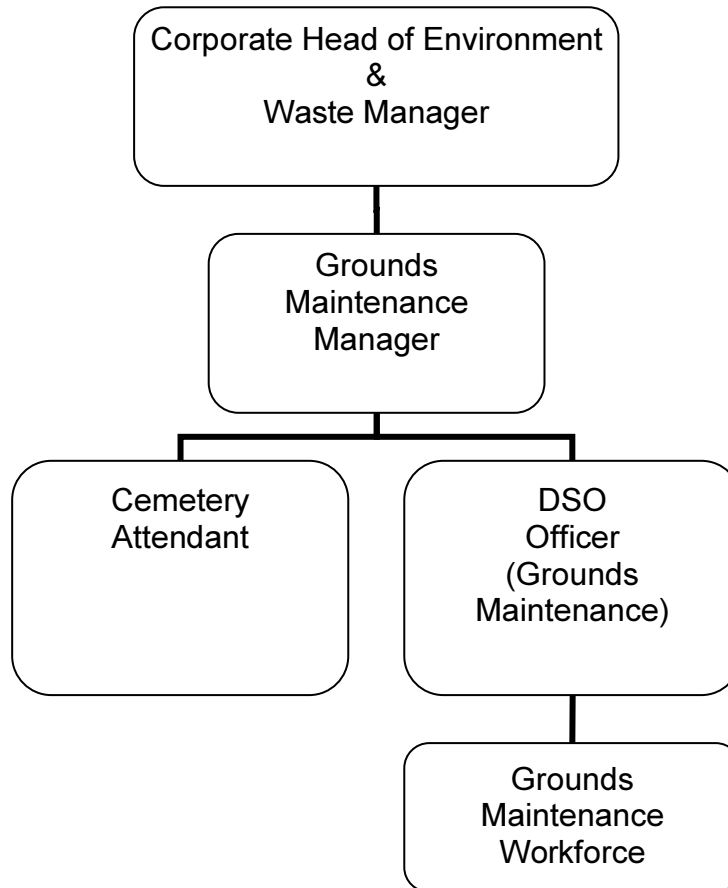
**Appendix A**  
Current Structure CBC



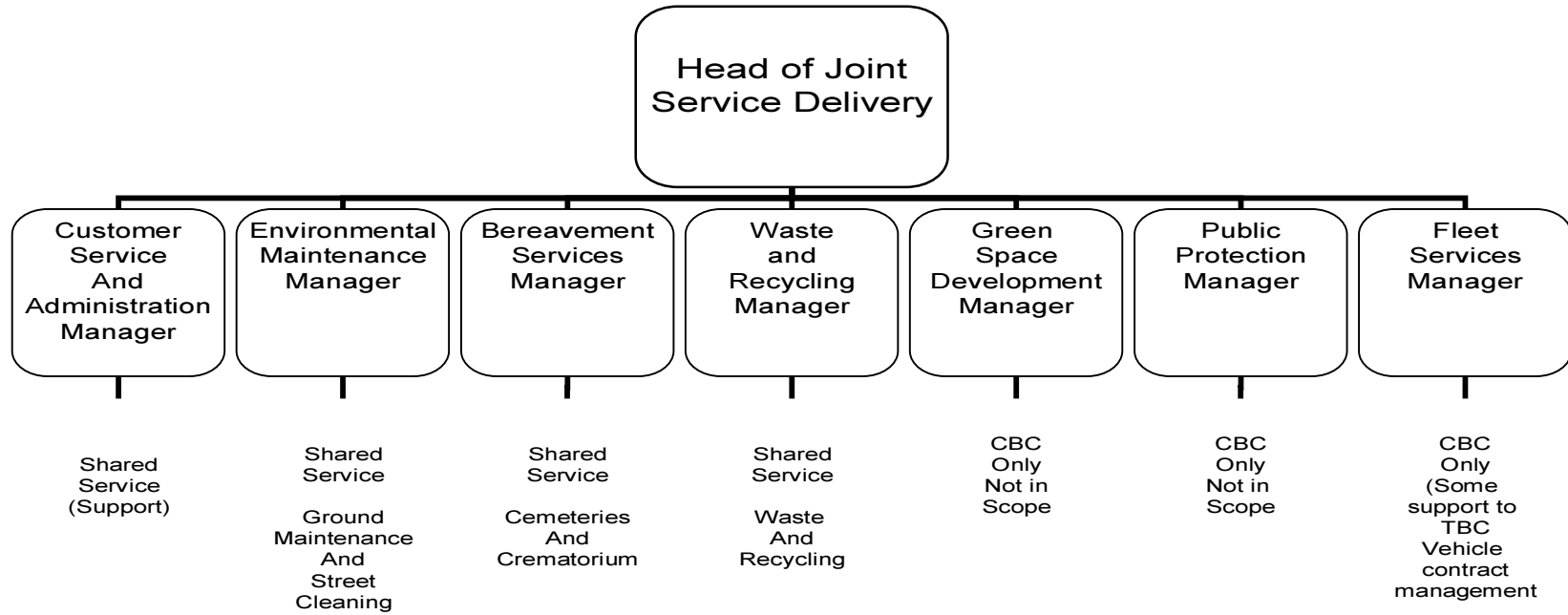
**Appendix B**  
Current Structure TBC



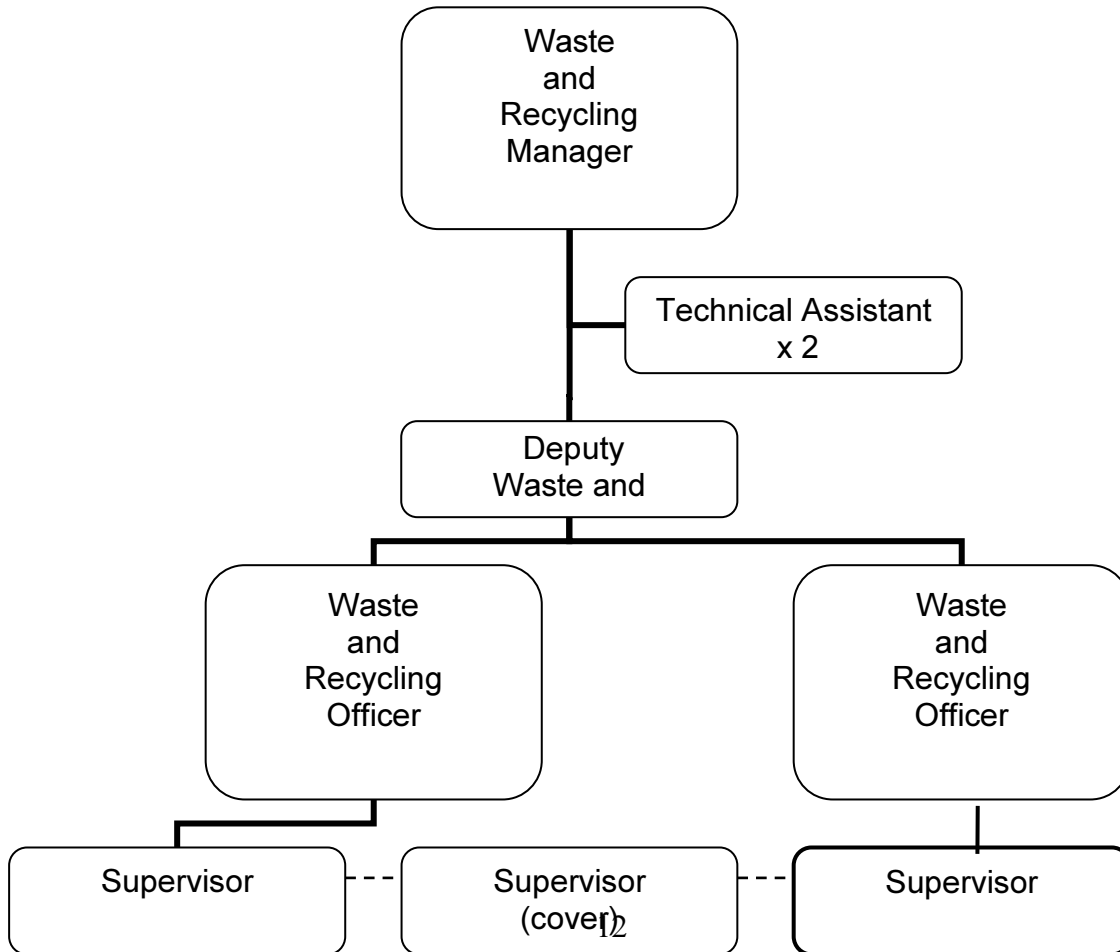
**Appendix B**  
Current Structure TBC



**Appendix C**  
**Proposed Management Team Structure**

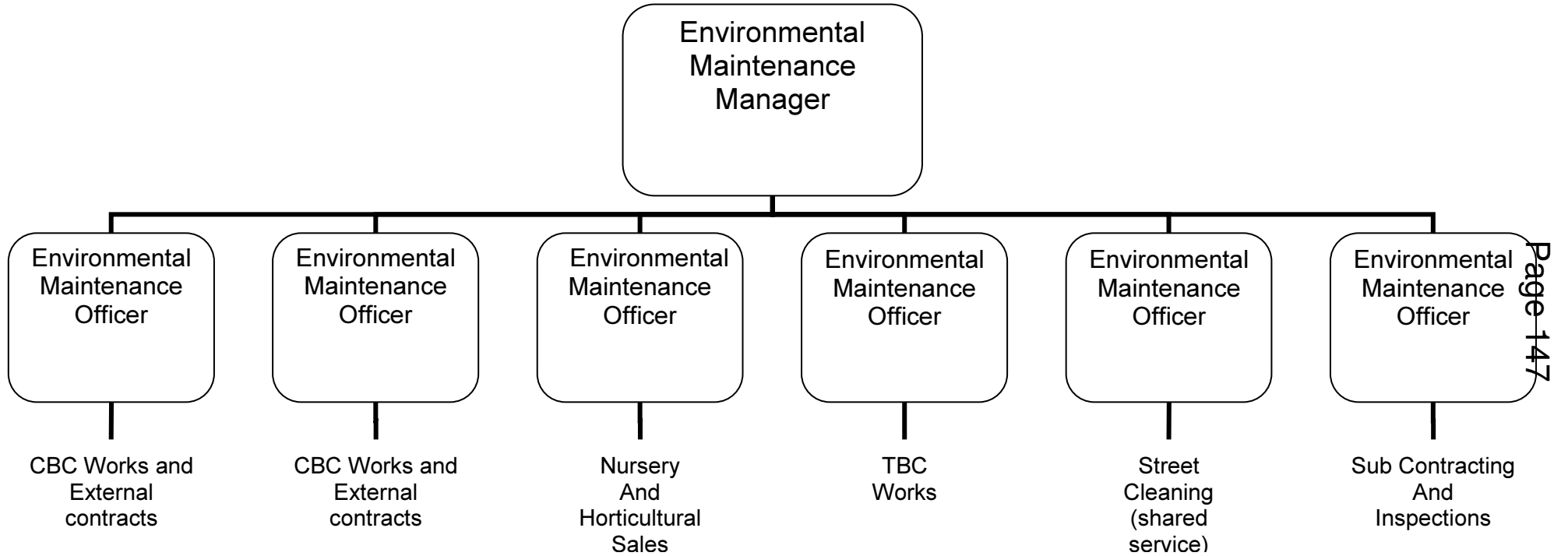


**Appendix C**  
Proposed Structure – Waste and Recycling

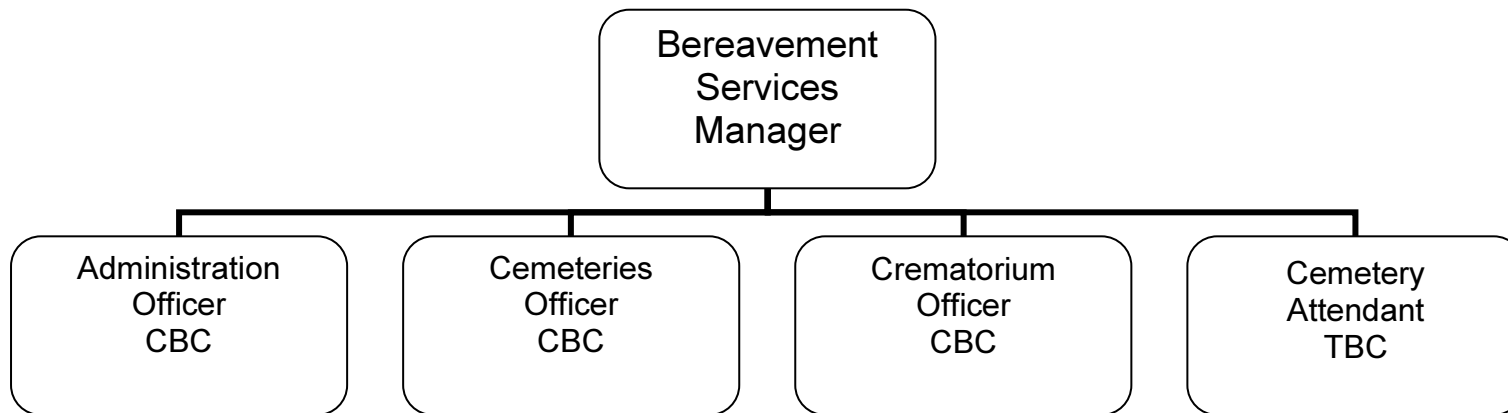




**Appendix C**  
Proposed Structure - Environmental Maintenance

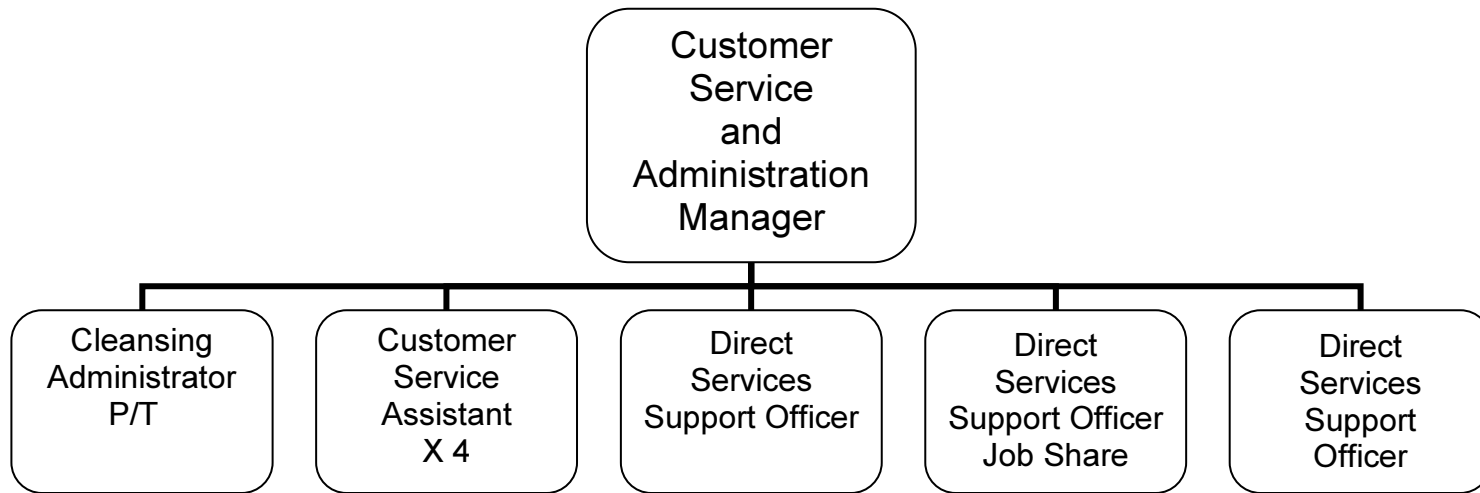


**Appendix C**  
Proposed Structure – Bereavement Services



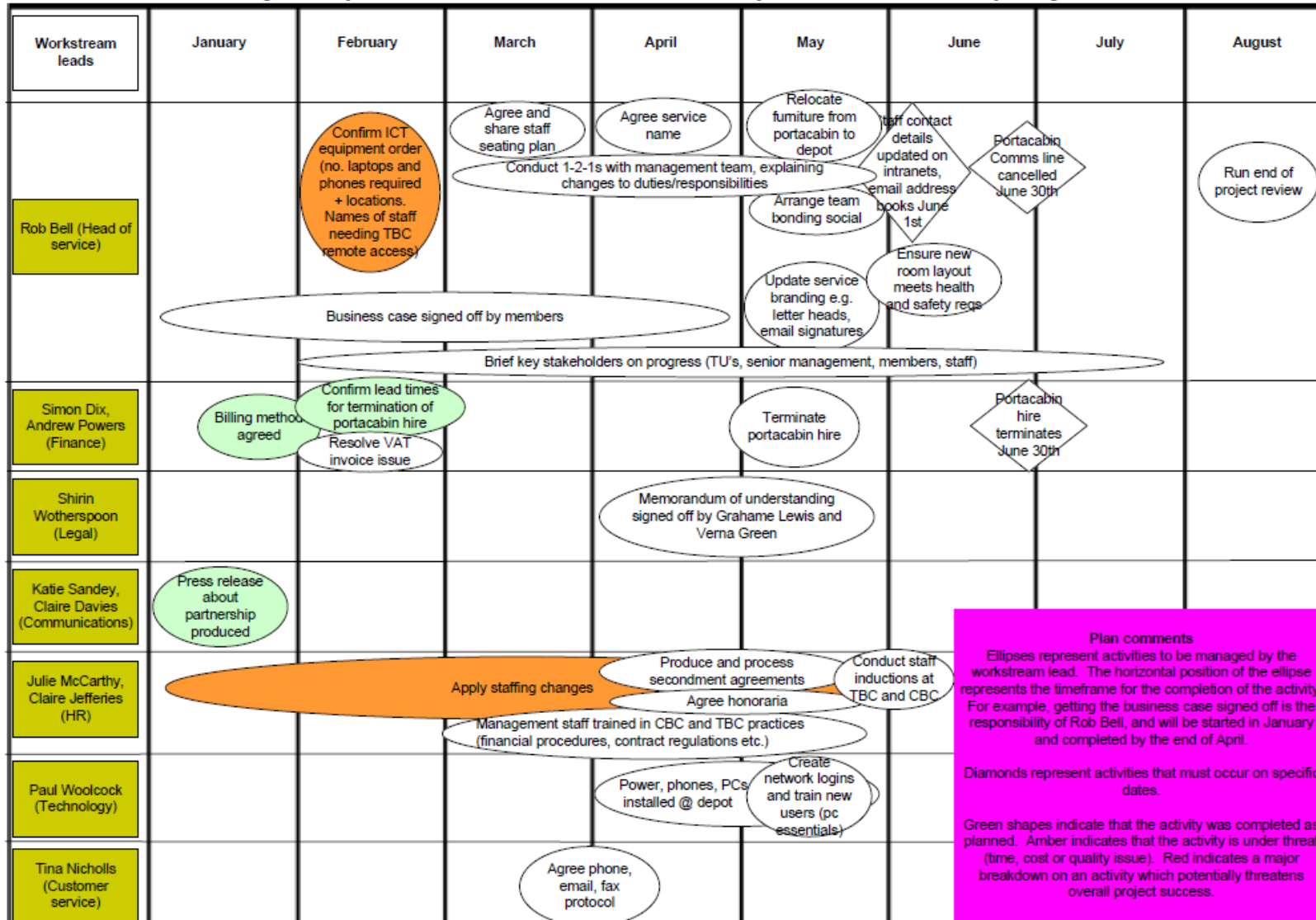
**Appendix C**

Proposed Structure – Customer Service and Administration



Appendix D

## Project plan for the shared depot services project



**Appendix E**  
Risk Log

TBC-CBC joint waste project risk log at Friday 14th Jan 2011								
ID	Description	Risk owner(s)	Date raised	Date reviewed	Impact score (4 max)	Likelihood score (6 max)	Overall risk score (impact * likelihood)	Risk mitigation actions / comments
1	Risk of failing to meet project deadlines. The project is being run to an aggressive timescale. As resources are scarce there is a high likelihood that deadlines will not be met, which will threaten the achievement of target cashable savings.	Rob Bell, Chris Bosley	3-Dec-2010	14-Jan-2011	3	3	9	A rigorous project management approach has been adopted so that progress can be closely monitored. The project management approach will help ensure that barriers and issues are identified and dealt with quickly.
2	If CBC and TBC stakeholders are not aligned behind shared service outcomes then the project may fail and no cashable savings will be delivered.	Rob Bell, Chris Bosley	3-Dec-2010	14-Jan-2011	4	2	8	Members have been engaged and consulted to help ensure strategic buy in and alignment. The project sponsors are also keeping their respective senior management teams and those staff affected briefed on progress.

**Appendix E**  
Risk Log

3	This project could hinder the work of the Gloucestershire Waste Partnership (GWP) to form a county wide unit for waste management if the legal entities formed by this project conflict with the aims of the GWP. Conflicting objectives could lead to increased costs and threaten the ability of Cotswold to join the joint service arrangement in 2012.	Andrew Logan (GWP programme manager), Rob Bell, Chris Bosley	21-Dec-2010	14-Jan-2011	4	2	8	Project plans and outcomes must be aligned to ensure that the TBC-CBC partnership is compatible with the wider aims of the GWP.
4	With CBC and TBC determining their own strategies, policies, service levels and standards, two different services will be provided which increases service delivery complexity for both the managers and front line staff. This will result in different standards of service delivery and different levels of customer satisfaction.	Rob Bell	14-Jan-2011	14-Jan-2011	3	3	9	Head of joint service to ensure that it is feasible to operate and manage the two different services.
5	The business case is predicated on the idea that the joint service can be managed by fewer managers. There is a risk that the challenge of integrating the services will exceed manager's capacity or capability to manage, leading to reduced quality of service and decreased customer satisfaction levels.	Rob Bell	14-Jan-2011	14-Jan-2011	4	3	12	Head of joint service to ensure that all managers have sufficient capability, capacity and confidence to meet the demands of this challenge. Focus during year to be on consolidation of joint working with limited scope for other initiatives.

**Appendix E**

## Risk Log

6	There is a risk that the cost of required technical changes (computer and telecoms equipment) will exceed the budget ringfenced for this purpose.	Rob Bell	14-Jan-2011	14-Jan-2011	4	3	12	Full technical requirements for the 2011/12 service must be established and costed with immediate effect. Initial indications are that a solution can be delivered within budget.
7	The joint management and administration unit will have to work with two sets of management and information systems, human resources policies, financial regulations and reporting systems. There is a risk that this will lead to a large administrative overhead which takes managers away from the real work of managing effective service delivery, leading to reduced service performance and reduced customer satisfaction.	Rob Bell	14-Jan-2011	14-Jan-2011	3	5	15	Lead officers to be identified for each section with good working knowledge of relevant systems and procedures.
8	The joint management and administration unit will have to work with two sets of information systems. There is a risk of data protection issues.	Rob Bell	14-Jan-2011	14-Jan-2011	4	2	8	ICT protocols to be in place and existence data protection training carried out for all staff.

**Appendix E**  
Risk Log

9	The aggressive timescale for the implementation of the shared management and administration unit increases the likelihood of mistakes being made which could lead to reduced levels of cashable savings and reduced levels of customer satisfaction.	Rob Bell	14-Jan-2011	14-Jan-2011	4	4	16	Rigorous risk management will be carried out throughout 2011/12 to ensure that risks are identified, owned and mitigated effectively.
10	Increased workload and responsibilities for management and operational staff increases the risk of illness and staff absence. This would lead to a reduction in cashable savings and reduced service performance.	Rob Bell	14-Jan-2011	14-Jan-2011	4	3	12	Executive Director and Head of joint service to manage capacity and ensure the well being of staff during 2011/12.
11	Changes to staffing arrangements may cost more than the budget ringfenced for this purpose, leading to a reduction in the cashable savings that the project is committed to delivering.	Rob Bell	14-Jan-2011	14-Jan-2011	3	3	9	The cost of staff changes will be carefully managed to minimise the need for honoraria payments.



**KEY FEATURES OF A LOCAL AUTHORITY COMPANY**

- 1.1 A local authority has the power to form a company under s2 Local Government Act 2000
- 1.2 A company is a separate legal entity to any of the participating councils. It is set up under a Memorandum of Incorporation and Articles of Association which set out its structure and operating rules. The company is owned by its “members” who can be guarantors (for a company limited by guarantee), each promising to underwrite the company, normally to the value of £1, or can be shareholders (for a company limited by shares), each of whom promises to pay to the company if demanded the face value of their share (normally £1). The members of the company meet periodically and take decisions collectively on behalf of the company, normally appointing directors, who are employees of the company, and delegating powers to the directors individually, or collectively meeting as the Board of Directors, to run the company.
- 1.3 Even if it is wholly owned by one or more local authorities, a company is separate from the local authority(ies). As a separate legal entity, it may enter contracts, employ staff, own land and borrow in its own right. If it makes a profit, it is subject to Corporation Tax, unless it is a company limited by guarantee which has secured registration as a charity, which is inappropriate in this case. The company may then distribute any profit after any tax in the form of dividends to shareholders (hence a company limited by guarantee, having no shares, cannot distribute profit to its members).
- 1.4 A local authority can contract with a company for the purchase or sale of goods, works and services, which may assist in the discharge of the authority’s functions. As long as the company is wholly owned by the participating councils, they can contract with the company without having to compete the contracts under EU procurement law. However, a local authority cannot delegate its statutory functions to a company, in the sense of the authority taking decisions on behalf of the authority or exercising statutory powers of the authority, without an order under the Deregulation and Contracting- Out Act 1994.
- 1.5 The legal arrangements for the interface between the company and the councils would include:-
  - a) Members/shareholders agreement between the Councils (and the trading company) governing conduct and operation of the company
  - b) Agreements between Councils and company for service provision
  - c) Agreement between Councils and company for the provision of required staff, equipment, office space and other resources.

- d) Contracts with clients (any external purchasers of the services e.g. other authorities)
- e) Contracts with suppliers / sub-contractors

- 1.6 In terms of structuring a company, if there were initially two participating councils, each would sensibly have equal voting rights at meetings of members of the company. Each authority would agree to the formation of the company and would agree that each authority as a member of the company would send its representative to the meetings of members, and they would take decisions as the company.
- 1.7 Each of the participating councils would enter into a Members' Agreement with each other under which they agreed to participate in the company. They would agree that they would make staff, land and property available to the company. The Members' Agreement would also provide for the formula by which the costs and liabilities of the company would be split between the authorities.
- 1.8 In practice, the day to day management of the company and the oversight of the delivery of services would best be undertaken at Board of Directors level, which would probably be made up of senior officers of the authorities.
- 1.9 Each of the authorities would continue make its own decisions on the relationship with the company.





GLOUCESTERSHIRE  
WASTE PARTNERSHIP



# **Joint Waste Programme**

## **Draft Report: Governance and Legal Form**

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**Author: Joe Papineschi**



## Document Record

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## 1.0 Introduction

This short report summarises the methodology and findings of work carried out by Joe Papineschi (Eunomia) and Shirin Wotherspoon (One Legal) on governance issues and options. The aim of the work was to identify a preferred option for the governance structure of the Joint Waste Programme shared waste collection and disposal service, based on an objective evaluation of all of a range of available options.

## 2.0 Background

Since 2007, the Gloucestershire local authorities have been investigating the potential for and then working towards a shared waste management service. Several phases of work have been undertaken to examine in detail the options for developing such a shared service and to understand the financial and operational costs and benefits of these options. In September 2010, each of the seven waste authorities in Gloucestershire considered a detailed business case for moving into an implementation phase and five authorities (Cheltenham BC, Cotswold DC, Forest of Dean DC, Tewkesbury BC and Gloucestershire County Council) passed resolutions to the effect that they would continue to work together towards implementing a shared service. Gloucester City Council and Stroud DC decided at this point to cease direct involvement in the project, but have not ruled out joining the shared service at a later date.

This increased clarity regarding the make-up and scope of the partnership has allowed the partner authorities to work towards a decision on the governance and management arrangements and legal form for the future shared service. Whilst, since relatively early in the partnership's investigations of shared service options, a presumption in favour of governance under a joint committee has been made, no formal decision has so far been taken. The work reported here was commissioned by the Programme Board in order to challenge that presumption and to inform the decisions that must now be made in the relatively near future regarding the governance model to be implemented.

## 3.0 Methodology

Depending on the eventual outcome of the partnership's deliberations regarding governance, the decisions on the governance of the shared service have the potential to be very significant. As such, it was considered essential that a robust and objective process of options appraisal was undertaken, considering a wide range of options. In summary, this process entailed:

- The establishment of a set of 'partnership principles' against which the governance options could be identified and tested;
- The identification of a wide range of governance options, designed to be representative of the full range of options available;
- The narrowing down of the options to a shortlist of 'most likely' options;
- The establishment of a set of evaluation criteria, based on the partnership principles, which would allow the performance of the options to be quantified;
- The evaluation of the options against the criteria.



## 4.0 Principles

Based on decisions previously made by the partner authorities, the Joint Improvement Board and the Shadow Joint Waste Board, a consolidated set of partnership principles were drafted and discussed by the Programme Board. The following principles were agreed and formed the basis of the subsequent stages of the project:

### 4.1 Scope and Functions

1. The waste collection and disposal functions under Part 2 and street and litter cleansing functions under Part 4 of the Environmental Protection Act 1990 and associated legislation will be the primary functions of the shared service.
2. Other related services (such as grounds maintenance) could also be considered for inclusion on a case-by-case basis, particularly where not including them might result in detrimental impacts in terms of residual services (e.g. due to shared infrastructure or management).
3. Incidental activities such as fleet management which could extend beyond the functions outlined above could be considered for inclusion where there is a business case for doing so (such as economies of scale) but this should be a secondary consideration in selecting a recommended governance option.
4. Maximising potential for trading/income generation is of interest, but this should be a secondary consideration in selecting a recommended governance option.
5. Any decisions regarding outsourcing should be taken on value for money grounds and supported by a robust business case. No services should be considered fundamentally off-limits for market testing. Equally, no presumption should be made against provision of waste services in-house.

### 4.2 Decision Making

6. In the event of a member decision-making body being formed, each partner authority will appoint two elected members to the body and each of them will have a single, equally weighted vote.
7. Where significant delegation of functions takes place, accountability to local electorates will be protected by a system of vetoes focused on matters of significant extra-budgetary financial cost and significant service change. Provisions will be included to manage deadlock situations. Initially, these will lead to decisions not being implemented, but may lead to exit from or ultimately termination of the partnership arrangements.
8. Annually, the partnership will agree:
  - A business plan
  - A medium term financial plan
  - An annual budget for the partnership

These will be approved by the individual partner authorities. Where the partner authorities fail to approve a budget, the existing budget will be adopted, but adjusted to take account of unavoidable financial impacts such as inflation and landfill tax.

### 4.3 Financial

- Contributions to the joint budget will be made on the basis of a cost-sharing agreement, based on the following principles:
  - a. For household waste collection services, contributions will be based on the following factors:
    - i. Service design, service level and frequency of collection;
    - ii. Number of households or service users; and
    - iii. Sparsity/density of population.

However, where a cost overrun bears on the partnership, this will substantially pass through to the authority to which the cost overrun relates.
  - b. For waste disposal costs, the WDA will be the sole contributor. In addition, the WDA will contribute towards the cost of waste collection in lieu of payments of recycling credits and organic waste collection payments to the extent that each district is at least no worse off than under the current arrangements.
  - c. Management and back office costs, overheads and support services will be recharged on the basis of:
    - i. First, a WDA/WCA split, based on a measure of historic back office management cost differential; and
    - ii. Secondly, between the WCAs, divided equitably.
  - d. Costs associated with the payment of a third party which provides collection services in only one partner authority area will pass through to that partner authority.
  - e. Minimum savings at an acceptable level to each authority will be required in the first full year of the partnership.
  - f. Asset contributions will be recognised at market value, whether assets are transferred or made available via, for example, a lease. Asset transfers will be minimised unless a sound business case exists to do otherwise, in order to maximise simplicity, both in set-up and potential exit or termination.
- Value for money will be demonstrated regularly and objectively. The waste collection services that are delivered in-house at the start of the shared service will be market tested by 2018 subject to a decision by the relevant executive body or bodies that this is required in order to demonstrate continued best value.

### 4.4 Expansion and Contraction of the Partnership

- The partnership is, in principle, open to considering the addition of new partner authorities, both from within Gloucestershire and outside the county. However, the primary aim of the partnership is to meet the direct needs of the founding partners.
- Decisions regarding the expansion of the partnership will take account of any considerations relating to set-up costs carried by the founding partners when considering the overall business case for partnership expansion.

## 5.0 Governance Options

Different 'governance structure components' would have to be combined to make up most of the overall governance structure options available for the shared waste service. For example, a Joint Committee would have to be combined with an administering authority in order for the partnership to be able to enter into contracts or employ management staff. For this reason, we have considered options in terms of the potential governance structure components that could be used at three 'tiers' within the overall governance structure of the partnership:

- **The strategic/policy level**, which essentially includes the strategic decision-making processes involving elected members;
- **The management/back office level**, including overall service management, performance management, public communication and administration; and
- **The operational level**, including front-line service delivery (i.e. refuse collection, street cleansing, supervision etc.)

As a starting point in developing the governance options for appraisal, we identified potential governance structure components, with a view to configuring these into a number of overall governance structure options based on the three tiers described above. These components were:

- **Secondment**: Section 113 of the Local Government Act 1972 allows officers employed by one local authority to work on discharging the functions of another authority;
- **Collaborative arrangements**: a contractual arrangement between authorities under which approaches to policy and decision-making are established, but where decision making itself still takes place within each partner authority;
- **Joint committees**: joint committees are joint decision-making bodies that allow multiple authorities to discharge their functions jointly. Generally, they are made up of members appointed by each of the authorities;
- **Lead authority**: Section 101 of the Local Government Act 1972 allows one authority to discharge the functions of another authority that has similar functions. This arrangement can be used in combination with other structures. For example, the administering authority in a joint committee arrangement is usually established using these powers;
- **Limited company**: local authorities are allowed to set up limited companies, but cannot delegate functions to them;
- **Joint Waste Authority**: joint waste authorities can be set up under Part 11 of the Local Government and Public Involvement in Health Act as special purpose authorities responsible for one or more of waste collection, disposal and street cleansing; and
- **Outsourcing**: local authorities are able to contract with third parties to discharge their functions, usually following a formal procurement process.

Some of these potential components could be used at one tier (e.g. a joint committee could be used at the strategic/policy level) but not at another (the operational level). Other components, although theoretically usable at a particular tier, are for one reason or another not desirable or practical. The sortlisting process that resulted in the overall

governance options that were subjected to detailed appraisal is described in the next section.

## 5.1 Shortlisted Options

Table 1 summarises the governance structure components that were appraised in detail at each tier. A tick signifies that a component was considered for the relevant tier, a cross that it was not and a greyed-out box that it was considered to be legally or practically unviable. Some discussion of the rationale behind these assumptions is provided below.

**Table 1: Options Shortlisted for Detailed Appraisal**

	Strategy/Policy	Management	Operational
Secondment		X	X
Collaborative arrangements	✓	X	X
Lead authority	X	✓	✓
Joint committees	✓		
Limited company		X	✓
Joint Waste Authority	✓	✓	✓
Outsourcing		X	X

- The secondment option was not considered viable for the strategy/policy tier, as this would entail an excessive degree of delegation to officers. Although theoretically viable at the management and operational tiers, secondment alone was not considered in the detailed appraisal because it would not meet the test of facilitating the creation of a genuinely shared service. However, in practice it may well be that secondment has a role to play in ensuring that officers whose role is split between in-scope waste functions and other out of scope functions can continue to work for the partnership and for their original authority employer.
- Collaborative arrangements are essentially designed for strategic governance and as such were not considered at the management or operational levels, as in practice a shared service governed under a collaborative agreement would rely on a combination of secondment and lead authorities for the delivery of the management and operational functions.
- Delegation to a lead authority was not considered viable for the strategy/policy level, as this would entail a single authority taking key decisions on behalf of other partner authorities. However, delegation to a lead authority at the management level (e.g. an administering authority to a joint committee) or at the operational level (e.g. a 'joint DSO') were considered to be viable options.
- Joint committees are joint decision-making bodies and are therefore appropriate for the strategy/policy level, but not the management or operational levels.
- Limited companies cannot be used at the strategic/policy level, as functions cannot practicably be delegated to them. They could theoretically be used at the management level, but would not add value relative to, for example, appointing an administering authority, whilst being more complex. However, a local-authority owned company would be viable at the operational level.

- A joint waste authority could operate at all three tiers, as strategic/policy decisions would be taken by members of the authority and staff employed directly by the authority could manage the services and deliver them in-house.
- Outsourcing would not be possible at the strategy/policy level, as functions could not be delegated to a contractor. Whilst management and back office functions could theoretically be outsourced, in practice this was not considered viable, as this would not provide a suitable level of control and accountability for the management of key services. At the operational level, outsourcing will almost certainly play a key role and could easily be combined with any of the other components considered in the detailed appraisal. However, in the context of this options appraisal, the focus at the operational level is on service delivery in Cheltenham, Tewkesbury and Cotswold, as these authorities have an immediate need to resolve the question of service delivery model.

As table 1 shows, the number of combinations of viable governance structure components is actually quite limited, with the following five overall options considered in the detailed appraisal:

- A collaborative arrangement at the strategic/policy level, combined with a lead authority for management (i.e. an administering authority), combined with either:
  - A lead authority at the operational level (i.e. a joint in-house service); or
  - A local authority owned company at the operational level
- A joint committee at the strategic/policy level, combined with a lead authority for management (i.e. an administering authority), combined with either:
  - A lead authority at the operational level (i.e. a joint in-house service); or
  - A local authority owned company at the operational level
- A joint waste authority with an in-house service for Cheltenham, Tewkesbury and Cotswold and predominantly outsourced services for Forest of Dean and the County Council.

Before describing the evaluation criteria and results of the appraisal, the following section provides some further detail on each of the governance structure components considered, as well as setting out the assumptions made as to the ways in which they would be used. This should be considered in the context of the principles described in Section 4.0. Under each component, the legal documents that we anticipate would be required are also listed.

## 5.2 Collaborative Arrangement (Strategic Level)

A Collaborative Arrangement would be a contractual arrangement between the participating authorities which would facilitate consistency of approach and implementation of waste policy across participating councils. It would not have decision making powers other than those covered by schemes of delegations to members/officers of the individual constituent authorities. As such, it would provide a means of coordinating decision-making (probably via one or more member/senior officer boards) but would not have a formal joint decision making role. This would mean that individual authorities would retain a considerable degree of control over decision-making, but would also make it relatively easy for authorities to make divergent decisions that could undermine the coherence of the shared service.

The key limitation of the collaborative arrangement model is that it would not allow a shared service covering both waste collection and disposal to be established. This is because, without going through a joint committee, it is not legally possible for functions to be delegated to an administering authority that do not relate to that authority's original functions.

### 5.2.1 Legal Documents

1. A collaborative/inter-authority agreement which would set out how many elected members would be appointed from each of the authorities and what decisions and functions would be within the scope of the Joint Arrangement.
2. An inter-authority agreement appointing an administering authority under the provisions of Section 101 of the Local Government Act 1972, who would act as contracting and employing authority on behalf of the partner authorities. The agreement would also need to include a scheme of delegation to officers of the lead authority to act on behalf of the participating councils.

### 5.3 Joint Committee (Strategic Level)

A joint committee would be established under Section 101 and 102 of the Local Government Act 1972, section 20 of the Local Government Act 2000 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2000.

Such a joint committee would be made up of elected members appointed to it by the constituent authorities. It would have certain decision-making powers delegated to it by each of the constituent authorities, with a scheme of delegations set out as part of the constitution of the joint committee. The committee would be able to take decisions on behalf of all constituent authorities within those delegations. Therefore, a decision taken by the joint committee would, in law, be a decision of each constituent authority.

However, a joint committee is not a separate legal entity and, as such, cannot enter into contracts in its own right or employ staff directly. In order to do these things, one or more constituent authorities must be appointed to act as administering authority, via a delegation under the provisions of Section 101 of the Local Government Act 1972. In discussions regarding the potential identity of an administering authority for a shared waste service, the Programme Board concluded that Gloucestershire County Council would be best placed, primarily due to the impracticality of one of the waste collection authorities becoming the contracting authority for the major residual waste treatment contract currently being procured.

Some decisions could not practically be *fully* delegated to a joint committee, as they could have very significant implications for individual authorities and their residents. For example, it would not be practical for all decisions regarding spending to be left entirely to a joint committee, as, particularly in the case of waste collection authorities, those spending decisions relate to a significant proportion of the net revenue budget of the whole authority. Because the implications of spending decisions within waste and street cleansing could be so significant for individual authorities, it would be essential for safeguards to be included in the joint committee arrangement to ensure that the committee could not unilaterally take a decision that could impact significantly on the funding available for other services. Equally, as an appointed (as opposed to an elected) body, it would not be appropriate for a joint committee to be able to make decisions regarding the fundamental design of key services without input from the relevant partner authority. In circumstances such as these, the scheme of delegations could include

decisions for which a power of veto would apply, or could leave such decisions to be made by the constituent authorities individually.

### 5.3.1 Legal Documents

1. A Joint Committee constitution, which would set out how many elected members would be appointed to the Joint Committee from each of the authorities and what decisions and functions would to be delegated to it.
2. An inter-authority agreement appointing an administering authority under the provisions of Section 101 of the Local Government Act 1972, who would act as contracting and employing authority on behalf of the Joint Committee. The agreement would also set out the rights and obligations of the constituent authorities in relation to one another and to the committee, including issues such as details of the cost sharing agreement.

## 5.4 Joint Waste Authority (Strategic Level)

A Joint Waste Authority (JWA) would be set up following by order by the Secretary of State and would become a completely new, 'special purpose' authority. The waste functions of each of the participating authorities would be transferred to the new JWA, which means that the participating authorities would effectively cease to have responsibility for those waste functions which go across to the JWA. All staff, assets, contracts and liabilities of the authorities relating to the functions would also go across to the new JWA, which would become the new employer and the party to contracts. Authorities could only leave a JWA, or a JWA could only be wound up by the Secretary of State and the process for doing so is unclear. No Joint Waste Authorities have yet been formed, which means that there is considerable uncertainty regarding some of the details of the set-up and operation of JWAs. In addition, the scope of functions that could be vested in a JWA would be strictly limited to waste collection, waste disposal and street cleansing and as such, related services such as grounds maintenance could not be transferred to a JWA.

As discussed above, a JWA could also be used at the management/back office and operational levels, essentially in the same way as any individual authority operates via management and administrative officers and in-house services.

### 5.4.1 Legal Documents

- An establishment order from the Secretary of State.
- A set of internal operating rules, probably in the form of a constitution similar to those of a typical local authority.<sup>1</sup>
- An inter-authority cost sharing arrangement between each of the constituent authorities and the JWA.

## 5.5 Administering Authority (Management/Back Office Level)

An administering authority would be used in combination with either the collaborative arrangement or the joint committee models for strategic governance. The administering authority role would be established by using powers under Section 101 of the Local

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<sup>1</sup> The Local Government Act 2000 (s.37) requires every local authority which adopted executive arrangements to adopt a formal constitution, and the Local Government Act 2000 (Constitutions) (England) Direction specifies the minimum content for such a constitution. Whilst s.37 has not been applied to JWAs, Defra appears to be of the opinion that JWAs should adopt and publish such a constitution.

Government Act 1972 for one authority to discharge the functions of another authority. This would allow management staff to be employed or contracts to be entered into without having to set up a separate legal entity.

### 5.5.1 Legal Documents

1. An inter-authority agreement which would set out the role of the lead authority and the means of its being compensated by the other authorities in respect of the costs it incurs.

## 5.6 Local Authority Owned Company (Operational Level)

A company is a separate legal entity and if set up by one or more participating authorities, would be legally separate from them. Companies are incorporated under a Memorandum and Articles of Association, which set out the structure and operating rules of the company. The company is owned by its shareholders, but normally run on a day-to-day basis by directors, who are appointed by the shareholders.

As a separate legal entity, a company may enter into contracts, employ staff, own land and borrow in its own right. If it makes a profit, it is subject to Corporation Tax. The company may then distribute any profit after any tax in the form of dividends to shareholders.

A local authority can contract with a company for the purchase or sale of goods, works and services, which may assist in the discharge of the authority's functions. If the company is wholly owned by the participating authorities, they can contract with the company without having to expose the contracts to competition under EU procurement law. However, a local authority cannot delegate its statutory functions to a company, in the sense of the company taking decisions on behalf of the authority or exercising statutory powers of the authority, as it could with a Joint Committee.

The key advantage of using a limited company at the operational level, as opposed to simply operating a shared service in-house, is that currently outsourced workforces (e.g. the operational workforces currently providing services for Cotswold and Forest of Dean) could potentially be in-sourced much more cost-effectively. This is because the authorities would be likely to incur a much larger employer pension contribution cost if these workforces were employed directly. In-sourcing via a local authority company may, therefore, present an affordable means of creating a larger shared 'in-house' service, incorporating currently outsourced workforces.

### 5.6.1 Legal Documents

- A Memorandum and Articles of Association
- A shareholders agreement between the Councils governing their conduct towards one another and dealing with issues not addressed in the Memorandum and Articles of Association.
- As required, agreements between the councils and company for service provision.
- Agreements between councils and company for the provision of support services, equipment, office space, depot and other resources.
- Contracts with third party clients (any external purchasers of services e.g. other authorities or commercial waste producers).



## 6.0 Evaluation of the Options

Based on the overarching objectives of the Joint Waste Programme and the principles developed with the Programme Board, a number of evaluation criteria were developed to allow a systematic appraisal of the five overall governance structure options carried out.

### 6.1 Evaluation Criteria

The following criteria were developed in collaboration with and agreed by the Programme Board, and are described alongside some examples of how the options were found to 'perform' against them:

- **Financial impact:** some options have different set-up costs, but may also result in different on-going costs. For example, setting up a limited company at the operational level would be relatively expensive compared to using a lead authority to employ operational workforces. However, the on-going costs of the company model would be significantly lower, due to the reduced pension costs associated with in-sourcing currently outsourced workforces. In order to allow a like-for-like comparison, a financial model was developed that considered the cash flow differences associated with the options and calculated a 10-year net present value. Based on the results of the financial modeling, each option was awarded marks out of 15 for financial impact, as this was considered to be the single most important criterion in determining the best overall option (although less important than the other criteria combined).
- **Financial decision making:** some options allow a greater level of local control over financial decision-making than others. In particular, the collaborative arrangements model allows the greatest level of local control to be maintained. The JWA option allows the least, with responsibility for the relevant functions actually being transferred to the JWA. The joint committee option sits somewhere in between, as local control can be safeguarded by veto and retained decision-making arrangements, but a joint decision-making function is put in place.
- **Service design decision-making:** as with financial decision-making, the different options would allow different levels of local control to be exercised regarding decisions on service design. The pattern would be the same as discussed above in relation to financial decision-making.
- **Joint decision-making:** some options allow a greater level of joint decision-making than others. The JWA option effectively passes all decision-making power to the joint body and as such results in the clearest joint decision-making processes. The joint committee model provides a vehicle for joint decision-making, but this is tempered somewhat by the arrangements envisaged for vetoes and retained decisions. The collaborative arrangements option has the most limited scope for joint decision-making, as no joint body is empowered to make decisions jointly, although decision-making could be better coordinated than under the current informal arrangements.
- **Two-tier integration:** the JWA option allows for the greatest level of two-tier integration, as both the waste collection and disposal functions would be vested in the same authority. The joint committee option allows for a considerable degree of integration, as both tiers can delegate their functions to a single decision-making body and, via that, to a single management team. The collaborative arrangements option has the least potential for two-tier integration, as, without going through a

joint committee, it is not possible to delegate both collection and disposal functions to be discharged by the same authority.

- **Scope of powers:** the only option that places a significant restriction on the potential scope of the shared service is the JWA model, as it is restricted by primary legislation to use for the discharge of waste collection, disposal and street cleansing functions.
- **Exit:** none of the options would be straightforward to exit in the event of the shared service failing to meet the expectations of the partner authorities, as it is likely that considerable operational and management integration would have taken place by the time a decision to terminate the shared service could be made. However, the challenges of exit would be greatest in the case of the JWA option, as approval of the Secretary of State would be required either for one authority to leave the JWA or for the JWA to be dismantled.
- **Risk:** the different options clearly present different risks to the partner authorities. A high-level assessment of financial, legal and reputational risks was carried out as part of the options appraisal, which showed that all options carry risks, but all of the identified risks appear to be manageable. Key risk issues include:
  - The fact that the company structure is relatively innovative. However, there are a small number of precedents and it is understood that other authorities and partnerships are currently considering this option;
  - Greater local autonomy is most likely to lead to relatively reduced savings. This is because the savings forecast in the business case are predicated on an optimised shared service being implemented, which is more likely to be compromised where no joint decision-making body exists; and
  - No JWAs have yet been formed and as such there is considerable uncertainty regarding the detailed operation of this option.

## 6.2 Results

Table 2 shows the scores attributed to each of the options against the criteria discussed above. As can be seen, the relative financial benefit associated with the company option is a key driver of the overall results, with the collaborative option scoring best against the criteria associated with local control and the JWA scoring best against the criteria associated with joint decision-making and two-tier integration. However, the JWA option performs poorly overall, as it is a low scorer against the local control and exit criteria. The joint committee options perform well or fairly well against all criteria and the ‘joint committee combined with company’ option performs best overall.

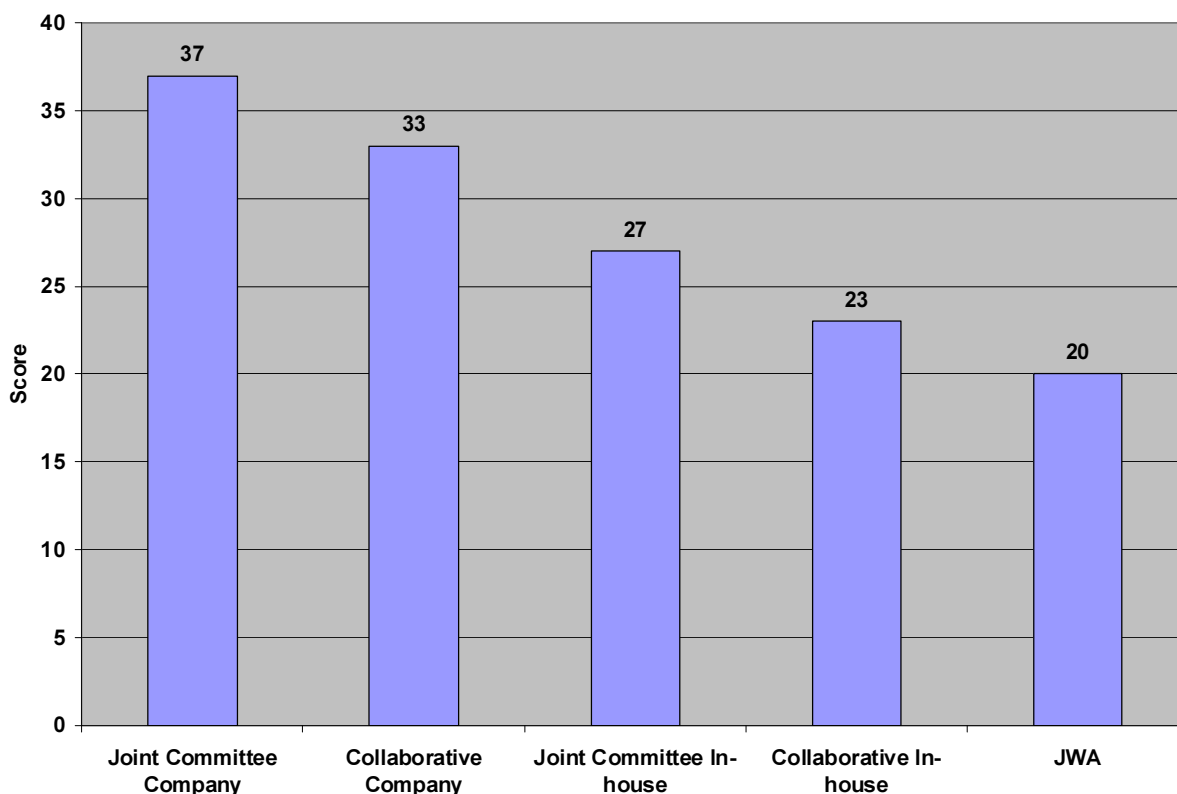
**Table 2: Results of the Detailed Options Appraisal**

	Joint Waste Authority	Collaborative In-house	Collaborative Company	Joint Committee In-house	Joint Committee Company
Financial impact	5	3	13	5	15

Financial decision making	1	5	5	3	3
Service design decision making	1	5	5	3	3
Joint decision making	5	1	1	4	4
Two-tier integration	5	1	1	4	4
Scope of powers	2	5	5	5	5
Exit	1	3	3	3	3
Total	20	23	33	27	37

Figure 1 presents the overall scores for each option in ranked order. The criteria and scoring system used are clearly not capable of accurately calculating which is ‘definitely the best option’ and it is important that the scores against individual criteria are also kept in mind. However, as noted above, it is clear that the limited company at the operational level is a key factor and that the JWA option does not offer enough benefits to offset the downsides associated with it. The joint committee option generally out-performs the collaborative arrangements option, ultimately because it offers a good overall compromise against the needs for joint decision making, two-tier integration and safeguarding of local decision-making and ultimate control.

Figure 1: Ranked Overall Results of the Appraisal



## 7.0 Conclusions

The JWA option restricts the scope of the partnership, meaning that related functions (e.g. grounds maintenance, cemeteries and fleet management) could not be included. They are also difficult to join once set up and difficult to leave in the event of the shared service failing. They also carry risks associated with their unprecedented nature.

Relying on collaborative arrangements would prevent the County Council from fully participating in the partnership, as functions cannot be delegated between tiers without going through a joint committee. As such, this option does not meet the overall aim of a

to-tier shared service and generally limits the scope of the Programme in terms of joint decision-making.

The joint committee option, ideally combined with a limited company for operational service delivery, is the best overall option in our appraisal and as such is the recommended option for meeting the overall objectives of the Joint Waste Programme. The County Council appears to be best placed to take on the administering authority role and provided the right safeguards are included in the constitution and inter-authority agreement, this should be a viable option for all parties.

**Report to the Gloucestershire Shadow Joint Waste Board**

Title: The Implications of Staggered Decision Making

Author: Programme Manager on behalf of the Programme Board

Date: 11th February 2011

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**1. Context.**

At the Shadow Joint Waste Board (SJWB) meeting of the 24<sup>th</sup> January 2011 the outcome of recent work in the area of governance was presented. This proposed a three tier structure be put in place. The top layer was a member led Joint Waste Committee, underpinned by a scheme of delegation. The second layer was defined as an officer led Joint Management Unit (JMU), bringing together those staff currently tasked with: policy development; developing and delivering business planning; commissioning future delivery; community engagement and liaison; managing and monitoring current arrangements for waste collection and disposal to ensure services are delivered as specified and reporting. The Joint Committee would charge the JMU with the task of delivering an annually agreed business plan. The third element would deliver the existing arrangements for collection and disposal via a range of in-house and contracted out services.

A timetable was proposed that would bring this arrangement into being by the start of financial year 2012/13. In order to achieve that goal, the Programme Board indicated it would be asking the SJWB to agree to this approach before the end of the current financial year, subject to a final decision in Autumn 2011 once more detailed financial and legal work had been completed. Any later date than this would compromise the programme's ability to be functioning by the start of FY2012/13, and unacceptably delay benefit realisation.

It became clear that although some authorities were prepared to commit to this approach now, some were not, preferring to defer acceptance of the organisational proposals until September to allow more time to fully understand the implications of a Joint Waste Committee and the JMU as proposed. This was characterised as 'staggered decision making' and recorded in the minutes thus with the SJWB asking the Programme Team to:

'...review the implications of a staggered decision making approach on the previously proposed time line that had called for all three tiers of the partnership coming into being by the start of FY 12/13. In addition, officers were asked to comment upon the practicality of accommodating both approaches in parallel. Lastly, a form of words were needed that gave a common basis for recommendations to committees and Cabinets over the next few months.'

This report captures the outcome of the Programme Board's consideration of the matter and is for use in supporting papers that may be going to cabinet or executive in the next two months. It will be reviewed at SJWB on the 7<sup>th</sup> of March, but is produced here in draft to facilitate papers being prepared for Executive Committee at Tewkesbury Borough Council and Cabinet at Cheltenham Borough Council.

2. Analysis.

It could be argued that there is relatively small difference between the two decision making processes being proposed, since they could both be described as acceptance in principle subject to more information and then final commitment. It is the view of the Programme Board, however, that having multiple decision paths represents an increased risk to the programme. The risk arising from agreement now to the structures proposed is compared below with that arising from allowing for some parties deferring their decision in this regard. In the language of risk assessment, the impact is the same in both cases; it is the likelihood of the event occurring that is changed.

The impact arising from a decision not to proceed with partnership is related to the amount of work needed now to move to a point where final agreement to partnership can be achieved. This will entail financial analysis and preparation of first year budgets, formation of inter-authority agreement that details how funds, responsibilities and risks are shared, and the seeking of external legal and financial advice. It is anticipated that the cost of this work will be in the range of £150,000 - £200,000, plus senior officer time overseeing progress; work is in had to better qualify these amounts. The risk associated with committing to this work now is that if for some reason the programme does not proceed beyond the final decision point in the Autumn, it will be open to criticism arising from the resultant abortive cost particularly within the current financial climate. Therefore, whether or not to proceed at this juncture should be seen as a key financial and reputational risk decision for all authorities concerned.

In the case of agreement now by all authorities to the structures proposed, subject to financial and legal validation, there is a high level of confidence based on work to date that the matters needing further detailing will yield an acceptable proposition. If all parties commit now to this approach, although the impact of a later decision not to proceed remains unchanged, its likelihood is thought to modest and thus acceptable.

In the case where some authorities defer acceptance of the proposed structures, the likelihood of not proceeding in September increases since it allows for rejection of the proposed approach due to concerns about governance structures per se, even in the case where detailed work has confirmed that it is financially and legally sound. Furthermore, the withdrawal of a number of authorities would bring into question the viability of a joint waste partnership based on the County and a smaller number of collection authorities. Thus, deferred acceptance of the approach to governance increases the likelihood of abortive costs occurring, significantly increasing the financial and reputational risks for all the authorities involved.

In addition, although it is theoretically possible to press ahead with the detailing work on the basis that there may be multiple outcomes, it will increase the effort required since it will also be necessary to ensure that budgets could be disaggregated should some authorities decide not to proceed. This would need to be based on the untested presumption that all combinations of participation are viable, would increase the overall cost and complexity of the work needed moving it toward the higher end of the estimate, thereby increasing the financial risk.

3. Conclusion.

In summary, it is the view of the Programme Board that proceeding with staggered decision making, although possible, represents a significant increase of financial and reputational risk to all the authorities involved in the programme.

## Cheltenham Borough Council

**Cabinet – 15 March 2011**

### Higgs and Cooper Educational Charity – Nomination of Trustees

<b>Accountable member</b>	<b>Leader, Councillor Steve Jordan</b>
<b>Accountable officer</b>	<b>Democratic Services Manager, Rosalind Reeves</b>
<b>Accountable scrutiny committee</b>	<b>Not applicable</b>
<b>Ward(s) affected</b>	<b>Charlton Kings, Battledown and Charlton Park</b>
<b>Key Decision</b>	<b>No</b>
<b>Executive summary</b>	<p>The Clerk to the Trustees of the Higgs and Cooper Educational Charity has written to the Council regarding the Council’s nominees to the trust. According to their rules they are required to invite Cheltenham Borough Council to nominate two trustees.</p> <p>In 2008, Council appointed Councillors Duncan Smith and Chris Ryder to serve as the Council’s nominated trustees. In 2010 the council was led to understand that council representation was no longer necessary so no appointments were made when all other appointments to outside bodies were finalised in June 2010.</p> <p>Under the Council’s constitution, this appointment can be made by Cabinet provided there is consensus between the political parties. The Group Leaders were informed of the request on 1 March 2011 and asked to advise their nominations.</p> <p>The trustees meet four times a year to award grants to local youngsters, schools or youth groups within Charlton Kings. Additional details on the charity are contained in the Appendix.</p>
<b>Recommendations</b>	<b>I therefore recommend that Cabinet considers its nominations to the trustees of the Higgs and Cooper Educational Charity.</b>

<b>Financial implications</b>	None arising from the report
<b>Legal implications</b>	None arising from the report
<b>HR implications (including learning and organisational development)</b>	None arising from the report
<b>Key risks</b>	None
<b>Corporate and community plan Implications</b>	As detailed in the charity aims

<b>Report author</b>	<b>Rosalind Reeves Rosalind.reeves@cheltenham.gov.uk</b> <b>Democratic Services Manager 01242 77 4937</b>
<b>Appendices</b>	Details of Higgs and Cooper Trust
<b>Background information</b>	None



## **Higgs & Cooper Educational Charity of Charlton Kings**

The Scheme was launched in 1976 by the Charity Commissioners from the 2 previously moribund charities of 1904:

The Charlton Kings Educational Foundation  
The Higgs Educational Foundation

### **Charles Cooke Higgs**

At the age of 13 in 1810 he inherited many local properties from Glenfall through to Old Bath Road.

By 1873 he had c 160 acres in Charlton Kings. He built Holy Apostles Church in 1863-66 costing him £7000. He lived in Langton House, now 'The Langton', and died in 1884.

He had established a Night School c 1885, the building of which is now the Scout HQ. He established a Trust in 1880 which derived its income from the 9 acres of land which is now occupied by the Junior School and Glynrosa Road. By 1905 these night classes were moved to the Cheltenham Grammar School and the local buildings let out.

### **Samuel Cooper**

(He of Cooper's Court) In his will of 1729, proved in 1743, he established his charity for the teaching of 6 poor children, the surplus monies to go to provide 40 shillings fuel for the aged and disabled of Charlton Kings who were not receiving parochial collection or pension, plus 10 shillings for their clothing. Coopers charity owned the land on which the nursery school now stands. In 1875 the seven trustees of the Coopers Charity also held the trusteeship of the old parish lands and the two charities merged.

After the Charity Commission reorganised the two separate charities in 1904 it seems that their activities faded out over the early 20<sup>th</sup> century, perhaps because the objects of those charities were both in need of updating. Hence the Charity Commission combined the two charities in 1976 with now more appropriate objectives.

### **The Trustees.**

Nominative Trustees: 2 by Gloucestershire Co. Co.; 2 by Cheltenham Borough Council.

Co-optative Trustees: 5 who shall be persons who through residence, occupation or employment, or otherwise have special knowledge of the Parish of Charlton Kings. i.e. a total of 9 trustees with an additional Clerk.

### **Application of Income**

To any maintained primary or secondary school in Charlton Kings in providing special benefits of any kind not normally provided by the LEA.

In awarding to beneficiaries scholarships, exhibitions, bursaries, maintenance allowances or grants tenable at any secondary school, college of education, university or other institution of further (including professional and technical) education, approved by the trustees.

Travel bursaries in pursuit of beneficiaries' education.

Financial assistance to any charitable organisation in Charlton Kings the objects of which include the advancement of education of members by developing their physical, mental and moral capacities through their leisure time activities.

### **Beneficiaries**

Persons of either sex born or currently resident in the former Charlton Kings civil parish (pre 1973 boundaries of Charlton Kings UDC) and who are under 25 years of age and in need of financial assistance.

### **Investments**

In 2009/10 these amounted to £693,326 and having suffered from the recent fall in the financial markets.

### **Grants**

In 2009/10 these were made to 26 individuals, 2 schools and 2 charitable organisations. The total of these grants was £16,250.

The trustees make grants towards needy pupils on school educational trips, but are reluctant to support visits beyond Europe.

**The Clerk:** Mr M Fry, 7, Branch Hill Rise, Charlton Kings.

**Trustees:** Mr P Ginns, Mrs C Cranna, Mrs J Collins, Dr D Giraldi, Mr M Pigott, Mr M Palmer, Mrs M Fletcher.