



# CHELtenham

## BOROUGH COUNCIL

### Notice of a meeting of Cabinet

Tuesday, 24 May 2011  
6.00 pm

Pittville Room

Municipal Offices, Promenade, Cheltenham, GL50 9SA

Membership	
<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 - 6)
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**

5. **ST MARGARET'S HALL - RENT SUBSIDY REQUEST** (Pages 7 - 22)  
Report of the Cabinet Member Built Environment
6. **BUILDING RESILIENCE IN PROVIDERS OF COMMUNITY-BASED YOUTH WORK** (Pages 23 - 28)  
Report of the Cabinet Member Housing and Safety

**SECTION 6 : BRIEFING SESSION**

- Leader and Cabinet Members

**7. BRIEFING FROM 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**

**SECTION 9 : LOCAL GOVERNMENT ACT 1972 - EXEMPT BUSINESS**

**Section 10: BRIEFING NOTES**

Briefing notes are circulated for information with the Cabinet papers but are not on the agenda

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## Cabinet

**Tuesday, 19th April, 2011  
6.00 - 7.06 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) and Roger Whyborn (Cabinet Member Sustainability)

## Minutes

**1. APOLOGIES**

None received.

**2. DECLARATIONS OF INTEREST**

The Cabinet Member Corporate Services declared a prejudicial interest in agenda item 10 as a board member of Cheltenham Borough Homes.

**3. MINUTES OF THE LAST MEETING**

The minutes of the last meeting had been circulated with the agenda.

**RESOLVED that the minutes of the meeting held on tinhe 15 March 2011 be approved and signed as an accurate record.**

**4. PUBLIC QUESTIONS AND PETITIONS**

None received.

**5. TOURISM AND MARKETING STRATEGY**

The Director Wellbeing and Culture introduced the report as circulated with the agenda on behalf of the marketing and tourism working group.

The Council's business plan had included a milestone to produce a marketing and tourism strategy for Cheltenham. The Social & Community and Economy & Business Improvement Overview & Scrutiny Committees approved a decision to form a small, time limited working party to develop the strategy.

In response to a query from Cabinet regarding the alignment of the single marketing department for the borough council referred to in paragraph 13.1 of the strategy, the Director Well-being and Culture confirmed that it was still the intention to review the council's marketing spend. However this would coincide with a review of the corporate communications team, together with web and marketing activity and this review had already started.

Councillor John Rawson, speaking as the former chair of the working group, acknowledged that the strategy had taken a long time to develop. This delay had ensured that the strategy was consistent with the national government's spending review and was now also consistent with the council's own budget. In developing the strategy the group had recognized that there was no huge pot of money to spend on marketing of the town and had instead recommended a series of measures which taken together would make Cheltenham a more vibrant destination. The strategy made links with Civic Pride and the Art Gallery and Museum development which would all contribute to enhancing the Cheltenham experience for both visitors and residents.

The Cabinet Member Sport and Culture welcomed the strategy and felt it provided a good overview of the current position. He added that many of the recommendations were already work in progress and to some extent the strategy reinforced the direction that was already being taken. The action plan was helpful in providing a focus for areas to work over the next two years.

The Cabinet Member Housing and Safety suggested that there should be more emphasis on providing activities for young people as well as branding. For example promoting the live music scene in Cheltenham and supporting fringe events around the festivals. The council should also be focusing on the residents of the town and encouraging them to help promote Cheltenham.

In response, the Director said that the action plan referred to maximising the opportunities across all markets and this included young people. She also emphasised that the strategy would sit under the umbrella of the Corporate Strategy and therefore encompassed collective work across all departments.

In response to a challenge regarding the use of the word 'imbalance' in paragraph 11.6 when referring to car parking, the Director responded that this issue would be addressed in the car parking strategy which was still to be written. The report was not implying that resolving car parking issues was not a priority but it was not for the marketing and tourism strategy to offer solutions.

The Leader welcomed the report and thanked the working group and officers for all their hard work.

**RESOLVED that the Marketing and Tourism Strategy be approved.**

### **6. QUARTERLY BUDGET MONITORING REPORT**

The Cabinet Member Finance and Community Development introduced the report as circulated with the agenda. The report set out the council's current financial position for 2010/11 based on the monitoring exercise at the end of February 2011 and included revenue, capital, treasury management and the housing revenue account. The report also identified known variations to the 2010/11 revised budget and a position statement on major schemes.

He highlighted the good news in the report in that through its decisive action, the council had reduced a projected £800,000 overspend to a £74,000 underspend and this was a considerable achievement. He also highlighted that Green Waste was performing better than expected and the deficit in car parking income due to severe weather and the general trading situation. He was

pleased to announce Cabinet's intention to support an interim solution to the Bath Road toilets and to bring forward funding for the full roll-out of plastic bottles collection across the borough. Both of these initiatives would be included in base budgets next year.

He referred to the Icelandic Bank situation set out in paragraph 3 and finally congratulated the finance and benefit departments for their achievements on business rate and council tax collection set out in appendix 2.

The Chief Finance Officer acknowledge the major achievement in turning around the budget situation but added a word of caution in that there was still a huge amount of work to do around close down before the final position could be confirmed.

The Cabinet thanked officers for their work and for their enterprise and ingenuity in reducing the budget gap. The Leader acknowledged that although the recruitment freeze had been successful he was aware that it had not been without some pain for the staff involved.

**RESOLVED that**

- 1. The contents of the report including the key projected variances to the revised 2010/11 budget and the projected total budget saving of £74,300 be noted.**
- 2. Cabinet's intention to recommend to Council, as part of the 2010/11 outturn report to Council on the 27 June 2011, that part of the projected budget saving be used to fund an interim solution relating to the Bath Road toilets be noted.**
- 3. The use of £17,000 of the net underspend on new green waste schemes to fund the bringing forward of the full rollout of plastic bottles collection across the borough in 2011/12 be approved under the financial rules 4G, part 8.11.**

**7. COMMUNITY PRIDE 2011 ALLOCATION PROCESS**

The Leader introduced the report as circulated with the agenda. Council had agreed to set aside £30,000 for the community pride scheme funded from the Local Area Agreement Performance Reward Grant, as part of the 2011-12 budget. He was pleased that despite the current economic climate, the council was still able to offer support to local community initiatives.

In the past the focus of the scheme had been the public environment with more recent rounds having added emphasis on promoting sustainability and building-up community ownership of the environment. However, in 2011, a shift of emphasis was being proposed to reflect the council's aspirations that communities be more influential in shaping and delivering public services. The focus for 2011 would be to build community resilience and enable local groups to be more influential.

He advised members that the closing date for applications should be Friday 1 July 2011 and not 1 June as indicated in the report and the guidelines.

The Cabinet Member Finance and Community Development supported the focus on enabling communities to do more for themselves and supporting volunteers. This would help address some of the issues arising from cutbacks in public services.

**RESOLVED that the application guidelines for the 2011 community pride scheme be approved subject to the closing date being the 1 July 2011.**

**8. SUPPLEMENTARY PLANNING DOCUMENTS WORK PROGRAMME FOR 2011/12**

The Leader introduced the report as circulated with the agenda. This report considers the demands for preparation of Supplementary Planning Documents to support Cheltenham's Local Development Framework

**RESOLVED that**

- 1. The priorities for the preparation of Supplementary Planning Documents as set out in Appendix A be approved.**
- 2. Authority be delegated to the Director of Commissioning, in consultation with the Leader, to agree timescales for the preparation of Supplementary Planning Documents within the context of resources and changes in planning policy as set out in section 3 of the report.**

**9. RISK MANAGEMENT POLICY**

The Cabinet Member Corporate Services introduced the report as circulated with the agenda. A report and revised Risk Management policy (Appendix 1) was considered by the Audit Committee on the 23rd March and their comments have been considered and the policy up-dated.

He emphasised the importance of understanding and the effective management of risks across the organisation. He indicated that an online training module was being developed and he encouraged all members to take a look at it.

**RESOLVED that the risk management policy and process be approved.**

**10. AFFORDABLE HOUSING PROGRAMME AND BIDS TO HCA**

The Cabinet Member Housing and Safety introduced the report as circulated with the agenda. She gave a detailed explanation of the background to the programme and the implications for the council and the potential impact on social and affordable housing in the borough.

She referred to an addendum to the report which had been circulated at the start of the meeting. This referred to an amendment that was required to the Articles of Association of Cheltenham Borough Homes to ensure that they were a registered provider of social housing. Although this was implied in the current Articles it needed to be explicit in order to satisfy the Tenant Services Authority.

She emphasised the importance of the member working group but said that timescales were tight and therefore members should be aware of the high level of commitment involved before putting themselves forward.

Other Cabinet Members commented that the details of the scheme needed to be examined very carefully and therefore the role of the working group was very important. Another member highlighted that the changes being implemented by the government were high risk and could result in two tiers of social housing tenants and increased deprivation unless carefully managed. He urged the Chief Executive and the working group to take a lead on addressing this risk. The risk could also extend to council tax payers and businesses if the block of housing benefit allocated by the government was insufficient.

In response to a question, the Cabinet Member Housing and Safety confirmed that the additional recommendation proposed in the report addendum was an executive matter and the reference to 'Council' in the addendum was a reference to the generic Council and not a meeting of full Council.

**RESOLVED that**

- 1. The submission of a bid to the HCA by CBH, as part of the consortium lead by Bromford Housing be endorsed.**
- 2. Further consideration be given to specific new build schemes once HCA funding has been allocated to Gloucestershire, prior to consultation and planning applications.**
- 3. The principle of the affordable rents model as a way of accessing HCA funding be accepted and a housing review working group, with suggested terms of reference (Appendix 2) be set up to fully understand the impacts on housing outcomes.**
- 4. The Director Commissioning be authorised, in consultation with the Cabinet Member Housing & Safety and Borough Solicitor, to agree the new Articles and sign the resolution effecting the changes.**

**11. BRIEFING FROM CABINET MEMBERS**

The Cabinet Member Sustainability brief members on the following areas:

- He had written to Gloucestershire County Council as the planning authority responsible for Wingmoor farm. This was not a formal objection as he did not consider there were sufficient grounds for this but he had commented on the areas of public concern. A recent health report had given it a clean bill of health and there would be stringent monitoring laid down in the procedures.
- The new food waste scheme was bedding in and had already resulted in savings on landfill tax. Any snacks were being resolved and he thanked officers for all their work in the roll-out of new scheme.

The Cabinet Member Built Environment referred to the briefing paper on North Place and Portland Street which had been circulated to members. This indicated that the bidding process had identified five leading consortia that are collectively judged to have both the financial strength and relevant experience to deliver a successful scheme on the site. The five shortlisted would be invited to progress to the next stage and Cabinet were scheduled to receive a further briefing on 26 July 2011, by which time it is hoped that the number of bidders

will have been reduced to two, who will then be invited to prepare “detailed solutions” for the site.

The Cabinet Member Housing and Safety advised that she had now received a final draft on how Gloucestershire County Council expected the districts to allocate the £50,000 of funding youth services. She had been disappointed that the funding was only guaranteed for this financial year and it would then be reviewed. She was aware that this was a matter of great interest for a number of members and therefore she would circulate the final version when available.

**12. BRIEFING NOTE REGARDING NORTH PLACE AND PORTLAND STREET OJEU PROCESS**

It was noted that a briefing note had been circulated to members.

**Chairman**



## Cheltenham Borough Council

**Cabinet - 24 May 2011**

### **Rent subsidy request from St Margaret's Hall User Group**

<b>Accountable member</b>	<b>Cabinet Member for Built Environment</b> <b>Councillor John Rawson</b>
<b>Accountable officer</b>	<b>Head of Property and Asset Management - David Roberts</b>
<b>Accountable scrutiny committee</b>	<b>Social &amp; Community</b>
<b>Ward(s) affected</b>	<b>Warden Hill</b>
<b>Key Decision</b>	<b>No</b>
<b>Executive summary</b>	<p>The Council is being asked to consider renewing the lease of St. Margaret's Hall to the Trustees of the St Margaret's Hall User Group, a community based charitable organisation on a subsidised rental basis rather than at full market rent.</p> <p>The Trustees of the St Margaret's Hall User Group, which was granted a 10 year lease in June 2001, were given a matching grant for the first five years of the term but due to database system deficiencies, the rent review due in June 2006 was not implemented. Also, the annual building insurance premium, which was to be payable annually by the User Group from the commencement of the lease, was not paid up until the date the database errors were discovered in late 2009.</p> <p>The lease is now up for renewal as of 6<sup>th</sup> June 2011 and the market rent for the new lease is proposed at £13,500 per annum. The tenants cannot afford to pay this or any rent for the building, and have requested a 100% subsidy in accordance with the Council's assessment tool and matrix framework outlined in the approved Cabinet report dated 15<sup>th</sup> March 2011, titled Property Lettings and Disposals to the Third Sector, Voluntary and Community Groups Report.</p> <p>The tenants are however prepared to pay the annual building insurance premium in the proposed new lease.</p>
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. <b>Cabinet agrees to the non implementation of the outstanding 2006 rent review, and to an extension of the original matching rent grant to cover the period from June 2006 to the expiry date of the current lease (5<sup>th</sup> June 2011), thereby avoiding costly administrative time in negotiating a new rent and subsequently producing a report to 'write-off' an outstanding debt.</b></li> <li>2. <b>Cabinet agrees to grant the Trustees of the St Margaret's Hall User Group a new full repairing lease of the premises from 6 June 2011 at a rent to be formally stated in the documentation of £13,500 per annum exclusive of rates, insurance and other charges and with a rent review at the end of the fifth year.</b></li> <li>3. <b>Cabinet approves the subsidised rent of 100% of the above rent figure of £13500 per annum until a new rent is determined at rent</b></li> </ol>

review or lease renewal in accordance with the Council's agreed Property Lettings and Disposals to the Third Sector policy.

4. The Trustees of the St Margaret's Hall User Group continues to pay the annual building insurance premium throughout the new lease.
5. Cabinet delegates authority to the Head of Property & Asset Management, in consultation with the Head of Legal Services, to negotiate and finalise the lease terms with the Trustees of the St Margaret's Hall User Group and complete the new Lease.

<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, mark.sheldon@cheltenham.gov.uk, 01242 264123</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 a letting at less than best consideration contributes to the 'social, economic or environmental well-being' of the Council's area or residents.</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, donna.mcfarlane@tewkesbury.gov.uk, 01242 775116</b></p>
<p><b>HR implications (including learning and organisational development)</b></p>	<p>None</p>
<p><b>Key risks</b></p>	<p><b>Statement on Risk</b> (see Appendix 1)</p>

<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> </ul> <p><i>Recognising, promoting and assisting community groups and volunteers.</i></p>
<p><b>Environmental and climate change implications</b></p>	

## 1 Background

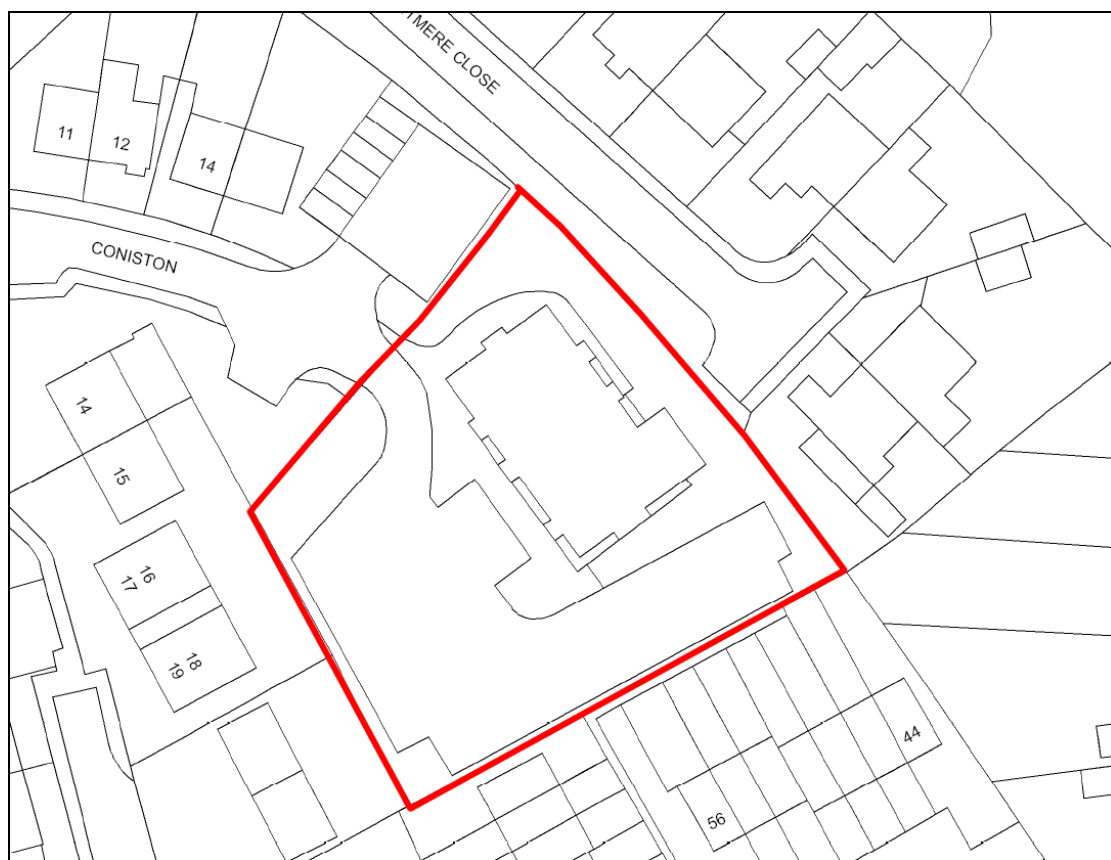
1.1 St Margaret’s Hall is a detached single storey purpose-built hall constructed in the late 70’s of traditional construction with facing brick external elevations and a flat roof with profiled cladding and glazing with a gross internal floor area of 288.2 sq.m. The building occupies a self contained fenced site area of approx 0.52 acres which is level and covered in tarmacadam and concrete with parking. The property is located in a cul de sac at the end of Coniston Road, off Windermere Road, Up Hatherley.



- Address: St Margaret’s Hall, Coniston Road. GL51 3NX (P00431)

- Tenant: The Trustees of St Margaret's Hall User Group
- Rent as at 2001: £3550 p.a.-.
- Current Market Rent ; June 2011 - £13,500 pa
- Present Term: 10 years from 06.06.2001, with upward only review after 5 years.
- Asset designation- Non Operational Community Asset
- Acquired by the Council in 2000 from Douai Abbey Trustees Company Ltd.

**1.2** The Hall is a Council owned non operational community freehold asset providing a base for a number of local groups, clubs and societies. The existing lease arrangement is under review and due to be renewed. This is currently a full repairing lease arrangement carried out by the St Margaret's User Group. However, the Group would appreciate a full rent subsidy to enable it to survive.



LOCATION PLAN

- 1.3** In 1976 the Council sold 0.52 acres of land at Coniston Road to the Trustees of the Douai Abbey who intended to build a Church Hall on it. The sale was at a discounted value and a condition of the sale reserved unto the Council a right of first refusal to repurchase the land at 40% of its residential value should the Abbey decide that it no longer required the land. The Abbey subsequently built St Margaret's Hall on the site.
- 1.4** In 1995 the Abbey decided that the Hall was redundant and served notice on the Council under a pre-emption clause. The Council decided to exercise its right to repurchase the land.
- 1.5** Organisations and local residents who previously used the Hall constituted themselves as the St

Margaret's User Group and entered into a lease with the Council.

- 1.6 A grant request was submitted by CBC Community Services by the St Margaret's Hall User Group, who have been in occupation of the property since 1998, initially under licence whilst essential capital works were undertaken and subsequently under a lease, the Council giving a grant to cover the rent until the first rent review in 2006.
- 1.7 The period of the grant expired in June 2006 and no rent has been paid since that date. Recent attempts to initiate the rent review have not been successful mainly due to the fact that the User group had the benefit previously of a matching grant.
- 1.8 The User Group whose sponsor is Cllr Josephine Teakle submitted a subsidy request initially to Property Services in June 2010 via Community Services to cover the proposed increased rent backdated to the rent review date June 2006.
- 1.9 The User group submitted their previous 3 years accounts which CBC Finance Department have commented on below.

## 2. Property Lease Information

- 2.1 The St Margaret's Hall User Group have been in occupation of the Hall since 1998.
- 2.2 The Council acquired the Hall in 2000 and granted the Trustees of the St Margaret's Hall User Group a 10 year lease from June 2001, subject to a rent review in June 2006. The lease statutorily expires on 5<sup>th</sup> June 2011. The lease also had a break clause (June 2006), which was not exercised and in addition the ability to determine the lease upon 2 months notice should they not be able to observe and perform their charitable duties.
- 2.3 The User Group is also responsible for keeping the property in repair and good decorative condition.
- 2.4 Under the terms of the present lease, the tenants are legally obliged to pay the rent, (the first 5 years being covered by the grant), but have not paid any rental following the expiry of the grant in 2006, and the Council have not demanded any. Technically therefore there is a rental debt amounting to £17,750.
- 2.5 Due to the political and sensitive nature of the issue the rent review was effectively skirted around and has remained outstanding up to the present day.
- 2.6 In addition the Council are entitled to recover the annual building insurance premium from the tenants. No premiums have been recovered until last year (2010) when 50% of the premium £782.35 was recovered (i.e. £ 391.18). The insurance debt up to that point was £4,500.
- 2.7 It is considered that the current market rent for the property is £13,500 pa.

## 3. Rent subsidy tool and matrix assessment - Input from Community Services

- 3.1 The Sponsoring Councillor for this application is Councillor Josephine Teakle who has supported a rent subsidy and comments as follows: '

'As the Warden Hill Councillor, I consider the User Group, St Margaret's Hall, to be a fit and proper organisation which meets local needs and the Council's business objectives and is worthy of a substantial rent subsidy.

I believe activities and provision at the Hall meet each of the Council's business objectives as outlined in the Business and Community Plan submitted to the Council. In particular, I would like

to point up:

- how well the Hall is used by both charitable groups and commercial users, also by tenants and residents neighbourhood meetings
- how activities run by these groups meet the needs of all age groups in the local community, with fitness groups, social, music and dance groups including tea dances, mothers and toddlers groups, and tumble tots
- how the Hall supports the local economy by bringing such groups to the area
- the efforts made to improve the building and reduce energy use, for example by cavity wall insulation

I would very much commend the recent initiative to offer parking spaces to a local business in the day time, thereby substantially reducing parking pressures nearby, which have intensified after the provision of yellow lines in Windermere Road.

St Margaret's Hall is an excellent local facility which is being managed proactively to maximise its potential and value for the whole community.'

- 3.2 The completed application form and community contributions have been assessed by the Corporate Asset Group - as highlighted and attached in **Appendix 2**. Findings indicate a 100% rent subsidy as appropriate

#### 4. **Summary of scores**

The St Margaret's Hall User Group has charity status, registration no. 1071545 and contributes towards the following strategic community plan or corporate business plan priorities which are scored as follows:

Objective 1: Enhancing & protecting our environment (includes investing in environmental quality, investing in travel and transport and promoting sustainable living) = 20%

Objective 2: Strengthening our economy = 0%

Objective 3: Strengthening our communities (includes promoting community safety, promoting housing choice, building healthier communities and supporting older people) = 20%

Objective 4: Enhancing the provision of arts and culture = 20%

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: = 20%

- Be healthy
- Stay safe
- Enjoy & Achieve
- Making a positive contribution
- Achieving economic well-being

Furthermore, as set out in Appendix H of the adopted 2010-2015 Asset Management Plan, as a general rule, when leases are due to be renewed and at the Cabinet's discretion, charities leasing Council property should be given the standard 20% discount against the full market rent.

As St Margaret's Hall User Group are a registered charity they could be entitled to this 20 % discount, subject to Cabinet's discretion.

**5. Finance Comment**

- 5.1 For the past five financial years, the User Group has been operating at a net loss and has been heavily reliant on its reserves. The reserves have reduced from £34,538 in 2005/06 to around £15,200 in 2009/10, a drop of 56%. The forecast loss (on a cash basis) for 2009/10 is significantly less than in previous years suggesting that the effects of more restrained improvement purchases and the User Group’s review of its day-to-day running expenses has had a positive effect.
- 5.2 It is noted that the User Group anticipates improved income generation in the current financial year with revenue exceeding expenditure by £800 in the first six months of 2010/11 with a projected surplus for the year of £2,500 in relation to operational running costs.
- 5.3 In a previous assessment it was recognised that the User Group’s reserves would not support expenditure relating to cladding the building. It is therefore pleasing to note that the Group has managed to complete this work with the majority of the funding coming from grants and fundraising.
- 5.4 The User Group could no doubt benefit from continuing in the same arrangement but whether or not the Council wishes to take this option cannot be made on solely financial performance measures.

**6. Corporate Asset Group Comment**

- 6.1 The Corporate Asset Group evaluated the business case and supporting information. It is clear that they are a registered charity and they significantly contribute to the Council’s Corporate Plan.

**7. Conclusion/Recommendation**

- 7.1 In accordance with the Property Lettings and Disposals to the Third Sector, Voluntary and Community Groups Policy approved by Cabinet in March 2011, St Margaret’s Hall User Group has submitted a business case with supporting information for a subsidy on their rent. This has been supported by a sponsoring Ward Councillor and the Corporate Asset Group have assessed their request in accordance with the policy and determined from the submission that a 100% rent subsidy subject to review is acceptable.

<p><b>Report authors and contact officers</b></p>	<p><b>David Roberts, Head of Property and Estate Management</b>  <b>david.roberts@cheltenham.gov.uk,</b>  <b>01242 264151</b></p> <p><b>Norman Ashworth, Senior Estates Surveyor</b>  <b>norman.ashworth@cheltenham.gov.uk</b>  <b>01242 264109</b></p>
<p><b>Appendices</b></p>	<p>Appendix 1 : Risk Assessment</p> <p>Appendix 2 : Evaluation and assessment</p>

<b>Background information</b>	<ol style="list-style-type: none"><li>1. Property Lettings and Disposals to the Third Sector, Voluntary and Community Groups. Cabinet Report - March 2011.</li><li>2. 'Making Assets Work' - The Quirk Review of community management and ownership of public assets.</li></ol>
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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 for 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	asap	DR	
3	Reputation; if the applicant's subsidy request and supporting information is not robust and a subsidy not issued 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 for subsidy request	asap	DR	

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## 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 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 to the 4 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**

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, by clearly evidenced business plans, 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 have the power to sub-let only 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 all charities 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 hiring Council property.

The following Assessment Matrix identifies the objectives 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 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.

### Assessment Matrix

<b>Name of Organisation:</b>	<b>Registered Charity?</b>	<b>Does the organisation having a paying membership?</b>
<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?</b>  <b>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)	<p style="text-align: center;">✓</p> <p>The provision of a cycle rack obviously promotes sustainable living to a degree, and the sensible agreement re sharing car parking space with others to reduce traffic congestion in the area in my view demonstrates an investment by the organisation towards improving environmental quality in the area.</p>	<p>Yes</p> <p>There are no ongoing cost implications for this.</p>
Objective 2: Strengthening our economy	<p>X</p> <p>There is no evidence to support how this organisation is able to strengthening the local economy, and</p>	

	St Margaret's have not made any claims that they can	
Objective 3: Strengthening our communities (includes promoting community safety, promoting housing choice, building healthier communities and supporting older people)	<p>✓</p> <p>There is clear evidence of the role St Margaret's plays in strengthening it's communities (including diverse groups within those communities), through the hiring out of its facilities to local residents for parties, meetings, etc, and in particular for being a base for the tenants and residents neighbourhood meetings.</p>	<p>Yes.</p> <p>Ongoing hiring out of space for these facilities will continue to provide revenue for the organisation.</p>
Objective 4: Enhancing the provision of arts and culture	<p>✓</p> <p>There are a number of classes, including dance, language, concerts and fashion shows hosted by St Margaret's, enabling the promotion of arts and culture within the local community.</p>	<p>Yes.</p> <p>Ongoing hiring out of space for these facilities will continue to provide revenue for the organisation.</p>
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	<p>✓</p> <p>Facility space made available by St Margaret's ensures that activities such as acrobatics for children, mother and toddlers groups, Martial Arts and various dance classes aimed at children, are available for children</p>	<p>Yes.</p> <p>Ongoing hiring out of space for these facilities will continue to provide revenue for the organisation.</p>

	within this local community – all of which contribute towards the Every Child Matters outcomes	
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**Date of Assessment:**

**Assessed by:**

**Name and Job Title(s)**

**Signature(s)**

**Martin Stacy, Housing & Communities Manager  
Tom Mimmagh, Building Services Manager**

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# ***Information/Discussion Paper***

## **Cheltenham Borough Council**

**Cabinet – 24<sup>th</sup> May 2011**

### **Building resilience in providers of community-based youth work**

This note contains the information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed

#### **1. Background**

- 1.1** The unprecedented financial crisis has resulted in huge cuts in public expenditure. As part of its 2011-12 budget, Gloucestershire County Council (GCC) has agreed to focus its resources on young people who are in greatest need and those at risk of not making a successful transition into adulthood. To achieve this, a complete redesign of Young People's services is proposed including the Connexions Service, Youth Service, Outdoor and Environmental Education, Youth Offending Service and Post-16 Service.
- 1.2** As part of the redesign, it is proposed that GCC will withdraw from direct provision of general services for young people. In Cheltenham, this will affect the following youth centres:
- Whaddon Youth Centre (which is owned and operated by GCC);
  - Oasis Youth Centre (which is owned and operated by GCC);
  - Springbank Resource Centre (which is managed by Hesters Way Neighbourhood Project);
  - Aggs Garden Pavilion (which is owned by Cheltenham Borough Council - CBC);
  - Brizen Youth Centre (which is leased to Leckhampton with Warden Hill Parish Council and managed by the Brizen Management Committee);
  - Naunton Park Pavilion (which is owned by CBC and managed by a management committee);
  - Charlton Kings Youth Centre (which is owned by the trustees of Charlton Kings Youth & Community Centre).
- 1.3** The residual GCC funding is proposed to be targeted on prevention services aimed at young people in greatest need. GCC also propose to invest £300k in positive activities for young people, to be delivered by voluntary and community sector (VCS) organisations, £50k per district in 2011-12.
- 1.4** Given that the county's funding will go on one-off direct provision with VCS providers, the council is keen to build up their capacity so that they are better equipped to adapt to the financial challenges. It wishes to see a bottom-up community development approach to youth work that builds on existing community resources and expertise within the voluntary sector and bolsters this through the use of volunteers.

**1.5** In its budget agreed on 11th February 2011, the Council therefore agreed to allocate a one-off sum of £50k from its local area agreement performance reward grant to support the sustainable development of additional capacity and expertise within VCS providers of community-based youth work.

## **2. The commissioning brief**

**2.1** The council adopted a commissioning approach to allocating the £50k. As part of this, the council worked with the Cheltenham Children and Young People's Partnership to define what we wanted to achieve with the funding and then undertake a process to identify a delivery partner(s) who could provide these at best value. As a result a commissioning brief was produced that set out the desired outputs and outcomes.

**2.2** To progress the commissioning process, CBC advertised the brief widely and gave 8 weeks for interested parties the opportunity for to submit an expression of interest. The documents were also circulated to existing providers of community-based youth work and organisations that provide support for these organisations in order that they could set out their views on the proposed outcomes and the degree in which they met areas of need and gaps in existing support.

**2.3** Four expressions of interest were received:

- Gloucestershire Association for Voluntary and Community Action (GAVCA)
- Gloucestershire Enterprises Ltd
- County Community Projects
- Third Sector Services

**2.4** Comments on the brief were received from the Brizen Young People's Centre Management Committee.

**2.5** The expressions of interest and comments were assessed on Monday 9<sup>th</sup> May by a sub-group from Social and Community O+S Committee. The expressions of interest were also reviewed on Friday 13<sup>th</sup> May by a group comprising the Chair of the Cheltenham Children and Young People's Partnership and the Cabinet Member Housing and Safety and a verbal update of the meeting will be given at the Cabinet meeting.

## **3. Assessment of the expressions of interest**

**3.1** The assessment of the expressions of interest is set out in appendix A. All four proposals have strengths as well as areas where we would like more information. There are also areas where the individual proposals complement each other and where we would like to encourage the organisations to work together to pool expertise and capacity.

**4. Next Steps**

- 4.1** The four organisations will now be asked to submit a detailed proposal that will set out more detail with regard to the following issues:
- How will they spend the money
  - How will this meet the defined outcomes
  - How will VCS providers access the service
  - How will the proposal support equal access across the borough.
- 4.2** We are also keen that the organisations consider how they can best work together to pool expertise and capacity.
- 4.3** Submissions will be required by Friday 24<sup>th</sup> June 2011. In early July, those organisations submitting a proposal will be asked to attend an question and answer session with elected members from the Social and Community O+S Committee sub-group and the Chair of the Cheltenham Children and Young People’s Partnership. This will enable the Cabinet Member Housing and Safety to make a decision and report this to Cabinet on 26 July 2011.

<b>Report author</b>	<b>Contact officer:</b> Richard Gibson, Policy and Partnerships Manager richard.gibson@cheltenham.gov.uk, 01242 235354
<b>Appendices</b>	A – assessment of expressions of interest
<b>Background information</b>	

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## Assessment of the expressions of interest

## Appendix A

Name	how will money be used	strengths	areas for further work
<p>Gloucestershire Association for Voluntary and Community Action (GAVCA) in partnership with Young Gloucestershire</p>	<ul style="list-style-type: none"> <li>Youth services development worker salary costs</li> <li>Volunteer brokerage support salary costs</li> <li>Trainers fees</li> <li>Possible backfill payments to VCS safeguarding rep</li> <li>Marketing campaign to recruit volunteers/trustees</li> <li>Conference and VCS CYP Network events</li> </ul>	<p>GAVCA has a strong track record in strengthening and supporting voluntary and community sector organisations</p> <p>Being able to access wider support and expertise within GAVCA and Young Gloucestershire.</p> <p>The proposed worker will be able to offer flexible support to youth work organisations</p>	<p>More details on costings.</p> <p>How will equal access to the service/worker be achieved.</p> <p>What would a typical day in the life of the development worker look like.</p> <p>More information about the volunteer brokerage scheme.</p>
<p>Gloucestershire Enterprises Ltd</p>	<ul style="list-style-type: none"> <li>Website creation/hosting/populating with factsheets for Youth Working organisations</li> <li>Telephone Advice line</li> <li>Specialist Adviser time (the initial, free of charge sessions) Workshops/seminars and training subsidies</li> <li>Administration/management/contract management &amp; reporting</li> </ul>	<p>Successfully helping childcare service organisations become more business like through contract with GCC</p> <p>Will focus on encouraging a more commercial outlook for youth service providers.</p> <p>Range of expertise to include management skills, customer service, HR, IT skills, employment law, business planning etc.</p>	<p>Lack of expertise in youth work.</p> <p>Are youth work providers ready for a more commercial approach?</p> <p>Where will the service be located and how will youth work providers access the service?</p> <p>Not sure about how well known GEL is Cheltenham.</p>
<p>County Community Projects in partnership with Hesters Way Neighbourhood Project / University of Gloucestershire</p>	<ul style="list-style-type: none"> <li>Appointment of an experienced coordinator / youth worker to facilitate youth provision across all areas of Cheltenham.</li> <li>Input from CCP support functions to cover the management of Volunteering, Safeguarding, Quality, Training and Finance.</li> </ul>	<p>CCP and HWNP have a strong track record of working with young people</p> <p>Input from University</p> <p>Access to established expertise, policies and procedures.</p>	<p>More details on costings.</p> <p>How will equal access to the service/worker be achieved across the whole borough.</p> <p>What would a typical day in the life of the development worker look like.</p> <p>Role of health and social care students from the University.</p> <p>What role have Brizen and Charlton Kings played in developing the expression of interest.</p>

<p>Third Sector Services</p>	<ul style="list-style-type: none"> <li>• Staff resource to recruit volunteers to establish Youth Volunteering Programme; set up training and workshops and give initial support to VCS providers; set up Youth Volunteering Ambassadors</li> <li>• Support to NEET young people into volunteering</li> <li>• Delivery of training programmes and workshops</li> <li>• Support to networking forums</li> <li>• Administration costs</li> </ul>	<p>Strong track record in managing volunteering and brokerage schemes. Creation of youth volunteer recruitment programme. Expertise in establishing governance, recruitment and volunteer management procedures.</p>	<p>Expression of interest does not provide sufficient information to demonstrate how Third Sector Services will meet the brief.</p>
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**Summary of comments from Brizen Young People's Centre Management Committee**

- Welcomed aims to ensure that VCS providers have equality of support across the borough, and the intention to develop a self sustaining model but have reservations about the process.
- Concerned that as this is one-off funding, it is difficult to see how services like a brokerage system for volunteers or a training programme can be usefully provided as these need to be ongoing.
- Concerned that, likewise, one year's funding is unlikely to achieve much in terms of recruitment of volunteers.
- Concerned that volunteers will be unable to deal with some of the problems young people present with, even at centres like Brizen, especially with complex issues for example connected with trauma or criminal activities.
- Felt that some services would be useful for example advice on employment issues and networking with county-wide structures and neighbourhood groups. But felt that these should be funded on an ongoing basis.
- Felt that as they employ any youth workers on a self employed basis, payroll advice would not be necessary.
- Queried whether the commissioned organisation is to submit quarterly monitoring reports and an annual report beyond the first year. This is not clear from the document.
- Concluded that they would rather have seen a simpler, less bureaucratic system, possibly through the provision of one-off sums of money. They feel that even relatively small amounts of £2-3K would have enabled Brizen and other centres to establish new youth services over the first year.