



CHELTENHAM

BOROUGH COUNCIL

Notice of a meeting of Cabinet

Tuesday, 15 November 2011

6.00 pm

Municipal Offices, Promenade, Cheltenham, GL50 9SA

Membership	
Councillors:	Steve Jordan, John Rawson, Klara Sudbury, Andrew McKinlay, John Webster, Roger Whyborn and Colin Hay

Agenda

	SECTION 1 : PROCEDURAL MATTERS	
1.	APOLOGIES	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES OF THE LAST MEETING To approve the minutes of the meetings held on 13 October and 18 October.	(Pages 1 - 34)
4.	PUBLIC QUESTIONS AND PETITIONS	
	SECTION 2 :THE COUNCIL <i>There are no matters referred to the Cabinet by the Council on this occasion</i>	
	SECTION 3 : OVERVIEW AND SCRUTINY COMMITTEES The Public Art Review-recommendations from Social and Community Overview and Scrutiny Committee. (these recommendations will now be taken to a meeting of Cabinet in December 2011)	
	SECTION 4 : OTHER COMMITTEES <i>There are no matters referred to the Cabinet by other Committees on this occasion</i>	
	SECTION 5 : REPORTS FROM CABINET MEMBERS AND/OR OFFICERS	
5.	JOINT WASTE COMMITTEE Report of the Cabinet Member Sustainability	(Pages 35 - 116)

6.		ENHANCEMENT OF AUDIT PARTNERSHIP GOVERNANCE Report of the Cabinet Member Corporate Services	(Pages 117 - 146)
7.		NOMINATIONS TO OUTSIDE BODIES Report of the Leader	(Pages 147 - 150)
8.		SECTION 6 : BRIEFING SESSION 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	
9.		LOCAL GOVERNMENT ACT 1972 - EXEMPT BUSINESS The Cabinet is recommended to approve the following resolution:- "That in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items 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 paragraphs 3 and 5, 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 5; Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings	
10.		DISPOSAL OF LAND Report of the Cabinet Member Built Environment	(Pages 151 - 156)
11.		EXEMPT MINUTES To approve the exempt minutes of the last meeting of 18 October 2011.	(Pages 157 - 158)
		Section 10: BRIEFING NOTES Leisure and Culture Commissioning Review – Consultation Update	

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Cabinet

Thursday, 13th October, 2011

6.00 - 6.40 pm

Attendees	
Councillors:	, 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), Roger Whyborn (Cabinet Member Sustainability) and Colin Hay (Cabinet Member Corporate Services)

Minutes

1. APOLOGIES

Apologies were received from Councillor John Webster.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF THE LAST MEETING

The minutes of the meeting held on 27 September had been circulated with the agenda.

RESOLVED that the minutes of the meeting held on 27 September be agreed and signed as an accurate record.

4. PUBLIC QUESTIONS AND PETITIONS

There were no public questions or petitions.

5. THE CREATION OF A LOCAL AUTHORITY COMPANY WITH COTSWOLD DISTRICT COUNCIL

The Leader of the Council explained that this was a special meeting of Cabinet which had originally been scheduled for the purposes of a countywide discussion on a joint committee on waste but this had since been postponed.

The Cabinet Member Sustainability reported that Cotswold District Council had met earlier in the day and approved the creation of the Local Authority Company. This followed on from the work both councils had been doing in examining options for joint working in waste services as members of the Gloucestershire waste partnership. Both Councils subsequently worked towards the creation of a Local Authority Company to deliver improved outcomes for waste, recycling and street cleansing and value for money for the public.

He reported that the initial net annual service saving to Cheltenham from the establishment of the company was estimated to be £125 000 in a full financial

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year from August, mainly due to savings in management costs, with the savings rising to £225 000 in 2014.

The Cabinet Member Sustainability said that when the Company goes live customers would see no actual change to their existing service. It was hoped that the transition would be seamless. There would however be immediate advantages of economies of scale. The Cabinet Member highlighted that recycling rates would continue to improve and the aim was to achieve 60 %.

The Cabinet Member Sustainability further explained that the Council was continuing to pursue joint collaborative working and continued to depot share with Tewkesbury Borough Council and it was hoped that Tewkesbury and other councils would join the company in the future.

The Cabinet Member Sustainability highlighted what services were proposed to be “in scope” and at this point paid tribute to the work undertaken by the cross council working group and to officers supporting that group.

The Cabinet Member wished to put on record his thanks to the great number of officers who had been involved in the project to date including the drafting of the articles, shareholder agreement and the service level agreements.

The company would be called Ubico and would have its head office at Swindon Road with a further depot in the Cotswolds. The Cabinet member stressed that the Local authority company would be operational only and would not make policy. There would be a member representative on the company with speaking rights but not voting rights. The branding of the company had yet to be determined but would be examined by a cross authority member led group. CBC staff would transfer to the company under TUPE arrangements in April 2012 and terms and conditions and pension rights would be preserved. He highlighted that senior officers of the Local Authority Company would still be called to account before Overview and Scrutiny.

The Cabinet Member Sustainability stated that setting up the Local Authority Company was a major step in collaborative working. It placed the Council and Cotswold District Council and others who may join in the future in a strong position if and when a joint waste committee was established in the county.

The Leader of the Council placed on record his thanks to all those who had been involved in the project including the Cabinet Member Sustainability. This project represented the Council’s biggest to date in terms of sharing services and would impact on every household. It was crucial that it worked well and efficiencies were achieved. In order to keep an overview of the work of the company it was suggested that a member with observer status be appointed to the board. Councillor Colin Hay was proposed to fill this position and Group Leaders were currently being consulted on this nomination prior to Cabinet’s approval on 18 October. The Leader also highlighted that the second resolution in the report had been amended to delegate authority to the Chief Executive as opposed to the Executive Director.

The Chair of Environment Overview and Scrutiny Committee was invited to address the meeting. She expressed her extreme disappointment that the comments made by the committee about the Local Authority Company at its 14

September meeting had not been referred to in the report. Scrutiny was vital to proper Council procedure which should be transparent and open. She asked how this was to be overcome. The Leader of the Council noted that the comments of the Committee (tabled at the meeting and attached to these minutes) did not raise any specific concerns. However, it was acknowledged that the input of scrutiny should be given the recognition it deserved and this would be improved upon in the future.

The Cabinet Member Sustainability invited Andrew Powers, Accountant, to update members on the amended Paragraph 12.3 in the report which was reported as follows :

“Advice to date from Gloucestershire LGPS Actuary suggests that the impact on Pensions for the controlling Councils on the formation of the Company will be nil. However, the decision on the transfer of pension liabilities has yet to be determined. There is also an indication from Gloucestershire’s LGPS Actuary that staff transferring to the Company will transfer with fully funded pensions as any deficit on those staff will remain with their original employing body. This means that the Councils will have fewer employees to spread the recovery of that deficit over although the change by the Actuary to recover deficits as a fixed sum rather than as a percentage of total pensionable pay should help to mitigate this risk.”

The Cabinet Member Corporate Services welcomed the creation of the Local Authority Company and said how it was testimony to how waste services at the Council had worked up until now. The way in which the Council interacted with waste collection was important as too was the role overview and scrutiny played.

Cabinet agreed that a review of the member observer role on the Local Authority Company should take place within 6 months to ensure that it was satisfied with the arrangements.

In response to a question the Cabinet Member Sustainability confirmed that should an issue with waste arise the first port of call for a member of the public or a ward councillor would be to contact the customer services team who would then report it to the Director of Commissioning. If the problem could not be resolved immediately a site visit would be arranged between the ward councillor and officers of the Local Authority company. The aim was to resolve problems within existing budgets and policies with the decision being taken at the lowest level possible. Communicating with members on this process was vital and Cabinet agreed that overview and scrutiny should be invited to look at the communications procedure prior to the launch.

In terms of a question on the aviary at Pittville Park the Director Operations confirmed that this was within the scope of the company’s arrangements with the council.

The Leader hoped that other councils would join the company in the future and informed the meeting that the shareholder agreements would be made public in due course.

RESOLVED THAT

1. It be agreed that all services in scope and identified in 2.2.5 of the report will be undertaken by the Local Authority Company, namely:-

- waste collection
- kerbside recycling collections
- organic waste collections
- servicing of neighbourhood recycling sites
- operation of Swindon Road recycling centre
- street cleaning
- public toilet cleaning
- maintenance of parks and gardens, sports pitches and open spaces
- fleet management and maintenance
- Cheltenham Borough Homes (CBH) Grounds Maintenance

2. It be agreed that

- authority be delegated to Andrew North, Chief Executive, in consultation with the Cabinet Member – Sustainability, Cabinet Member - Finance, s151 officer and Borough Solicitor to make any consequential or minor amendments as necessary to the Articles of Association and Shareholder Agreement to ensure consistency between these documents and the documents referred to below
- authority be delegated to Andrew North, Chief Executive in consultation with the Cabinet Member Sustainability, Cabinet Member Finance, s151 officer and Borough Solicitor to finalise and complete the Waste/recycling/street cleaning/grounds maintenance Contract, all other contracts (including arrangements for use of the council's depot and other assets) and all other legal documentation as necessary to enable the Company to commence business from 1st April 2012

3. Grahame Lewis, Executive Director, be appointed as the council appointed director to the Company's Board of Directors and Councillor Colin Hay be selected as the member observer to the Company's Board of Directors. This member will not have any voting rights, but will have speaking rights and confidentiality obligations. This Council observer will not be the Leader or the Cabinet Member Sustainability.

4. The Borough Solicitor be authorised to register the Company at Companies House, as soon as possible after this Cabinet.

5. That a Shadow Board be set up as soon as practical after the registration of the Company at Companies House.

6. **A further report on the establishment of the Gloucestershire Waste Partnership Joint Waste Committee be presented to Cabinet on 15 November 2011.**

Chairman

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Cabinet

**Tuesday, 18th October, 2011
6.00 - 9.10 pm**

Attendees	
Councillors:	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.

2. DECLARATIONS OF INTEREST

Councillor Colin Hay declared a personal and prejudicial interest in agenda item 8 as a Board Member of Cheltenham Borough Homes.

3. MINUTES OF THE LAST MEETING

There were no minutes to be approved.

4. PUBLIC QUESTIONS AND PETITIONS

The public questions and responses, together with supplementary questions and answers follow:

1.	Question from Andy Beer to the Cabinet Member Sustainability (in his absence the question and response were read out)
	<p>I wish to put in writing my objections to your proposal to set an upper limit of 75 days for Festivals in Montpellier Gardens, for the following reasons;</p> <p>The Heritage Lottery Trust granted Cheltenham Council £744 k in 2006 to refurbish Montpellier Gardens, on the understanding that you, the Cheltenham Council, would always ensure, that following the refurbishment, the gardens would be freely available and widely used by the general public, without restriction of appropriate access.</p> <p>The event history, shown below, from that date clearly shows that you will be in breach of that understanding: because restricted full access for the general public will rise from an average of</p>

20 days to 75 days between Spring and Autumn, equating to a loss of **40% of the total time available from May to October come 2012.**

Furthermore, this 40% level of restriction is **NOT** acceptable to the many who use the lawns for informal leisure.

Event History

Year	Winter Time Days	May to October Days
2006		14
2007		16
2008	56 (Skating Rink Trial)	22
(Food Festival added)		
2009	1	24
2010	1	24.5
2011	?	60
(Literature Festival added for Sept/Oct)		
2012	?	75*
(New Jazz Festival proposed in May)..		

You need to remember that those, like me who live in small flats without a garden and rely on Montpellier Gardens for their informal relaxation, will not only suffer more contractor noise, from metal framework being erected, bleeper sounders on reversing lorries, blaring radios and wooden flooring being dragged and dropped into position, but will find that whilst the Festivals are on, the lovely sounds from bird calls, the whisper of wind blowing through the trees and laughter from families enjoying the outdoor life, replaced with late night Jazz music, loud speaker announcements, drunken shouting continuous hums from the air conditioning fans and power generators and last but not least, noise from car engines, car exhausts and slamming car doors, as patrons drive around and around our streets, especially at the weekend and evenings. During spring to autumn our windows are often open so this outside noise will be heard more easily.

The question I wish to place before you is this 'Are you prepared to support us Council Tax Payers and listen to the voice of the locals'?

If so, I suggest you need to ;:

1. Listen and act on our feedback and set a sensible limit of around **50 days for the period from May and October, rather than 75**, as this will encourage you to look for shorter, more efficient set up / dismantlement times, when you award the Festival contracts, in order to complete your ambitious festival programme..
2. Set maximum noise levels in dB at which music can be broadcast as tents have thin walls.
3. Impose strict time limits on setting up, the playing of music and making of loud speaker announcements.
4. Make the ' residents only' parking bays around the Gardens, 24/7, whilst the Festivals are on.
5. Support your local businesses and restrict the amount of space and therefore the set up time taken up by ensuring that fast food and beverage tents are severely restricted, as their services can be supplied by the many Cafes, pubs and restaurants adjacent to the Gardens.

	<p>6. Finally by way of compensation for the loss of use and noise suffered, offer two entry tickets to each Council tax payer whose property border the Gardens for each festival held within Montpellier Gardens.</p>
<p>Response from Cabinet Member Sustainability</p>	
	<p>The short answer is “yes we are listening”, and the fact that we have chosen to put limits on density of tentage, and on days of occupancy is largely a result of listening to residents and local Council tax payers.</p> <p>1) I do not see scope to negotiate on the number of days of occupancy of turfed areas by hirers. The 75 days was a compromise figure, originally introduced in planning for Imperial Gardens, because the 107 days which were actually used in 2010 was unacceptable both to residents, and in its effect on the turf. 75 days was then read across to Montpellier. The Council considers 75 days reasonable, but will always keep this under review, bearing in mind the effects on the turf, and the competing uses of both residents and festival goers and other users.</p> <p>2) There are various rules and regulations as to what noise levels are acceptable in residential areas, and our Environmental enforcement teams will work closely with gardens hirers to ensure noise is kept to acceptable levels.</p> <p>3) We are reviewing time limits on activities in the gardens, both during festivals and in setting up/breaking down, and these will be reflected in land use agreements.</p> <p>4) On-street Parking regulations are the responsibility of the County Council, but we have joined-up governance approach to this and are happy to facilitate meetings between residents and the highway authority if asked to do so.</p> <p>5) We are always supportive of local business, whilst recognising that festivals generate additional requirements for food and drink that are not necessarily able to be met by existing establishments. One local cafe which was visited near the site reported business to be up during the festival period. Should fast food outlets give rise to excessive amounts of litter and odour etc. in the future, we will certainly review that.</p> <p>6) The question of discounts to local residents in compensation for loss of use and noise, is one for Cheltenham Festivals and other hirers, which you would need to take up with them direct. However I understand that some hirers are sympathetic to the idea in principle.</p>
<p>2.</p>	<p>Question from John Hopwood to the Cabinet Member Built Environment, Councillor John Rawson (intends to be present)</p>
	<p>Regarding the proposed development of North Place car park, has an analysis been made of the reasons for the withdrawal of the alternative developers' proposals? If so, what are your conclusions?"</p>

	<p>Response from Cabinet Member Built Environment</p>
	<p>I presume Mr Hopwood is referring to the withdrawal of Salmon Harvester, as opposed to another developer who withdrew at a very early stage of the process and two other bidders who did not withdraw but were eliminated by an evaluation panel.</p> <p>Salmon Harvester took their own decision to withdraw, for reasons which they explained to us in confidence at the time. These reasons are a matter for them to disclose or not as they see fit. I cannot do so without risking disclosing information which may be commercially sensitive for them as the OJEU (Official Journal of the European Union) rules dictate that both parties (i.e. Borough Council and bidder) enter into confidentiality agreements.</p> <p>In a supplementary question, Mr Hopwood challenged why the analysis requested had not been provided. He asked if this was the best time to be making a decision on the site, given the current economic situation and could the council get a better deal by delaying it.</p> <p>In response, Councillor Rawson said that commercially sensitive information could not be disclosed at this stage so he was unable to make any further comment. The Leader added that once the commercial decision had been made, the council would be able to provide the public with information but at this stage they must respect the commercial sensitivity for both the council and the organisations involved.</p>
<p>3.</p>	<p>Question from Alykhan Karim to the Cabinet Member Built Environment</p>
	<p>The Councils proposal to turn the North Place and Portland Street car parks into homes is extremely good idea, but to also build an hotel and supermarket is not. Firstly when regards to the hotel, why is this needed when a couple of doors down is a fairly new Holiday Inn Express?</p> <p>Secondly when regards to the Supermarket, there are within a half a mile radius three Supermarkets. There is a Tesco's, Wilkinson's and Marks and Spencer's. So why is a fourth one needed?</p> <p>Cheltenham is already plagued by so many supermarkets why add another one?</p> <p>By agreeing to let another supermarket open on this site will cause severe traffic problems, and already at present time the area is already gridlocked, so what will come of that. How will this Big problem be resolved?</p> <p>I read in the papers that there are serious issues when regards to housing in that there aren't enough and that now the government agreeing more with developers to build within the green belts, so I ask why build a Hotel and Supermarket when more homes could be built?</p>
	<p>Response from Cabinet Member Built Environment</p>
	<p>When it approved the development brief for the site, the Council allowed developers scope to bring forward proposals which they believed were economically viable. All four shortlisted bidders for the site proposed a food store,</p>

	<p>which is very strong evidence that the store is viable. Augur Buchler, whose scheme is currently under consideration, also proposed a hotel. The Council's role is not to establish need, nor does it have the right to turn down planning proposals on the grounds that they are not needed. It is our job simply to say whether these uses are acceptable in principle in planning terms.</p> <p>However, an economic impact assessment will need to be carried out as part of the planning process, and this will give us more information about what the effect on other businesses is likely to be. The traffic impact of the new development as a whole will also need to be modelled and assessed by Gloucestershire Highways as an integral part of the planning process.</p>
4.	Question from Ashifa Karim to the Cabinet Member Built Environment
	<p>Regarding the New Proposal, I have a few questions of my own which I need answering as I feel it may affect myself and my family in the near future if this Proposal goes ahead.</p> <p>Firstly I would like to know why another Supermarket is necessary when there are already so many Supermarkets in such a small town like Cheltenham?</p> <p>Secondly, myself and my family run a business on Prestbury Road and if this proposal goes ahead this will affect us on a greater scale, as will the other 5 Independent Convenient Stores in the area.</p> <p>As you are aware we are already in difficult times due to the Recession, so what is the need to have yet another Supermarket when we already have a pick of Tesco, Waitrose, 2 Sainsburys, the new Asda, Marks and Spencers and not to mention all their little Express' scattered around Cheltenham.</p> <p>Many of us have done our research and we are aware that our town is struggling with homes, so why not use the area to build more houses for people? I feel another Supermarket and another Hotel should not be on the list of priorities as these are not necessary for our Town, and, not to mention the extra congestion.</p> <p>So I ask, why do we need ANOTHER Supermarket? ANOTHER Hotel? MORE Congestion on our doorstep? But on top of all this, WHY would you want Independent Businesses to suffer when all they are trying to do is earn a living?</p>
	Response from Cabinet Member Built Environment
	<p>I fully understand why the possible opening of a large new food store in the centre of Cheltenham is so unwelcome to Ms Karim. I can only say that, in my view, such a store will do more good and less damage if it is in the town's commercial core rather than on the periphery. It may well attract customers into the centre to do their food shopping and to visit other shops while they are there. In this way, a new food store may well help other town centre retailers.</p> <p>As I said in response to the previous question, the Council's role is not to establish need but to determine whether the proposed uses are acceptable in terms of their impact on the area.</p> <p>As part of this process, an economic impact assessment will need to be carried</p>

	<p>out as part of the planning process, assessing both the positive and the negative impacts of the proposal, and this will give us more information about what the effect on other businesses is likely to be. The traffic impact of the new development as a whole will also need to be modelled and assessed by Gloucestershire Highways as an integral part of the planning process.</p>
<p>5.</p>	<p>Question from Adam Lillywhite to the Cabinet Member Built Environment</p>
	<p>“The Joint Core strategy when considered and the Tourism strategy, both suggest that building an additional hotel before the town needs one would be damaging to the character and fabric of the town. The JCS identifies a threshold occupancy level, 70%. In 2008 we were below this level and since then occupancies have fallen. The TIC does not believe the town needs a new hotel. These are the inconvenient facts,</p> <p>Over the last three weeks I have repeatedly asked the lead Council officer and Councillor to state why these strategies have been ignored. They have not answered the question. Worse still these facts have not been brought before the councillors for debate despite both these individuals giving progress updates on this scheme on the 10th.</p> <p>Does this Cabinet believe that democracy is being served when the councillors debate was not presented with the recommendations of the relevant CBC strategies and the public were not able to ask a single question because the meeting had been brought forward and not properly advertised.”</p>
	<p>Response from Cabinet Member Built Environment</p>
	<p>The answer to Mr Lillywhite’s question is that no council strategies are being ignored.</p> <p>The draft Joint Core Strategy has no specific policies on hotel provision. However, Mr Lillywhite is presumably referring to the hotel capacity study published in May 2009. This does not preclude the expansion of hotel capacity. Indeed it says (page 14): “At our projected level of demand, Cheltenham may well need a total of 150 additional rooms by 2016, with 100 rooms coming on stream by 2013 and a further 50 by 2015. At our optimistic level of demand, Cheltenham may well need a total of 250 additional rooms by 2016, with 100 rooms coming on stream by 2012 and an additional 100 in 2014 and 50 in 2018.”</p> <p>I would make the point that, given the need to secure planning permission and then build the development (which is likely to take 18 months), it is unlikely that any new provision on North Place would come on stream until late 2013 or early 2014 at the earliest.</p> <p>I would add that the estimates of future growth in the hotel capacity study were based on a forecast of demand made in 2009 and an assumption of 70% occupancy, which the study regarded as a healthy level. However in no way was this figure presented as a threshold below which no further expansion of capacity could take place. On the contrary, the conclusion of the study, on page 66, was that “local planning authorities must recognise the importance of maintaining stock to support and grow the industry, but not to create a framework</p>

that is so restrictive that it attempts to perpetuate outdated forms of accommodation for which there is no longer a demand.”

Furthermore, despite Mr Lillywhite’s statements to the contrary, the hotel capacity study is remarkably consistent with the proposal now being made. It says on page 14: “Clearly, the need for extra capacity will be most strongly felt in the central area... The industry will decide on what is an appropriate investment decision... However, industry trends are likely to want to deliver the majority of supply as Limited Service.” The proposed hotel would certainly be central and almost certainly Limited Service: precisely the kind of accommodation that the study says is most likely to be viable.

Turning to the Tourism Strategy, this quotes the figures for projected demand from the hotel capacity study and recommends caution in expanding hotel capacity in a difficult economic climate. It does not suggest that no expansion should take place.

The hotel capacity study took place during the downturn and this was taken into account in the forecasting. However, I accept that the optimistic demand forecast may not come to fruition, and to that extent I agree with the CHA. However, I am puzzled by the radical differences between the case being argued by the CHA and the advice offered by the British Hospitality Association in a report called *Hospitality: Driving Local Economies* that was published only this month. In the report, the BHA says it believes that it is possible to increase the number of jobs in Cheltenham that are directly hospitality-related from 4,811 to 5,743 – that’s an increase of nearly 20 per cent – by 2020. It believes this growth can be achieved “if national and local government removes the barriers to growth”. It adds “BHA welcomes a less restrictive planning regime”.

I must say that, in this argument, I side more with the CHA than with the BHA. As a Council, we have no intention of breaking down planning restrictions in order to speed up the growth of the hospitality industry in Cheltenham. This project, like every other, will need to go through a rigorous planning process. But we do nonetheless welcome new investment on suitable sites in Cheltenham, which is what this development is about.

In order to ensure that the impacts of a new hotel are properly considered, I want to ensure that a hotel impact assessment is done, using the most recent available data, before this scheme is considered by the Planning Committee. This assessment will be commissioned from a consultant at the developers’ expense and audited by a consultant appointed by the Council.

I regret that at the exhibition on the North Place/Portland Street scheme, Mr Lillywhite was misinformed as to which council meeting was considering the appointment of the Preferred Developer. The matter was brought forward to the October meeting to allow the full Council to take a view before the Cabinet decided on the appointment. I would emphasise that constitutionally the Cabinet is the decision-maker as far as the appointment of the Preferred Developer is concerned. Had the matter come to Council in November, this would have post-dated the Cabinet’s decision. This would have made the Council discussion and indeed any contributions from the public pointless. As matters stand I am pleased to be able to answer his questions and consider his objections very fully at this meeting.

	<p>In a supplementary question, Mr Lillywhite asked why only one of the nine bids included a hotel and he suggested that this was because there was no demand. He sought further clarification on his original question.</p> <p>In response, Councillor Rawson said he was unaware that there was only one hotel in the nine bids as he had not been involved in the shortlisting. He had only been involved in the last five bids. He reiterated that as a planning authority the Council could not turn down a planning application on the basis that it was not needed, but could only consider the impact it would have, and Auger Buchler had agreed to pay for a consultant to carry out an impact assessment. He advised that he had been chair of the tourism strategy working group and at the time the group had been sceptical of the more optimistic projections of demand for hotel accommodation contained in the JCS hotel capacity study. However, there was no suggestion in the hotel capacity study or the tourism strategy that there should be no expansion.</p>
<p>6.</p>	<p>Question from Geoffrey Bloxsom to the Cabinet Member Built Environment (intends to be present at the meeting)</p>
	<p>“I deplore the undue haste that the council are applying to approve the sole development proposal received. This acceleration of procedure is particularly unacceptable in view of the timing(August bank holiday period)and the very brief public consultation period. As a result only 168 citizens commented on the proposal, less than 0.2% of the 114,000 population!</p> <p>The result was almost 50/50 for and against. Accordingly, the cabinet should be very wary of granting “preferred bidder” status to Auger Buchler and subsequently signing a Development Agreement and accepting a 5% deposit. This is a step too far, too soon.</p> <p>I implore the cabinet to defer a decision until a further, more extensive and democratic public consultation has been undertaken.”</p>
	<p>Response from Cabinet Member Built Environment</p>

Vigorous efforts were made by the Council, the developers and the local media to conduct a very high profile consultation process.

The consultation process consisted of:

- 22nd August – 10th September
 - Static, unmanned displays throughout the period at
 - Municipal Offices (main and Built Environment receptions)
 - Hester's Way Resource Centre
 - Springbank Resource Centre
 - Oakley Resource Centre
 - The new Lower High Street Community Resource Centre
 - Charlton Kings Library
 - Hill View Community Centre/Hatherley Library
 - Council website, with on-line comment form
- 3rd September – 10th September (excluding Sunday 4th)
 - Manned exhibition in High Street (outside Marks & Spencer) – 1 Council officer and 2 Augur Buchler representatives available from 9-5 each day. Written comment forms available.
- 6th September
 - Face to face discussions with officers and Augur Buchler representative – 500 invitations were sent out to properties neighbouring the site and about 50 neighbours attended an event.

It is disappointing that the numbers participating were not higher, but that is not unusual for a public consultation exercise. I am not clear why Mr Bloxsom thinks that repeating the exercise, even on a larger scale, would produce a significantly different outcome.

A majority of those consulted broadly approved of the scheme, but I agree that a significant number of people raised objections and concerns. These people will not be ignored, and their concerns are already being taken into account as detailed work on the scheme takes place. Many aspects of the scheme, including the economic impact and the traffic impact, will be the subject of further work.

There will of course be a further consultation exercise – the statutory consultation process when the planning application comes forward.

The subject of the appointment of the Preferred Developer was brought forward to the October meeting to allow the full Council to take a view before the Cabinet decided on the appointment. Had the matter come to Council in November, this would have post-dated the Cabinet's decision. This would have made the Council discussion and indeed any contributions from the public pointless.

Can I also add that I would not be supporting the appointment of Augur Buchler as Preferred Developer if this was simply 'Hobson's choice', as Mr Bloxsom implies. The scheme was one of the two finalists in a distinguished field and meets the financial and environmental objectives of the Council, as set out in the development brief, in every respect. It would be perverse to send a developer packing when they had delivered everything you asked for. People often say that local authorities should behave more like businesses. No business would survive

	<p>long if it behaved like that.</p> <p>In a supplementary question, Mr Bloxsom was still concerned about the lack of public consultation and asked whether there should be a referendum which the current government were recommending on issues of public concern.</p> <p>In response, Councillor Rawson said that there was no process for a referendum on a planning issue and he found it difficult to see how the council could have done more in terms of public consultation. He reminded Mr Bloxsom that this would come forward as a planning application along with a series of impact assessments. The Planning Committee would then make a decision independent of politics and consider all the public concerns and ensure they were addressed before making a decision.</p>
7.	Question from Peter V. Christensen to the Cabinet Member Built Environment (will be present)
	<p>Regarding North Place Car Park Development As there is now only one bidder for this development, how can the Council demonstrate that it is getting the best deal for the taxpayer and for the project?</p>
	Response from Cabinet Member Built Environment
	<p>The Council is obliged by law to achieve the 'best consideration' for any public asset, and that includes the North Place and Portland Street sites. We have retained the leading property valuers GVA to give their professional advice and to certify that the Council has achieved best consideration.</p> <p>I should add that Augur Buchler submitted their financial bid at a time when they were still in a competitive situation, that is to say, before Salmon Harvester withdrew. Shortly after Salmon Harvester's withdrawal, representatives of Augur Buchler met the Leader and Chief Executive of Cheltenham Borough Council and gave assurances that they would honour their bid. We expect them to do so as a condition of being appointed Preferred Developer.</p> <p>In a supplementary question, Mr Christensen asked why the bid was still secret given that it was no longer a competitive process.</p> <p>In response, Councillor John Rawson reiterated his previous response that this was commercially sensitive information for Auger Buchler and the council and could only be made public once the deal had been signed and sealed.</p>
8.	Question from Michael Reynolds to the Cabinet Member Built Environment
	<p>Question regarding North Place Car Park development Before I was an hotelier I was a property finance specialist. I understand the key</p>

	<p>drivers of developers and the Council's need to maximise capital values of this site.</p> <p>The accommodation survey undertaken in early 2009 as part of the Joint Core Strategy document shows that Cheltenham does not have a need for additional hotel rooms now or in the near future. It also shows that the development of additional hotel space will be to the detriment of existing accommodation providers, which will be forced to close.</p> <p>Cheltenham currently has a wide variety of good quality accommodation provided by everything from simple 2 room B&Bs to luxury hotels at the top of the market. Many of these establishments have won awards and are highly rated by Quality in Tourism and the AA. This provision is a key part of Cheltenham's character and welcomes both commercial and leisure visitors to the town.</p> <p>The provision of a new 100 room hotel will dramatically change Cheltenham's character for the worse.</p> <p>What are the legal and commercial impediments preventing the council from asking the developer to amend this scheme omitting the hotel and substituting an alternative development at equal or greater capital value?</p>
<p>Response from Cabinet Member Built Environment</p>	
	<p>I am unable to identify the passage Mr Reynolds refers to in the JCS hotel capacity study which states that, in his words, "Cheltenham does not have a need for additional hotel rooms in the near future". I am also unable to locate where it says that "the development of additional hotel space will be to the detriment of existing accommodation providers, which will be forced to close." These are not, as far as I can see, quotations from the document or even paraphrases.</p> <p>On the contrary, the conclusion of this study (page 66) is that: "At our projected level of demand, Cheltenham may well need 100 rooms coming on stream by 2013 and a further 50 by 2015." It adds (page 14) that: "Clearly, the need for extra capacity will be most strongly felt in the central area."</p> <p>I very much agree with Mr Reynolds that Cheltenham currently has a wide variety of good quality accommodation, and I believe there will continue to be a demand for high quality, full service hotels and small B&Bs. Customers who want to stay in these places, particularly people staying in Cheltenham for pleasure rather than business, will continue to choose them, regardless of how many limited service chain hotels there may be.</p> <p>Regarding Mr Reynolds' final point, the Cabinet could clearly reject the Augur Buchler scheme and start the development process again with a new brief that precluded hotel development. In doing this, we would effectively be saying that we disagree with the brief we voted through Council by a very large majority only last December. But if we did this, I doubt whether any developer would want to bid or indeed to have anything to do with the Borough Council the second time around.</p> <p>The Council is also bound by European procurement legislation (OJEU) and accepts bids on their merits. Unfortunately it is not a 'pick and mix' scenario where CBC can choose elements from one scheme and mix them with another. Nor is it in our gift to demand withdrawal of any specific element. For that reason,</p>

	<p>I believe the choice is not between a hotel or no hotel, but between development and no development.</p> <p>Of course the planning process could determine that certain components are not acceptable but that would be beyond the stage which we have now reached.</p> <p>In a supplementary question, Mr Reynolds suggested that the impact assessment was likely to confirm that there was no demand for a hotel and therefore wouldn't it be better to decide on an alternative use now, such as a care home, rather than let it proceed.</p> <p>In response, Councillor Rawson said that the council was now following a legal process and it was not possible to eliminate one element at this stage. The Planning Committee would make its decision entirely independently and would consider the hotel impact assessment. If their decision resulted in any renegotiations of the scheme, that would be done at that time</p>
9.	Question from Guy Hunter to the Cabinet Member Built Environment
	<p>Will the Cabinet please confirm that the council members were fully briefed on the Tourism Strategy and the Hotel requirement projections in the 2009 JCS hotel capacity study before debating development plans for North Place?"</p>
	Response from Cabinet Member Built Environment
	<p>The discussion at Council on October 10th was not a debate on the development plans, which will form part of a separate planning process, but on the principle of appointing Augur Buchler as Preferred Developer.</p> <p>The report and presentation at Council on October 10th did not refer to the JCS hotel capacity study, the tourism strategy or indeed many other documents that may be material at the planning stage of this process but which are not strictly relevant to the appointment of a preferred developer. However, neither of the documents Mr Hunter refers to has been ignored and neither is inconsistent with the scheme currently being proposed. On the contrary, both assume there will be some expansion in the next few years, as I have explained in my answer to Mr Lillywhite. The hotel capacity survey (page 66) also specifically urges local planning authorities not to create an excessively restrictive framework for the hotel industry.</p> <p>The hotel capacity study was carried out during the downturn and this was taken into account in the forecasting. However, I do want to make sure that the impacts of a new hotel are properly considered, and, for that reason, I want to ensure that a hotel impact assessment is done, using the most recent available data, before the planning application is considered by the Planning Committee.</p> <p>In a supplementary question, Mr Hunter asked whether the names and figures in the hotel impact assessment would be made public.</p> <p>In response, Councillor John Rawson said that he would need to take advice on this as there may be issues of confidentiality in terms of the businesses who supply the information. He would be happy to provide Mr Hunter with a written</p>

	response.
10.	Question from Peter Bowman to the Cabinet Member Built Environment
	I understand that there is estimated to be sufficient parking to cope with cars evicted from North Place and Portland Street car parks during the development. Allowing for the projected 15% in the UK population by 2030; does the Council have plans in hand to deliver further town centre sites to maintain the benefits of the current level of in town parking, which is such a unique and attractive factor, compared to Bath or Oxford, for those visiting the borough to shop?
	Response from Cabinet Member Built Environment
	<p>A study carried out by the Cheltenham Development Task Force found that off-street parking capacity is poorly distributed in Cheltenham and that this leads to unnecessary vehicle trips across the town. Currently capacity is located disproportionately to the north of the town centre. For this reason we are looking at ways of increasing capacity to the south, possibly by decking an existing car park.</p> <p>In a supplementary question, Mr Bowman asked whether there would be an overall increase in parking across the town or whether any increases in parking in the south would be balanced by a loss of car parking in the north of the town centre.</p> <p>In response, Councillor John Rawson and said there was no suggestion that spaces would have to be lost in the north of the town centre to compensate for increases in the South, over and above the loss of spaces already accounted for in the North Place redevelopment. Evidently there was increased demand in the south particularly during the festivals and in the lead up to Christmas where more people may want to shop and visit the Promenade.</p>

5. IMPERIAL AND MONTPELLIER GARDENS STRATEGY

Cllr Driver was invited to address the meeting. She explained that she was speaking on behalf of the Glensanda Court Residents Association (GCRA). GCRA was concerned that Cabinet would take a decision about the use of Montpellier Gardens for Festivals in 2012 before it had been able to assess the environmental damage caused to the Gardens by the 2011 Literature Festival.

GCRA were concerned that it had not been consulted about the planned build programme for the 2011 Literature Festival, that guidelines for working hours were either not stipulated or were ignored causing unreasonable disturbance to residents, that guidelines for noise levels during construction were either not stipulated or not enforced and that there had not been a hotline telephone facility provided by the Festivals or their construction contractor.

GCRA were thus seeking assurances from CBC that, if CBC decided to allow Cheltenham Festivals to use Montpellier Gardens again in 2012, conditions of the permitted use would include:

- a. Full and timely consultation with GCRA to allow GCRA views to be considered when plans are finalised by Cheltenham Festivals.
- b. Guidelines for working hours would be issued and enforced by CBC.
- c. Guidelines for noise levels would be issued and enforced by CBC.
- d. A hotline telephone facility would be provided by Cheltenham Festivals for use during construction and use periods.

In response the Cabinet Member Sustainability explained that timescales had not enabled the impact of the 2011 Literature Festival to be assessed prior to a decision being made on the 2012 Festival. An assessment had been made based on the difficulties experienced in Imperial Gardens in 2010 which informed the proposal in the future. He acknowledged that GCRA should have been consulted and going forward consultation would take place with residents surrounding the park. He suggested that if there was a proliferation of interested parties then it may be more appropriate for residents to nominate a spokesperson.

In terms of working hours and noise levels the Cabinet Member Sustainability referred to the answers given to the first public question addressed to this Cabinet meeting. It was a difficult issue as the shorter in the morning and evening that there were restrictions on timings for erecting tents then there would be more demand for days to allow that process to take place. He explained that Environmental Health had been involved in working closely with gardens hirers to ensure noise was kept to acceptable levels. In terms of setting up a hotline he undertook to talk to Cheltenham Festivals as the council was not in direct control of the events. He also undertook, in collaboration with officers, to look at the proximity of properties to the site.

The Cabinet Member referred to the public question regarding concerns on usage and whether this complied with conditions for which the Heritage Lottery Fund had awarded funding. He quoted the Heritage Lottery Fund "So far as the use of the gardens for the Cheltenham Festival are concerned, we agree in principle to the use of the gardens by the Festival but we want to be assured that there will be a reasonable restriction on the overall level of use and that suitable provision will be put into place for the adequate maintenance and repairs after the Festival"

"the use of the Property for the Cheltenham Festival will be the subject of continuing dialogue between the Grantee and the NHMP in order to rectify/resolve any problems which may occur as a result of this use"

Councillor Hall was invited to address the meeting as Chair of Environment Overview and Scrutiny. The committee had met in September to look at this issue and she expressed disappointment that the minutes had not been specifically referred to in the report. Members had raised the issue of communication and she confirmed that there would be ongoing scrutiny of the festivals in respect of use of the gardens. She also congratulated the Council on the condition of the gardens during the festival.

A public Appendix B outlining the cost plan for Imperial and Montpellier Gardens was circulated for public purposes to clarify the confidential Appendix. As tenders had not yet been signed figures remained commercially sensitive.

The Cabinet Member Sustainability informed that recommendation 1 should be amended to make reference to Montpellier Gardens in addition to Imperial Gardens as outlined in Appendix B.

The Leader of the Council thanked those involved in the project and welcomed the progress that had been made.

RESOLVED that

- 1. authority be delegated to the Director Operations in consultation with the Cabinet Member, Sustainability and the Council leader, to undertake the first phase of the proposed works in Montpellier and Imperial Gardens as outlined in Appendix B and in accordance with the consultation plans entitled "Imperial Gardens Design" and dated May 2011, and subject to minor alteration where it is deemed necessary.**
- 2. tentage designs for Montpellier gardens be restricted to 4700M2, and 2750m2 in Imperial Gardens (excluding walkways and gazebos) in 2012 and onwards. All to be contained in the areas outlined in red on appendix C and D.**
- 3. both Imperial Gardens and Montpellier Gardens be subject to a maximum usage cap of 75 special event days each (including setting up and taking down).**

6. NORTH PLACE AND PORTLAND STREET DEVELOPMENT

The Cabinet Member Built Environment referred to the Council recommendation of 10 October for Cabinet to appoint Augur Buchler Partners Limited as the preferred bidder to undertake the redevelopment of North Place and Portland Street sites. The Cheltenham Development Task Force also unanimously made the same recommendation at its meeting on 14 October. He explained that the recommendation was a result of a competitive tendering process based on the development brief. 9 formal bids had been received and on the basis of an objective scoring matrix 5 were invited to participate in a competitive dialogue process at which point 1 bidder withdrew. From the 4 bids received two schemes scored much higher than the others and were invited to submit a formal tender. The two schemes were from Salmon Harvester and Augur Buchler. Due to commercial reasons Salmon Harvester subsequently withdrew their bid. Augur Buchler and CBC agreed to continue the process with the Augur Buchler bid meeting both the design brief and financial requirements. The proposed scheme would deliver a broad mix of uses for the site including public parking, housing and environmental improvements. It would complete the masterplan for Cheltenham by providing a green route from Montpellier through to Pittville.

The Cabinet Member Built Environment made reference to the public consultation and Cabinet was well aware of the concerns that had been expressed concerning traffic, parking and land uses. The traffic impact would be measured and modelled and impact assessments would be undertaken on the proposed retail, hotel and parking provision via the planning process. There would be an opportunity for further consultation at the planning stage. The Council was obliged by law to achieve best consideration for its land and leading property valuers GVA had been engaged to certify that best consideration had been achieved.

Members welcomed the proposed high class development. The Leader explained that the process had followed an efficient timetable and had been years in preparation. The public had had an opportunity to comment on the development brief in 2010. It was a difficult balance to meet, what the landowner wished to see and what a developer would be prepared to build. Nothing else had been brought up at the design brief stage and Augur Buchler had a high quality design and was one bidder of an originally large field.

The Cabinet Member Built Environment wished to put on record his thanks to Members of the Development Task Force which included members of the business community and local amenity groups and its chair Mr Graham Garbutt.

RESOLVED to :

- 1. appoint Augur Buchler Partners Limited as the preferred bidder to undertake the redevelopment of the North Place and Portland Street sites (the Sites) having considered the recommendation of Council on 10 October 2011 and taking into account the advice of the Cheltenham Development Task Force**
- 2. delegate authority to the Head of Property Services in consultation with the Borough Solicitor to:**
 - i) conclude the documentation necessary to appoint Augur Buchler Partners Limited as the preferred bidder;**
 - ii) conclude the documentation required to dispose of the Sites as necessary (noting that the Sites may be disposed of in parts by way of leasehold and freehold disposals and to more than one party);**
 - iii) enter into an agreement with Gloucestershire County Council for the purchase of land at Warwick Place.**

7. HOUSING REVIEW

The Cabinet Member Housing and Safety introduced the report and thanked members of the working group and officers for their work. She explained that the cross party working group had been set up in response to the wide scale changes being set out in the Localism and Welfare Reform Bills. The working group gave members and officers the opportunity to look into the various

challenges which the legislative changes pose, to identify risk to the council and for residents, and to identify ways for the council to consider moving forward.

The Cabinet Member highlighted Appendix 3 which outlined the various challenges and opportunities coming from the Localism Bill, the Affordable Homes Programme, Welfare Reform, Supporting People and the self financing HRA. A number of housing related risks were on the corporate risk register. Of particular concern to task group members was the impact of the welfare reform bill and its associated risks, the affordability of the private sector and the fact that the changes to Local Housing Allowance would make this sector less accessible and less affordable, the impact of reductions in the Supporting People budget and the associated revised supporting people strategy. CBC would be working closely with CBH to ensure the needs of tenants in sheltered housing would continue to be supported. The Supporting People risk had been added to the corporate risk register.

Key opportunities for the Council were provided by the Housing Revenue Account Reforms and members valued the member seminar held on the subject to develop its understanding of the subject as part of the overall package of changes affecting housing.

Cabinet was being asked to support the principle of development of a housing and homelessness strategy which would deal with complex and cross cutting issues. The issue of Social Housing Tenure reform would be dealt with in the emerging tenancy strategy which would be part of the housing and homelessness strategy. The theme of this was to make best use of existing stock, whilst at the same time supporting balanced communities.

Moving forward, the Cabinet Member proposed that the working group meet again to consider the housing and homelessness strategy before it is submitted to Cabinet for approval early next year and once the HRA business plan had been through the consultation with tenants and stakeholders.

The Leader of the Council wished to put on record his thanks to the working group which had undertaken some very useful work.

RESOLVED that :

- 1. the recommendations of the review group as set out in appendix 2 be endorsed and built into workplans.**
- 2. the principle of the development of a housing and homelessness strategy which incorporates the review groups findings for consideration by Cabinet in March 2012 be endorsed.**
- 3. the outcomes framework as set out at appendix 4 be endorsed as a basis for consultation with stakeholders and be used to inform the development of the housing and homelessness strategy.**
- 4. the Housing Review Member Working Group continues to meet to support the development of the strategy and to provide a sounding**

board on the development of the HRA business plan preparation ready for Council in February 2012.

8. DRAFT HRA BUSINESS PLAN

Having declared a personal and prejudicial interest in this item Councillor Colin Hay left the room and did not participate in the debate.

The Cabinet Member Finance and Community Development highlighted that there were major changes in social housing including the introduction of a new housing finance system, changes to Welfare reform and changes in provision of funding for new social housing.

He explained that under the new housing finance system CBC would borrow an amount at which the housing stock was valued minus current housing debt, and pay a one off capital amount back to central government funded by borrowing from the Public Works Loan Board. This would mean the Council would have control over how rental income was spent locally. This could over the next 10 years make the Council £15.4m better off at today's values. This would then enable the Council to invest a net amount of £12.2m.

The business plan advocated the following approach to spending this:

- Continue with new build – particularly involving St Paul's phase two at Crabtree Place, Cakebridge Place and Garage sites.
- Invest in existing stock and in particular to improve local environments such as Neighbourhood works
- Improve services to tenants – particularly to invest in community development initiatives in order to address anti-social behaviour, financial exclusion and unemployment.

The business plan also had took account of:

- Rent restructuring – this would continue with the expectation that all rents would be at the Government formula level by 2015/16 and thereafter increase at RPI plus 0.5%.
- The introduction of affordable rents (80% of private sector market housing) with which to finance new build – in future the Homes and Communities Agency will insist that if councils and Housing Associations are to 'qualify' for HCA funding they must operate on the basis of affordable rents.
- Changes to the benefits system. This was of the greatest concern as Government policy was set to increase rents at the same time as reducing benefits, and over 70% of tenants were in receipt of benefits.

The Cabinet Member welcomed the autonomy that the Council would have which would enable it to continue the new-build initiated in St Paul's five years ago, and improve the quality of life for CBH tenants as a result. He also wished to thank officers and those at CBH for their valuable contributions to this work.

Bob Dagger, Assistant Chief Executive CBH informed Cabinet of two recent policy announcements. Firstly, there would be a discounted rate of 85 basis

points below the prevailing rate for local authority borrowing from the Public Works Loan Board. This would provide additional confidence to the social housing market. Secondly, the right to buy discount had been increased to make it more attractive to council housing tenants who wished to buy their homes. The money raised from the sales would be used to repay debt and reinvest in new affordable homes.

Significant changes to council housing finance meant that the Council could be innovative in its housing. It could now have a long term sustainable plan for housing and CBH had plans for a comprehensive consultation process on the way forward.

The Assistant Chief Executive also informed the meeting that DCLG had given an indication that the settlement figure would be announced on 11 November and this was likely to be higher than anticipated due to the increase in the Retail Price Index announced on 18 October.

The Leader of the Council said that this was a key moment for housing in Cheltenham. He welcomed the self financing approach and the comprehensive consultation over the coming months.

The Cabinet Member Finance and Community Development was positive about the future of social housing in the town. There was however a risk in terms of rents being increased whilst benefits were decreasing and he emphasised that particular attention should be paid to this.

RESOLVED that

- the draft strategy be endorsed and used as a basis for consultation with a range of stakeholders.
- following consultation the strategy be brought back to Cabinet before final approval by Council in February 2012.

9. ADVICE AND INCLUSION CONTRACT

The Cabinet Member Finance and Community explained that the name of the Single Advice Contract had changed to the Advice and Inclusion contract.

He explained that the current contract expired on 31st March 2012. The intention was to let the contract for 3 years plus a further 2 years subject to satisfactory performance.

Changes to the benefits system would mean an increase in the need for housing advice for private sector tenants particularly with the changes recently announced in terms of housing benefit for single people under 35 which would compel them to share accommodation, and the reduction in the amount of local housing allowance available from 50% of local market rents to 30%.

The Cabinet Member reported that more focus had been given to the contract and the amount available had been reduced from £155k to £130k.

The key outcomes were to prevent homelessness, to reduce debt and prevent future debt arising, to ensure the rights of people are protected in respect of rights to benefits and to support the most vulnerable.

The Cabinet Member Housing and Safety informed Cabinet that this approach had been discussed by the Housing Review group. It had welcomed the focus on new priorities and the streamlining of the contract.

RESOLVED that

The Director of Built Environment be authorised to re-tender this contract, as the 'Advice & Inclusion Contract', for a term of 3 years from April 1st 2012, plus a further 2 years, subject to satisfactory performance and available finance.

10. QUARTERLY BUDGET MONITORING REPORT

The Cabinet Member Finance and Community Development introduced the report and explained that there was a projected overspend of £476k this year. To address this there was a freeze on Supplies and Services spending and a freeze on staff recruitment subject to various criteria.

The following key issues had been identified :

- not yet being able to save the £80k on salaries budgeted for as resources had been cut to the minimum already.
- there was a shortfall in parking income of a projected £104k (para2.4.6) which was being experienced nationally as a direct result of the recession.
- there was a shortfall of £110k in refuse collection – mainly in Trade Waste and attributable to the recession although a projected increase in recycling income of £100k should partly offset this.
- there was a projected shortfall of £306k against budget for the Green Waste collection system and this was being addressed.

The Cabinet Member reported that whilst the recession clearly had an impact on the generation of income, collection rates of both business rates and Council tax was currently ahead of target.

The Cabinet Member was optimistic that the gap could be addressed without having to fall back on reserves but there were structural implications on next year's budget of a couple of these figures which would have to be paid particular attention to.

The Leader of the Council paid tribute to the continued hard work undertaken by officers to address these issues. Cabinet wished to thank the officers for this work and praised the way that efficiency savings had been found in an inventive way.

RESOLVED that

- 1. the contents of this report including the key projected variances to the original 2011/12 budget identified at this stage and the potential projected overspend of £476,400 for the financial year 2011/12 be noted.**
- 2. the current freeze on spending against supplies and service expenditure budgets, where possible, is continued until further notice. This will be factored into the revised 2011/12 budget.**

3. **If, following the more detailed monitoring process currently being undertaken as part of the budget setting process for 2012/13, the potential overspend is confirmed, corrective action be taken to ensure that the Council delivers services within the overall net budget for the year.**

11. BUDGET STRATEGY AND PROCESS

The Cabinet Member Finance and Community Development introduced the report which outlined the process and timetable for the 2012/13 budget up to and beyond budget setting on 10th Feb 2012.

The current predicted gap was £824k assuming a Council Tax increase of 2.5%. The Government had announced it wished to freeze council tax for a second year and fund it for a year. However he warned that when the funding was exhausted after one year the Council would face a minimum 5% increase in Council Tax the following year. Since the Council had taken advantage of government funding for 4 years to freeze Council Tax in this year's budget the Council would face an increase of at least 5% in 2016/17. This had been built into the Medium Term Financial Strategy (MTFS) to ameliorate it.

The Cabinet Member outlined that the key aims were to protect front line services, develop longer term plans for efficiencies in the MTFS including shared services and a new approach to commissioning, co-ordination of the financial implications of all this through Bridging the Gap group.

The cross-party budget working group established in the last budget had made a number of suggestions about the budget process that would be considered in due course and the group would meet again once a draft budget had been drawn up. He reported that the principles being used were no growth (unless invest to save) and no pay inflation and 2.5% inflation.

The Cabinet Member explained that this year consultation should be targeted around specific issues and this would take place between December 2011 and January 2012. In addition to this there would be meetings with the Chamber of Commerce, Trade Unions, Voluntary Sector etc and other Groups upon request and Scrutiny Committees. He highlighted that this would be another difficult budget and the financial difficulties were set to continue.

The Leader of the Council welcomed the proposed targeted consultation in specific areas.

The Cabinet Member Corporate Services stated that whilst the shared services and commissioning work did not deliver immediately he was very encouraged by progress achieved to date and looked forward to more services being delivered in this way. He also referred to the work being done in building capacity within communities.

RESOLVED that

- 1. the budget setting timetable at Appendix 2 be approved.**

2. the estimated funding gap for 2012/13 of £824k at Appendix 3, based upon a 2.5% increase in council tax be noted.
3. the budget strategy outlined in section 4 below be approved.
4. authority be delegated to the Section 151 Officer, in consultation with the Cabinet Member for Finance, to consider the suggestions from the Budget Working Group in preparing the interim budget proposals for 2012/13 as outlined in section 5.

12. PROMOTING CHELTENHAM FUND

The Leader of the Council explained that Cabinet agreed to create the Promoting Cheltenham Fund to support events, projects and initiatives that would stimulate economic and business growth in Cheltenham. 19 bids had been received and he thanked the Panel which had assessed the phase 1 applications.

It had been suggested that the funding should be made sustainable by generating income from those who had been awarded the funding and this point would be taken on board.

Cabinet welcomed the model which had been used for the grant assessment panel and welcomed the worthy projects which had been awarded the funding.

RESOLVED that

the list of projects to be funded from the Promoting Cheltenham Fund as set out in appendix 2 – “List of projects and recommendations” be approved.

13. ENVIRONMENTAL IMPROVEMENTS FUND

The Cabinet Member Built Environment introduced the report which made recommendations for the distribution of the £149 200 in the Environmental Improvements Fund. Many of the projects awarded funding would attract additional funding from elsewhere and benefits would be felt across the town.

He explained that the New Homes Bonus would continue next year so the schemes that had not been included this time could be put forward at that time. Officers had devised a scoring matrix of appropriate criteria in order to meet the Council's high level environmental objectives. He acknowledged that Environment Overview and Scrutiny had not been given the criteria for the scoring process but assured Members that there would be better Member involvement next year.

The Cabinet Member Sustainability added that it had been a difficult assessment to make but the allocation of funding represented a good geographical spread across the town.

Tribute was paid to those local community groups and businesses who were taking the initiative to improve their areas recognising that local authorities would no longer have the resources to support such projects.

Councillor Regan was invited to address Cabinet. She expressed her disappointment that funding had not been granted to one particular scheme proposed by Waterwise relating to supplying guttering and water butts to all council allotment sheds. However she congratulated all those groups which had received funding.

Cabinet congratulated those groups which had been successful in their bids from both the Promoting Cheltenham Fund and the Environmental Improvements Fund. It was hoped that these would bring about successful outcomes.

RESOLVED that

the prioritised list of bids attached at Appendix C be supported, having had regard to the available budget of £149,200 and the minutes of the Environment Overview and Scrutiny Committee attached at Appendix D

14. CHELTENHAM PARTNERSHIP STRUCTURES AND ARRANGEMENTS

The Leader of the Council introduced the report which sought Cabinet's endorsement for the new structures for partnership working in Cheltenham. He reported that a consultation process had been undertaken, the responses to which were outlined in Appendix 3. The Council placed great value on the voluntary and community sector being involved in discussions at the highest level. The Leader explained that all partner bodies were currently examining what the proposed new structure entailed for them and the December meeting of the Cheltenham Strategic Partnership would approve the new structure.

Councillor Regan was invited to address Cabinet. She expressed her concern that very few non Cabinet Members were represented on any of the committees or task forces in the new structure. In response the Cabinet Member Corporate Services explained that Cabinet members were in the best place to serve on the partnerships as they were the decision makers. However he referred to the current review of the Council's scrutiny arrangements which could provide an opportunity in the future for non Cabinet member involvement in terms of scrutiny of the partnerships.

The Cabinet Member Corporate Services referred to the Economy and Business Improvement Scrutiny Committee's request for additional information as to whether the new structures would generate any savings. This point was accepted. In his view in the future scrutiny would need to look at how best to scrutinise the partnerships effectively and what kind of reporting to scrutiny was required.

Cabinet welcomed the new structure which would avoid the current duplication and provide more clarity. It acknowledged that the relationship between the elected member and the partnerships still needed to be developed.

RESOLVED that:

- 1. the new structures for partnership working in Cheltenham as set out in appendix 2 be endorsed.**
- 2. the issues raised by the consultees and the responses of the CSP task and finish group in appendix 3 be noted.**

15. AIR QUALITY MANAGEMENT

The Cabinet Member Health and Housing introduced the report which sought a new Air Quality Management Area (AQMA) to cover the whole of Cheltenham Borough and to revoke the current AQMA located in the portion of (lower) Bath Road and High Street. It also sought Cabinet endorsement of the joint working with the County Council and the Transport Authority in the development and implementation of the required Further Assessment and Air Quality Action Plan to address this issue.

The Cabinet Member highlighted that under 2.1 of the assessment-London Road, the reference to London road junction with Priors Road should read London Road junction with Hales Road.

Cabinet welcomed the proposed holistic approach and said it was vital that an action plan was put in place to tackle the problem. As this was a traffic related issue it was dependent on joint working with the County. The Council was keen to also address the issue via the Civic Pride proposals.

RESOLVED that :

- 1. a new Air Quality Management Area (AQMA) be declared to cover the whole of Cheltenham Borough and the current AQMA located in the portion of (lower) Bath Road and High Street be revoked .**
- 2. the joint working with the County Council as the Transport Authority in the development and implementation of the required Further Assessment and Air Quality Action Plan to address this issue be endorsed.**

16. REVIEW OF THE CONSTITUTION-EXECUTIVE FUNCTIONS

The Cabinet Member Corporate Services introduced the report which sought to simplify the Executive functions and provide more flexibility within the Officer delegations.

The Leader referred to a spreadsheet of Cabinet Member responsibilities which would be made available to all Members.

RESOLVED that :

the proposed Executive Functions set out in the new Part 3E (appendix 2 to agenda item 10 Council 10th October) be recommended for approval by the Leader

17. COMMISSIONING FRAMEWORK FOR BUILT ENVIRONMENT-UPDATE REPORT

The Cabinet Member Built Environment introduced the report. He explained that the built environment review had identified a number of recommendations to improve service efficiency, customer service and ultimately budget savings. The review had engaged a number of stakeholders via a series of workshops which provided a valuable insight into the way in which the services were perceived. A member working group was established to support the Cabinet Member with this review and Environment Overview and Scrutiny had also been involved.

In terms of efficiency, the review had found that efficiency savings of £434k had already been made. The Systems Thinking approach had been applied and had identified ways in which the service could be streamlined to the public. It was also recommended that alternative models to deliver the service should be examined. The market should be tested to see how the council's costs compared to that of external providers.

The Cabinet Member referred to the current uncertainty regarding the introduction of the ability for councils to set their own planning fees. If approved this would enable the Council to recover the full cost of planning applications from fees. However, due to this unknown it was not possible to set a definitive budget.

Cabinet thanked all those involved in the review.

RESOLVED that :

- 1. the outcome framework set out at appendix 3 be approved and used as a basis for the development of a service specification, against which the internal team will deliver.**
- 2. the Director of Built Environment restructures his team to assist delivery of the outcomes and agreed service specification.**
- 3. the Director of Built Environment report back to the Cabinet, once there is clarity on the legislation, with regards to the local setting of planning fees and identifies the additional planning income which may be realised.**
- 4. the division continue to improve the customer experience by embedding the systems thinking approach across the full range of its services.**
- 5. the division explores with partners the opportunities to undertake collaborative working, where it will provide service resilience and make the most efficient use of resources.**
- 6. a review of alternative delivery models for building control is undertaken in 2013, as part of the programmed review of the current shared service arrangement with Tewkesbury Borough Council.**

7. the inscope range of built environment services will be tested against private sector service alternatives in 2013/14, to confirm whether the internal service continues to deliver value for money, based on an assessment of both cost and quality.
8. that the division holds regular (at least twice per year) stakeholder sessions including agents, developers, conservation and heritage groups, architects panel as well as councillors to discuss progress in delivering the outcomes.
9. that the Director of Built Environment explores the opportunities to extend the charging for pre application process to other areas currently not within scope.
10. that the commissioning division works with the Voluntary and Community Sector to support market development in areas which will underpin the localism bill.

18. BRIEFING FROM CABINET MEMBERS

The Leader of the Council informed the meeting that he was still consulting with Group Leaders regarding support for the proposed Council representative on the Local Authority Company. The nomination would be formally approved at the November meeting of Cabinet.

19. LOCAL GOVERNMENT ACT 1972 - EXEMPT BUSINESS

The Cabinet was recommended to approve the resolution as set out on the agenda.

Upon a vote it was unanimously

RESOLVED that in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items 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 paragraphs 3 and 5, 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 5; Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

20. A FINANCIAL MATTER

Members discussed the financial matter, considered the options proposed and approved a recommended way forward.

Chairman

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Cheltenham Borough Council Cabinet – 15th November 2011

Formation of Joint Waste Committee in Gloucestershire

Accountable member	Councillor Roger Whyborn Cabinet Member for Sustainability
Accountable officer	Andrew North Chief Executive
Accountable scrutiny committee	Environment
Ward(s) affected	All
Key Decision	Yes
Executive summary	<p>To provide the background and principles underlying the proposal to form a Gloucestershire Joint Waste Committee (herein referred to as GJWC).</p> <p>To explain how this integrates with the recently incorporated, Ubico Limited, a company jointly owned by the Council and Cotswold District Council.</p> <p>To gain agreement to join the proposed GJWC.</p> <p>To gain agreement to delegate to the GJWC certain functions in the area of environmental services, and which decisions CBC would wish to retain and would thus not be so delegated.</p> <p>To seek approval to delegate to the Chief Executive in consultation with the Cabinet Member Sustainability and other officers to complete the work required to bring the GJWC into place by the start of the next financial year.</p>
Recommendations	<p>That Cabinet:</p> <ul style="list-style-type: none"> (a) accept the Financial case set out in (section 5) of the report, subject to explicit costing of the collection costs per household being agreed by the Council Leader in conjunction with the Cabinet Member Sustainability, Chief Executive and s151 Officer; (b) agree to the establishment of the Gloucestershire Joint Waste Committee (GJWC) in accordance with Sections 101 and 102 of the Local Government Act 1972, and the Local Authorities (Arrangement for the Discharge of Functions)(England)(Amendment) Regulations 2001 made under Section 20 of the Local Government Act 2000; (c) delegate to the Chief Executive in conjunction with the Cabinet Member Sustainability, s151 Officer and the Borough Solicitor authority to finalise and complete the Inter Authority Agreement (including the Constitution), including but not limited to the delegation arrangement for enforcement, the year one Business Plan and other documentation and to take all necessary steps to create the GWJC by April 2012;

- (d) agree that the existing Shadow Joint Waste Board and Programme Board arrangements will persist until the end of March 2012 to oversee this process.
- (e) agree that the above recommendations (a) to (d) if agreed by Cabinet will not be effective until equivalent resolutions (a) to (d) have been passed by all the Authorities named in this report, and that the revised Financial case is reviewed by Cabinet if any one authority named in this report fails to agree resolutions (a) to (d).

Upon the establishment of the GJWC:

- (f) authorise the delegation to the GJWC of this Council's functions in relation to the collection, management, disposal treatment, or recycling of waste and street cleansing described in detail in paragraph 4.1 of this report but subject to the retained decisions as set out in paragraph 4.2 of this report;
- (g) agree to appoint Gloucestershire County Council as Administering Authority to undertake the role set out in 3.4 of the report;
- (h) agree to appoint Cllr Roger Whyborn and Cllr Steve Jordan to the GJWC.

<p>Financial implications</p>	<p>The financial implications are as detailed in Section 5 of the report and indicate that during the period of the current MTFP, by joining the GJWC, CBC will meet its current target saving.</p> <p>S151 officers for all the Authorities concerned have worked together on the proposed waste partnership's financial model and are satisfied that no extra costs will arise to the parties involved for a five member partnership.</p> <p>The financial model for a reduced number of partners has yet to be developed and would form the basis of any future decision to continue with the establishment of the GJWC. Contact officer: Mark Sheldon, <u>mark.sheldon@cheltenham.gov.uk</u>, 01242 264123</p>
<p>Legal implications</p>	<p>The relationship between the parties to the GJWC will be set out in an Inter Authority Agreement (IAA), which will detail the responsibilities, the scope, financial and staffing arrangements and the constitution of the GJWC. This agreement is currently being prepared by legal representatives from each participant authority, and has had the benefit of building upon the experience of waste partnerships elsewhere in the country. Key features of the IAA are set out in paragraph 3.8 of this report. Contact officer: Shirin Wotherspoon, <u>shirin.wotherspoon@tewkesbury.gov.uk</u>, 01684 272017</p>
<p>HR implications (including learning and organisational development)</p>	<p>There are no CBC employees transferring to the JWMU. Contact officer: Julie McCarthy, <u>julie.mccarthy@cheltenham.gov.uk</u>, 01242 264355</p>

<p>Corporate and community plan implications</p>	
<p>Environmental and climate change implications</p>	<p>It is anticipated that the formation of a joint waste committee in Gloucestershire, will facilitate consideration of waste collection and disposal as a 'whole system' and lead to an acceleration of progress toward higher rates of recycling and significant reduction in the amount of domestic waste going to landfill across the county. This is to the benefit of all Borough residents and in line with the Councils declared sustainability aims in terms of protecting the environment and reducing impacts upon it.</p>

1. Background

- 1.1 Cabinet considered a report on the Joint Waste Programme on 21st September 2010. The report presented a business case that demonstrated the benefits of forming a Joint Waste Committee and estimated that the creation of a joint waste service in Gloucestershire had the potential to deliver significant savings for the Council over time. At the same Cabinet meeting the decision was taken to progress the establishment of a local authority company to deliver Environmental Services for Cheltenham and Cotswold Councils. The company, Ubico Limited, was incorporated on 26th October 2011.
- 1.2 Following a review by the Shadow Joint Waste Board in May 2010 which ratified earlier work that treating waste collection and disposal as a single system in Gloucestershire would yield financial and environmental savings, a proposal was made to create a Gloucestershire Joint Waste Committee and supporting infrastructure from the beginning of financial year 2012/13. This proposal was accepted by the County Council, Cheltenham Borough Council, Cotswold District Council, Forest of Dean District Council and Tewkesbury Borough Council, subject to a final go/no-go decision in the Autumn of 2011 to be supported by further clarification on governance and details of the financial case for partnership. Two authorities, Gloucester City and Stroud District Council, previously decided not to participate in this phase of the programme but to keep a watching brief and reconsider joining the waste partnership at a later date.
- 1.3 In its simplest form, this report proposes the formation of that Gloucestershire Joint Waste Committee and requests delegated authority to make this happen by the start of the next financial year (2012/13). Time is needed between now and that point to allow detailed budgets for the proposed structure to be finalised and incorporated into the Authority's MTFP
- 1.4 The proposal is predicated upon a budget agreed by the S151 officers of the participating authorities that demonstrate the financial advantages of partnership. These are expected to be of the order of £2m to be achieved over the next 3~5 years.
- 1.5 The waste partnership will see the formation of a Member led Gloucestershire Joint Waste Committee (GJWC) and an officer led Joint Waste Management Unit (JWMMU).
- 1.6 An administration authority will be required both to provide a body that can enter into service contracts on behalf of the partnership, and to act as a 'pay and rations' provider for JWMMU staff.
- 1.7 As part of the work to support the proposal to form a waste partnership in Gloucestershire, a number of organisational approaches were considered. These ranged from secondments, delegated arrangements, collaborative arrangements, joint committees etc., to the formation of a Joint Waste Authority. These were in turn reviewed against an agreed set of criteria in terms of their appropriateness at a strategic and policy level, at a management and back office level, and operationally. The criteria used included financial impact, financial decision making, service design decision making, ease and speed of decision making, scope of powers, and ease of exit and new-joiner integration.
- 1.8 This work recommended forming a Joint Waste Committee at the strategic level, serviced by an officer led Joint Waste Management Unit to oversee contracts, and to manage and execute the agreed business plan. See Appendix 3, Draft GJWC Business Plan Table 1-1 for a graphical representation of this arrangement.
- 1.9 These governance and organisational proposals were agreed by the SJWB in March 2011.
- 1.10 The governance and legal nature of this arrangement is described in section 3 below.

2. Reasons for recommendations

- 2.1** To enable the GJWC to be in place by the beginning of the next financial year in order to provide the most efficient and cost effective waste collection and disposal system to Council Tax payers in the Cheltenham Borough and the broader community across the County as a whole.

3. Governance and Legal Agreement

The Gloucestershire Joint Waste Committee

- 3.1** The GJWC 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.

- 3.2** It is proposed that the GJWC will comprise of 2 Members from each partner council. As the GJWC will undertake executive functions the 2 members must be from the council's executive.

- 3.3** The GJWC will have the decision making powers (subject to the retained decisions) as set out in Section 4 below. 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 and the SJWB concluded that Gloucestershire County Council would be best placed to undertake this role.

- 3.4** At its simplest level, the Administering Authority will perform three fundamental functions which will enable the GJWC to fulfil its role:

- It will enter into contracts on behalf of the GJWC;
- It will be the employer of all staff employed by the GJWC (i.e., the staff of the JWMU); and
- It will provide management services (e.g. HR, Legal, ICT, Procurement, democratic support and office accommodation) to the JWC and the JWMU. The provider of support services maybe reviewed in the future, which may include the use of GO or One Legal.

In order that the Administering Authority is not exposed to excessive financial or reputational risk, there will need to be clear funding streams and mitigation measures in place before any contracts are entered into. These arrangements will be dealt with in the Inter Authority Agreement.

- 3.5** As a committee, the GJWC will be administered as any other committee of a council. A summary of the proposed Constitution of the GJWC is set out in Appendix 2.

- 3.6** As a body undertaking executive functions, decisions of the GJWC will be subject to scrutiny. The council's existing scrutiny arrangements will apply to decisions of the GJWC. The overview and scrutiny committee will hold the Joint waste committee to account for the delivery of the services within its scope. The Head of Service of the JWMU can be called to the committee should this be felt necessary, as can the Chair and Vice Chair of the GJWC.

The Inter Authority Agreement (including the Constitution)

3.7 This Agreement will set out the terms upon which the parties have agreed to delegate functions to the County Council including financial and staffing arrangements as well as the constitution of the GJWC.

3.8 Key features of the Agreement are:

3.8.1 Term - it is proposed that the Agreement will continue for a fixed period of 5 years, to link with the financial plan, and then to continue on an annual basis (terminable on giving 12 months notice).

3.8.2 Delegated Functions - these are set out in detail together with the decisions that will be retained by each council so that the extent of joint decision making by the GJWC is clear.

3.8.3 Administrative Support - administrative support to the GWJC will be set out in the IAA.

3.8.4 Business Plan.- A business plan will be provided for the first year of operation. This will also detail the financial benefits and contributions of each Authority. A draft copy of the plan is included as Appendix 3.

3.8.5 Joint Waste Management Unit - the IAA will set out the purpose of the Joint Waste Management Unit in its role supporting the GJWC in the discharging of the duties delegated to it by the Partner Authorities. This will be as described in section 1.6 of the draft Business Plan attached at Appendix 3.

3.8.6 Strategic Management and Financial Groups - the IAA will include a definition of the purpose and make up of these groups. This will be as described in sections 1.7 and 1.8 of the draft Business Plan attached at Appendix 3.

3.8.7 Termination Arrangements- these will provide for:

- Cessation of membership of the GJWC;
- Dissolution of the GJWC;
- Exit Planning and Exit Arrangements.

3.8.8 Transfer of Staff- details of all staff transferring to the Administering Authority in accordance with the principles of TUPE will be included.

3.8.9 Asset transfer- at this stage it is unlikely that any major assets will transfer to the Administering Authority.

4. Delegated Functions and Retained Decisions

4.1 Delegated Functions

4.1.1 The functions to be delegated to the GJWC by the Partner Authorities collectively are shown in the following table:

WCA – Waste Collection Authority
WDA – Waste Disposal Authority

Environmental Protection Act 1990 Part II		Applies to	
		WCA	WDA
Section 34	Duty of Care - to prevent the unlawful deposit or treatment of waste in your control	✓	✓
Section 45	Duty to collect waste in your area (WCA) and to make arrangements to collect, to collect commercial waste where requested.	✓	
Section 46	Authority to serve notice on householders to use prescribed receptacles for waste and to put them out for collection	✓	
Section 47	Authority to provide commercial customers with receptacles	✓	
Section 48	Duty to deliver waste collected to specific places (as specified by the WDA)	✓	
Section 51	Duty to arrange for disposal and duty to provide HRCs		✓
Section 52	Duty to pay recycling credits		✓
Section 55	Duty to make arrangements to recycle waste	✓	✓
Waste and Emissions Trading Act 2003			
Section 9	Duty not to exceed allowances		✓
Section 12	Duty to maintain records of biodegradable waste sent for treatment/disposal		✓
Section 31	Power to make directions to WCAs as to separation of waste		✓
Section 32	Duty to have in place a Joint Strategy for waste	✓	✓
Waste Minimisation Act 1998			
Section 1	Power to take steps to minimise waste	✓	✓

		Applies to	
		WCA	WDA
Household Waste and Recycling Act 2003			
Section 1	Duty to collect at least two types of recyclable waste	✓	
Environment Act 1995			
Section 108	Powers to take action to investigate pollution incidents or where harm to human health has been caused by pollution	✓	✓
Section 109	Powers to take action to prevent pollution or harm to human health	✓	✓
Clean Neighbourhoods & Environment Act 2005			
Part 2	Abandoned Vehicles	✓	
Part 3	Litter and Refuse	✓	
Part 4	Graffiti	✓	
Part 5	Waste	✓	✓
Local Government Act 1972			
Section 111	Powers to act as a local authority In so far as its use is calculated to facilitate or is incidental or conducive to the discharge of any of the functions referred to in paragraphs (a) to (h) listed below	✓	✓
	(a) European Community Strategy for Waste Management 1989 (as reviewed in 1996);		

Local Government Act 1972 cont'd ...		Applies to	
		WCA	WDA
	(b) EU Directive 757 4427 EEC as amended by Directive 917 1567 EEC and adapted by Directive 967 3507 EEC on Waste (The Framework Directives on Waste);		
	(c) Environmental Protection Act 1990;		
	(d) Public Health Act 1936;		
	(e) Anti-Social Behaviour Act 2003;		
	(f) Clean Neighbourhoods and Environment Act 2005;		
	(g) Refuse Disposal (Amenity) Act 1978 (insofar as this relates to abandoned vehicles, public safety and amenity);		
	(h) Environmental Protection (Waste Recycling Payments) Regulations 1992 (as amended 1994).		
Local Government Act 2000			
Section 2	Power of wellbeing - In so far as its use relates to the promotion or improvement of the economic, social and/or environmental well-being of the whole of the County or any part thereof in respect of matters directly related to the management or recycling of waste.	✓	✓

This Council is a Waste Collection Authority (WCA) and will, thus, be delegating the Functions in the column headed "WCA" in the table in paragraph 3.1.1 above to the GJWC.

4.2 Retained Decisions

The decisions which are to be retained by the council (and which will not, therefore, be delegated to the GJWC) are:

- (a) Budget setting: retaining the annual decision on budget setting as part of the business planning process for the GJWC;
- (b) Service Charges: changes to service charges where these are proposed outside the budget setting cycle will need to be ratified;
- (c) Collection/Disposal Method [Policy] changes to collection/disposal methods [policy] will be retained, including the operation of the Swindon Road recycling centre;
- (d) Procurement: whilst recognising that the GJWC will be providing advice/recommendations to Partner Authorities on their procurement options and will be carrying out procurement exercises on the partnership's behalf the GJWC will not make decisions in respect of any contracts entered into between the council and Ubico Limited.

4.3 Operational decisions which are public-facing, affecting specific localities: The general principle is that decisions should be taken at the lowest level appropriate, leaving the GJWC to concentrate on strategic decisions and vision, and the JWMU also to set its sights on how best to achieve that. Sufficient flexibility will be built into SLA's, contracts and budgets to enable seamless transition from the present system, and to allow ongoing local non-strategic decision making, as in the following examples:-

4.3.1 Top level Decisions: these are covered elsewhere in the report. Examples of decisions would be a) to acquire a MRF or b) differential charges for the same garden waste service, which would need an appropriate financial settlement.

4.3.2 Operational only decisions: Issues include dealing with missed bins, adding someone to the "assisted lift" list, changing the highway presentation point etc., in situations where this simply reflects a common-sense application of existing policy. It will be sorted out between CBC's customer service team and the public, but sometimes at request of Councillors. It is not expected that the JWMU would be involved, except as part of a reporting system at intervals.

4.3.3 Intermediate decisions: These decisions could involve small changes to collection procedures in a range of streets or a village, disputes over charging for replacement bins, entitlement to a larger bin and some media-facing issues. Typically this is the situation where local members have received complaints from residents, who cannot resolve it with CBC's customer service team. Members would then meet with the service provider, and sometimes with the cabinet member. Most of these decisions in reality follow the rationale of the previous group; the key questions are:

- Can the changes discussed be resolved within existing budgets, boundaries, and policies?

If so, then do so between local waste manager and members, with a later routine report to JWMU. If not, the decision is escalated to a meeting between member(s) and the JWMU head of service or his representative.

4.4 Bad Weather provision: Flexible procedures will be worked out for bad weather, including the briefing of key members and officers within each authority, and local media. The decision to suspend collections can only rest with the service provider, who is held accountable for the safety of employees and the public. If the service provider cannot resolve the issue locally and quickly, it escalates to the JWMU, and if necessary the GJWC can be convened within a few days, e.g. in order to address backlogs etc.

- 4.5 Enforcement:** Policy and operations will remain the responsibility of the Council, but it expected that GJWC will consider the subject and input to it and influence commonality of approach.

5. The Financial Case

5.1 The Financial Case

In May 2011, external consultants providing technical support to the Joint Waste Programme were invited to comment upon the different approaches to forming a budget for a partnership of authorities providing waste collections and disposal. Their report drew on experiences working with a number of waste partnerships in other counties.

Subsequently the finance team supporting Gloucestershire's programme together with other members of the programme team visited two of these partnerships, Somerset and Dorset, to gain an understanding of their respective approaches and, in the case of Somerset who formed in October 2007, what lessons had been learnt in the interim.

In summary the approach adopted by Dorset appeared very simplistic with all costs and benefits shared on a per household, whilst the approach used in Somerset, where cost and benefits were clustered under 14 headings, each with its own algorithm for distribution, was felt to be more robust but unnecessarily complex. In conclusion the Team proposed a model, which was endorsed by S151s and the Programme Board; similar in principle to Somerset's but having only six methods of treating costs as described below. The rationale was that all partners would minimise budget risk and liability, whilst maximising opportunities to benefit from savings through joint working.

Figure 1: Gloucestershire's Joint Waste Financial Model

Proposed Title	Basis of share
Direct charge to LA	e.g. disposal costs charged to county, delivery of wheeled bins charged to districts, operation of HRCs etc., charged to county, each district or where a unique service is offered. Effectively a pass-through cost.
Households (Collection costs)	Based on the number of households in the district as a proportion of the total number of households that are part of the partnership. This is not multiplied by a factor which reflects the intrinsic costs of collection within the district. This factor would include, but not be limited to, the effects of housing density on collection costs.
Charged for Customer Services	e.g. Garden or bulky waste. Where allocation is on a customer basis and each district may have different charge or service.
Service Trials	For transitional arrangements. Where common service is used but maybe not by all. Based on the number of households taking that service, in proportion to the total for that service.
JWMU Client, Support Services Costs & Savings profile for 2012-2016	Used to allocate the joint client costs, overheads e.g. finance and legal etc. and the proposed savings plan. County and Districts percentage based on original % of budget, with the Districts individual share apportioned on a per household basis – see figure 1.2
Performance (Cost/Benefit) new initiatives	Could be an agreed amount or a percentage to be determined by results. This would be allocated based on the relevant activity and shared based on the proportion of those households taking part as a percentage of the total taking part.

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The financial model has been based on 2011/12 budgets as agreed with S151 officers. The 2012/13 budgets are currently being prepared, based on the 2011/12 budgets with adjustments for inflation etc. Savings from the creation of the Local Authority Company currently identified in the Cabinet report of 13th October 2011, have been excluded from this financial model.

The team have explored opportunities for delivering additional financial savings through joint waste working initiatives. These savings total £1.917 million over the next 5 years. They include a range of initiatives through joint working across the whole waste stream. The key themes are outlined below with further detail in section 4.2 of the draft GWJC Business Plan provided as Appendix 3.

- Landfill avoidance; In addition to paying recycling credits and organic waste collection incentives, it will also share additional landfill avoidance through addition waste minimisation and recycling in excess of targets, capped at £200k per annum. GCC will retain any liability associated with landfill.
- Operational and joint procurement savings; through additional partner authorities joining the LAC, contract procurement, rationalisation of collection across District boundaries.
- Joint client team savings; reduced duplication of data management, ability to optimise tasks across one team.

A financial model based on a minimum critical mass arrangement consisting of the County Council plus two district councils with common boundaries has not yet been developed. Further work is required if this is indeed the scenario on which the partnership is to proceed. Any decision regarding the detail and viability of the revised financial model will be subject to delegated authority as per recommendation (c).

It is also my belief that the revised financial model should include some form of weighting on the cost of collection per household for each authority based on a housing sparsity / density factor. A revised financial model must be developed to include such a factor, the detail of which will be subject to delegated authority as per recommendation (a).

The savings plan sets out the marginal savings generated from partnership. The savings profile over the next 4 years is outlined in the table below. DETAIL	COUNTY £	CHELTENHAM £	COTSWOLD £	FOREST £	TEWKESBURY £	TOTAL £
Total Budget for Joint Waste Partnership	20,001,809	2,924,316	2,308,578	2,557,981	2,575,507	30,368,191
Budgets as a percentage of total budget	65.86%	9.63%	7.60%	8.42%	8.49%	100.00%
Number of households	n/a	53,110	39,360	36,060	36,580	165,110
ESTIMATED NET SAVINGS FROM NEW INITIATIVES						
DETAIL	COUNTY £	CHELTENHAM £	COTSWOLD £	FOREST £	TEWKESBURY £	TOTAL £
2012/2013	-61,912	-10,321	-7,650	-7,008	-7,109	-94,000
2013/2014	-115,921	-19,325	-14,322	-13,121	-13,311	-176,000
2014/2015	-227,232	-37,882	-28,074	-25,721	-26,091	-345,000
2015/2016	-324,711	-54,133	-40,118	-36,754	-37,284	-493,000
2016/2017	-532,843	-88,830	-65,832	-60,313	-61,182	-809,000
estimated cumulative net savings from new initiatives after first five years - 2012/13 to 2016/17	-1,262,619	-210,491	-155,996	-142,917	-144,977	-1,917,000

6. The Business Planning Process

Each partner authority already has a costed business plan for its waste collection (or disposal in the case of the County) department for the next three to five years. The year one business plan for the GJWC has been constructed by aggregating these plans and adding to them the work needed to release the savings the partnership is predicated upon.

In following years, the GJWC in conjunction with the Strategic Directors group and facilitated by the JWMU will form an annual business plan with supporting financial plan for ratification (as a retained decision) by each partner authority.

These processes are described in Section 1.11.2 of the draft Business Plan attached at Appendix 3.

7. Next Steps

Following agreement to form the GJWC, and subject to critical mass being achieved, the existing shadow Joint Waste Committee will oversee the work needed to bring the GJWC into being as from the start of financial year 2012/13. The existing Programme Board arrangements will continue during that period with access to the funds contributed by the participant authorities.

Report author	Contact officer: Andrew North, andrew.north@cheltenham.gov.uk, 01242 264100
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. A Summary of the GJWC Constitution 3. FY 2012/13 Draft GJWC Business Plan
Background information	<ol style="list-style-type: none"> 1. 13th October 2011 – The Creation of a Local Authority Company with Cotswold District Council 2. 21st September 2011 – Joint Working in Waste Services

<p>Key risks</p>	<p>The following risks are associated with the recommendations within this report.</p> <ul style="list-style-type: none"> • Failure of a sufficient number of Authorities to sign up to the GJWC such that the arrangement is not viable. It has been determined that for 'critical mass' to be achieved, the County Council plus at least two Districts who have a common boundary need to agree to proceed. • Anticipated savings are not achieved. Although the financial case for waste partnership has been made and validated by S151 officers, it is a complex matter and a risk remains that expected savings are not realisable. One of the primary functions of the GJWC will be to mitigate this risk by closely overseeing the business plan and working with the JWMU in the early years of the partnership to ensure it is on track and suitably focussed. • Unexpected external factors undermine the business case, for example significant changes in waste stream volumes or the economic climate. This risk is not solely associated with formation of the waste partnership; i.e. it is a risk that will exist irrespective of partnership formation.
	<ul style="list-style-type: none"> • Delegation of Authority to the JWC results in a perceived dilution of influence unmatched by commensurate gains. Whereas it is true that the Authority will delegate some decision making to the joint committee, GJWC members will have an extended scope of responsibility being then able to consider waste collection and disposal as a holistic system. The risk of dilution without gain is balanced by this increased range of influence, and mitigated by the fact that some key decisions are being retained. It must be borne in mind that over retention would reduce the capacity of the GJWC to achieve its goals. • Formation of a Joint Management Unit results in a perceived remoteness of access. This is a key success factor for the partnership. It has been mitigated to some extent by the decision to leave customer access with the partner Authorities, but will need continued attention by the GJWC to ensure that the JWMU continues to provide a similar level of service as today, and that Members continue to have access to appropriate staff in the future.

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The risk	Original risk score (impact x likelihood)	Managing risk
----------	--	---------------

Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-4	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	Any risks associated with equality impact										
	Any environmental risks										

Explanatory notes

Impact – an assessment of the impact if the risk occurs on a scale of 1-4 (4 being the greatest impact)

Likelihood – how likely is it that the risk will occur on a scale of 1-6 (6 being most likely)

Impact Description	Impact score	Probability	Likelihood Description	Likelihood Score
Negligible	<u>1</u>	0% - 5%	Almost impossible	<u>1</u>
Marginal	<u>2</u>	5% - 15%	Very low	<u>2</u>
Major	<u>3</u>	15% - 30%	Low	<u>3</u>
Critical	<u>4</u>	30% - 60%	Significant	<u>4</u>
		60% - 90%	High	<u>5</u>
		> 90%	Very high	<u>6</u>

Control - Either: Reduce / Accept / Transfer to 3rd party / Close

Guidance

Types of risks could include the following:

- Potential reputation risks from the decision in terms of bad publicity, impact on the community or on partners;
- Financial risks associated with the decision;
- Political risks that the decision might not have cross-party support;

- Environmental risks associated with the decision;
- Potential adverse equality impacts from the decision;
- Capacity risks in terms of the ability of the organisation to ensure the effective delivery of the decision;
- Legal risks arising from the decision.

Remember to highlight risks which may impact on the strategy and actions which are being followed to deliver the objectives, so that members can identify the need to review objectives, options and decisions on a timely basis should these risks arise.

Risk ref

If the risk is already recorded, note either the corporate risk register or TEN reference.

Risk Description

Please use “If xx happens then xx will be the consequence” (cause and effect). For example “If the council’s business continuity planning does not deliver effective responses to the predicted flu pandemic then council services will be significantly impacted.”

Risk owner

Please identify the lead officer who has identified the risk and will be responsible for it.

Risk score

Impact on a scale from 1 to 4 multiplied by likelihood on a scale from 1 to 6. Please see risk [scorecard](#) for more information on how to score a risk.

Control

Either: Reduce / Accept / Transfer to 3rd party / Close.

Action

There are usually things the council can do to reduce either the likelihood or impact of the risk. Controls may already be in place, such as budget monitoring or new controls or actions may also be needed.

Responsible officer

Please identify the lead officer who will be responsible for the action to control the risk.

For further guidance, please refer to the [risk management policy](#)

Transferred to risk register

Please ensure that the risk is transferred to a live risk register. This could be a team, divisional or corporate risk register depending on the nature of the risk and what level of objective it is impacting on.

1. Composition of the GJWC

- Each Partner Authority is to appoint two elected members as its representatives on the GJWC(the members appointed must be members of the Executive);
- Each GJWC member has one vote;
- GJWC members remaining office until they are removed or replaced by the Authority which appointed them;
- Substitution is permitted, with substitute members having the same rights to speak and vote at meetings as the GJWC members they are replacing.

2. Role of GJWC Members

- To make a positive contribution to the achievement of the GJWC's aims and objectives by attending GJWC meetings regularly, and voting on items being considered;
- To act as an advocate for the GJWC when seeking approval from the Partner Authority of the draft Business Plan, Annual Action Plan and any GJWC decisions which are to be ratified.

3. Responsibilities of the Chairman and Vice-Chairman

- The Responsibilities of the Chairman and Vice-Chairman are those which are generally required of the Chairman and Vice Chairman of a local authority committee;
- Except as specifically provided, the Chairman and Vice-Chairman have exactly the same authority and powers as any other GJWC member;
- The Chairman and Vice-Chairman may be removed from office by the GJWC by a simple majority.

4. Meetings of the GJWC

- The usual rules relating to meeting of local authority committees apply to meetings of the GJWC (i.e., those contained in Part 1 of Schedule 12 of the Local Government Act 1972). In addition The Administering Authority's Standing Orders and Rules of Procedure apply;
- The GJWC is to meet at least 4 times per year;
- GJWC meetings are to be open to the public and press (but with the usual exemptions for confidential and exempt items);
- The quorum for GJWC meetings is six (6) GJWC members, including at least one from each individual Partner Authority.
- The following business is to be transacted at the first meeting of the GJWC, and at each subsequent AGM:
 - Election of the Chairman and Vice-Chairman;
 - Adoption of the Scheme of Delegation ; and
 - Approval of the schedule of GJWC meetings for the remainder of the year.

5. Delegation to Sub-Committees and officers

- The GJWC may make arrangements for the discharge of its functions by sub-committees or officers in accordance with its approved Scheme of Delegation;
- The GJWC may also appoint working groups to consider specific matters and make recommendations.

As a body undertaking executive functions, decisions of the GJWC will be subject to scrutiny. Each council's existing scrutiny arrangements will apply to decisions of the GJWC.

7. Business Plan

- The GJWC is to perform the statutory Functions delegated to it in conformity with the Approved Business Plan;
- The Business Plan is to be approved annually by the GJWC (by an agreed date)
- The GJWC may amend the Business Plan at any time to deal with unforeseen circumstances and to assist the GJWC with the achievement of its aims and objectives;

8. Annual Budget

- The GJWC and the Partner authorities are to prepare and agree the Annual Budget in accordance with an agreed timetable;
- If the Partner Authorities and the GJWC are unable to approve the draft Annual Budget by the agreed date, the previous year's budget (with an adjustment for inflation and any increased staff costs) will continue to apply until the new Annual Budget is approved.

9. Conduct and expenses of GJWC Members

- Each GJWC member will be subject to the Code of Conduct for elected members adopted by the Partner authority that nominated them;
- GJWC members are entitled to attendance expenses in accordance with the Local Government Act 1972.

10. Liability of GJWC Members

- The responsibilities and liabilities of GJWC members are the same as those which apply to elected members when they sit on other committees or bodies as the appointed representative of their Council.

11. Dissolution and re-forming of the GJWC on another local authority joining

- If all the Partner Authorities agree that another local authority may join the GJWC, the GJWC is to be dissolved with a view to a new GJWC being established. The Constitution for the new GJWC being on terms which are substantially similar to the previous one.

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Gloucestershire Joint Waste Committee

Business Plan 2012 – 2015
Draft



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Foreword

Foreword by Chairman of GJWC introducing this document as the first business plan for the partnership.

1.0 Introduction

1.1 Background to the GJWC

The Gloucestershire Joint Waste Committee (GJWC) has been formed under Sections 101 and 102 of the Local Government Act 1972, and the Local Authorities (Arrangement for the Discharge of Functions) (England) (Amendment) Regulations 2001 made under Section 20 of the Local Government Act 2000, to deliver waste collection and recycling and street cleansing services for four district and borough councils and to deliver waste treatment and disposal for the County.

The partnership comprises the following authorities:

- Cheltenham Borough Council (CBC);
- Cotswold District Council (CDC);
- Forest of Dean District Council (FoDDC);
- Tewkesbury Borough Council (TBC); and
- Gloucestershire County Council (GCC).

Under an Inter Authority Agreement (IAA) signed in **March 2012[t.b.c.]** these authorities have delegated their powers in relation to waste collection and disposal and street cleansing to the GJWC.

The GJWC is governed by a formal Joint Waste Committee (JWC) comprising two Members from each authority on a 'one Member, one vote' basis. The JWC meets formally in public session on a quarterly basis with informal meetings, workshops and visits taking place as required between formal meetings. A Chairman and Vice Chairman are elected by the JWC at the AGM. Membership of the GJWC is shown at Appendix A.1.0 and further details on GJWC governance can be found within the Constitution.

The GJWC directs a Joint Waste Management Unit (JWMU) (Section 1.6), led by a Head of Service who reports directly to the Joint Committee. The Head of Service maintains close strategic and operational links with the Partner Authorities through a director-level Strategic Management Group (Section 1.7). The GJWC is 'hosted' by Gloucestershire County Council acting as Administering Authority (Section 1.9)

1.2 GJWC Vision

The following vision has been agreed for the partnership:

'The five Gloucestershire Authorities will be working together in partnership to deliver a more efficient waste service, by considering waste collection and disposal as an holistic, single system provided to the council tax payers of the County. This will be governed by a Joint Waste Committee that will have delegated powers to act in the area of waste disposal and collection. The Joint Waste Committee will comprise of representatives from each of the participating Districts and the County on a one council two vote basis with a constitution that ensures the Committee cannot act in a manner that is detrimental to any of its member's financial or reputational standing.'

Our shared values as a partnership are:

- Saving money with a fair distribution of savings between partners and their council tax payers;
- Good customer service; and
- Protection of the environment.

1.3 GJWC Services

The Partner Authorities have delegated responsibility for the following service areas to the GJWC:

- Household¹ residual waste, dry recycling and organics collection;
- Local Authority Collected Waste² transfer, treatment and disposal;
- Bring sites;
- Household Recycling Centres (HRCs);
- Medical sharps (all Partners) and clinical (CDC-only) waste collection and disposal;
- Bulky household waste collection;
- Commercial waste collection (where offered);
- Street cleansing;
- Fly tipping and abandoned vehicle clearance;

¹ Includes Schedule 2 waste as defined by Environmental Protection Act 1990

² See: <http://www.defra.gov.uk/statistics/environment/waste/la-definition/>

- Waste and street cleansing enforcement; and
- Waste and street cleansing PR, marketing and community engagement (including with schools).

A matrix outlining the pre-partnership arrangements and the post-formation state for these service areas and related functions is shown at Appendix A.2.0.

1.4 Brief History of the GJWC

Whilst the Gloucestershire authorities have a long history of working together on issues relating to the collection and disposal of the county's waste, including the formation of the Gloucestershire Waste Partnership and the development of the Joint Municipal Waste Management Strategy (JMWMS) for Gloucestershire in 2008, the formation of the GJWC has its origin in a study commissioned by the Gloucestershire Joint Improvement Board (JIB) in 2007. This study, on the business case for improved joint working in waste services between the six district councils and the County Council, demonstrated potential savings of between £1.75m-£2m for a whole-county joint collection and disposal service with integrated 'back-office' function.

With regional and central government funding further iterations of a business case for joint working were developed between September 2008 and September 2010 under the leadership of a Member-led Shadow Joint Waste Board (SJWB). In September 2010, an updated business case was agreed with Section 151 Officers from each authority predicting savings of between £1.7m and £3.2m per annum. At this stage Stroud District Council (SDC) and Gloucester City Council (Glos City), both in relatively long-term waste collection contracts, decided not to continue with the partnership programme but to keep a 'watching brief' on progress with a view to potentially joining at a later date.

Further Defra funding allowed the programme to continue with CBC, CDC, FoDDC and TBC, together with the County Council working to develop proposals for how a joint waste partnership would be governed and financed. This also involved work on developing the proposal to form a 'Local Authority Company' (LA Company) between CBC and CDC for the delivery of waste and recycling collection and street cleansing services for these two authorities.

In March 2011 the five authorities committed to proceed with work to finalise financial and governance arrangements and to come to a final decision on forming a JWC in Autumn 2011. This was achieved in October and November 2011 with Cabinet / Full Council³ decisions by each Authority to form the GJWC from the beginning of the 2012.13 financial year.

³ TBC's constitution required a decision by Full Council, the other authorities took the decision at Cabinet.

1.5 Rationale for Partnership Working

The current financial pressures facing local government are suddenly more acute but they are not new. The Gloucestershire authorities under the auspices of the Gloucestershire Joint Waste Committee (GWP) in common with a number of other two-tier authorities have responded by investigating the options for increased efficiency through working in partnership to deliver waste and related services. This work has been supported by central government with funding provided by the SW RIEP, Defra and WRAP.

Efficiencies in waste collection and disposal services from joint working are, in theory at least, relatively straightforward compared to many other public services. Waste and Street Cleansing forms a significant proportion of district council budgets, is typically provided county-wide, is capital intensive and *broadly* similar in terms of the service provided to householders, irrespective of which district they live in.

There are a number of benefits to joint working, some are directly financial and others more related to operations and customer experience:

- Optimisation of waste depots, transfer stations and treatment facilities to better meet the needs of a partnership generally allows some facilities to be shared and others released thus reducing total service costs;
- Re-configuration of facilities allows waste to be bulked for onward transfer and vehicles to park-up at the same site. This reduces total miles travelled by collection vehicles and maximises the productive use of operatives' working time;
- Fleet savings are achieved through improved procurement, a more rational approach to capital financing and reduced maintenance and vehicle cover requirements;
- Significant savings arise from increased productivity when serving a larger geographical unit;
- A migration over time towards a harmonised single service design will bring benefits to both Waste Disposal Authority (WDA) and Waste Collection Authority (WCA) functions through:
 - Larger and contracts resulting in a better market response and reduced prices;
 - more consistent waste streams and simplified contract and service management;
 - Streamlined customer support and greater opportunities for automation and self service; and
 - Reduced costs of communication and consultation.
- The creation of a single service management team provides an opportunity to rationalise processes and deliver cost savings;

- Co-ordinated decision-making between disposal and collection authorities results in more rational outcomes generally;
- A senior management team with specialist expertise is more affordable when jointly funded by a group of authorities, leaving the team better placed to deliver the partner authorities' desired service outcomes. One would expect to see that progress towards high recycling performance is accelerated and that the costs of treatment and disposal fall.

A proportion of the savings that are available are potentially achievable through better working at the level of the individual district or by small groups of authorities. But the full savings of joint working are only achievable through larger (and more formal) partnerships.

1.6 Joint Waste Management Unit

The Joint Committee directs an officer-led Joint Waste Management Unit (JWMU) which is responsible for delivering this Business Plan. The JWMU is led by a Head of Service who reports to the GJWC. The JWMU comprises 15.6 FTE [t.b.c.] officers previously employed within the waste teams for each Partner Authority, now working together as a single team⁴ to manage the waste collection, street cleansing and waste treatment and disposal services as a 'whole system'.

The JWMU is responsible for:

- Developing, monitoring and delivering Business and Action Plans to ensure they meet objectives;
- Advising the Joint Committee on waste management matters (local and national);
- Preparing and publishing management information returns to Partner Authorities and Central Government;
- Monitoring and reporting on the performance of the partnership services and all partnership contracts to the Joint Committee and Partner Authorities;
- Letting contracts (via the Administering Authority as contracting authority) for the delivery of services⁵; and
- Investigating and resolving service delivery performance issues on behalf of the Joint Committee and Partner Authorities with the relevant service providers.

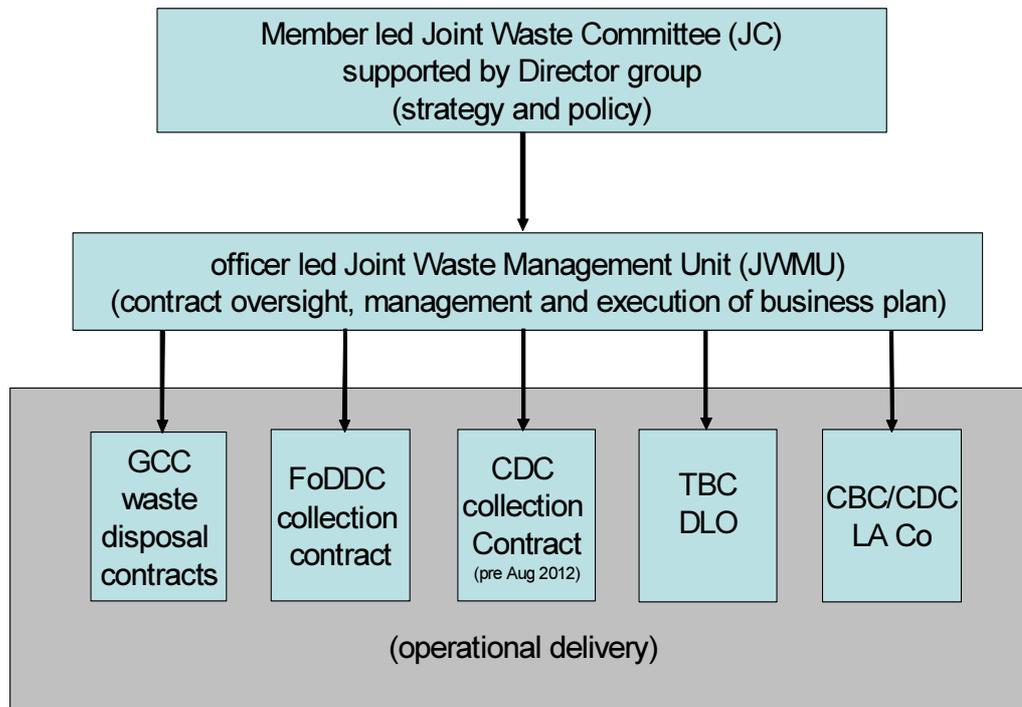
⁴ The Head of Service and JWMU staff are employed by GCC in its role as Administering Authority. Members of staff not already employed by GCC at the formation of the JWMU have been transferred following TUPE regulations from their previous district/borough employer to GCC.

⁵ Except where service delivery is awarded to the Local Authority-Owned Company (LAC) where this award decision will be made by the Authority concerned and will be subject to an SLA between the LAC and the Authority. These SLAs will be managed by the JWMU.

The relationship between the GJWC, the JWMU and the delivery of services for Partner Authorities is shown in Figure 1-1.

Figure 1-1: GJWC Organisation

Joint Waste Partnership Organisation



1.7 Strategic Management Group

In order to provide the Partner Authorities with a mechanism for liaising with and influencing the work of the JWMU at officer level a Strategic Management Group (SMG) has been established. The SMG comprises the appropriate Director from each Partner Authority, together with the JWMU Head of Service and is responsible for monitoring the JWMU to ensure that it discharges its functions and that the services provided meet the needs of each authority in terms of both environmental and customer service performance, and that best value is delivered. The membership of the SMG is shown at Appendix A.1.0.

1.8 Strategic Finance Group

The JWMU Head of Service also meets annually with S151 officers for each Partner Authority as part of the annual budget setting and business planning process. See Section 1.11 for further detail.

1.9 Administering Authority

Both the GJWC and the JWMU are hosted by Gloucestershire County Council acting as the 'Administering Authority'. The Administering Authority performs the following functions:

- Acts as the legal identity and holder of any contracts procured on behalf of the Joint Waste Committee;
- Acts as the formal employer for all professional/technical staff employed by the Joint Waste Committee; and
- Delivers management services (e.g. HR and payroll, audit and finance) to both the GJWC and the JWMU.

1.10 JMWMS and the Relationship with GWP

In 2008 all seven Gloucestershire authorities adopted the Gloucestershire Waste Partnership (GWP) Joint Municipal Waste Management Strategy (JMWMS)^{6,7} which set out the vision and a route map for managing waste in the county up to 2020.

The main objectives of the JMWMS are based upon a hierarchy of preferred approaches, focusing on waste prevention and reduction, recycling and composting more, and treating the remaining waste in a more sustainable way. The strategy includes an objective to *'develop an effective partnership between the seven Gloucestershire authorities and investigate the formation of a suitable organisational framework, including financial and operational interests, for delivering the strategy'*⁸

The formation of the GJWC is therefore in line with the JMWMS (albeit two of the GWP authorities, Stroud District Council and Gloucester City Council, have resolved not to join the GJWC for the time being) and this business plan will contribute to the delivery of JMWMS objectives by the authorities concerned.

Under the JMWMS, each GWP member produces an annual action plan that sets out the key waste management actions the authority will undertake in implementing the strategy. The actions are presented in tables under four main headings: Changing Behaviour; Waste Prevention; Collection Systems and Other. This format was adopted for the purposes of simplicity and clarity, and reflects the JMWMS high level action plan.

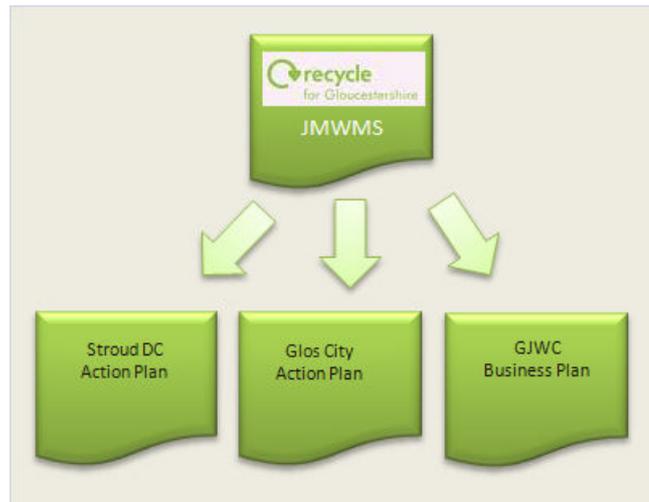
The action plan included within this business plan at Section 5.0 will replace the individual action plans for the GJWC Partner Authorities and will sit under the JMWMS alongside the action plans for Stroud District Council and Gloucester City Council (Figure 1-2).

⁶ See: http://www.recycleforgloucestershire.com/partnership/joint_strategy/index.html

⁷ Defra is currently consulting local authorities on the removal of the statutory duty for two-tier authorities to produce a JMWMS.

⁸ GWP (2008) *Joint Municipal Waste Management Strategy 2007-2020*. p.19.

Figure 1-2: Relationship with JMWMS



1.11 Business Plan 2012 - 15

1.11.1 Purpose

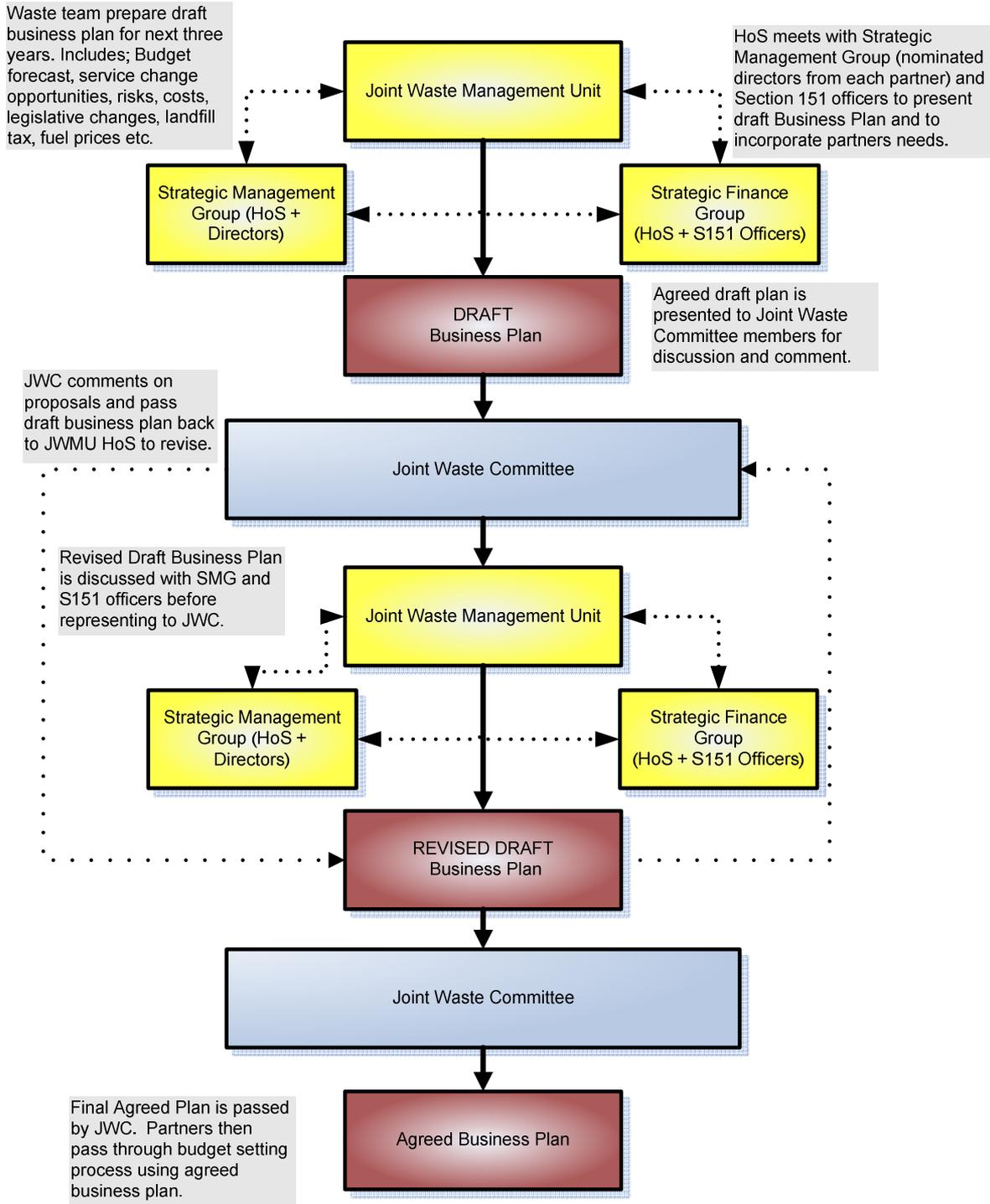
This business plan sets out the strategic direction, objectives and action plan for the GJWC together with the financial framework (annual budget and Medium Term Financial Plan (MTFP)) within which this plan will be delivered. Its primary purpose is to outline the priorities set by the GJWC which the JWMU will be expected to deliver but it also serves to communicate to wider stakeholders, not least the Partner Authorities, what will be delivered by the GJWC over the business plan term.

1.11.2 Approval Process

The approval process for the GJWC business plan is described in Figure 1-3 and is outlined in detail within the Constitution. The process begins in July [t.b.c] each year with the final business plan being agreed by the GJWC by the end of November [t.b.c] each year to allow for the corporate business planning and budgeting process for each Partner Authority.

Figure 1-3: Business Plan Approval Process

Approval Process for Business Plan after Year One



2.0 Current Position

2.1 Waste and Recycling Collection

The GJWC provides waste collection services for a total of approximately 165,110 households⁹ out of approximately 268,294 for Gloucestershire. 147,273 tonnes of household waste was collected in 2010/11 out of a total of 228,228 tonnes of local authority collected waste for the County. A further 42,945 tonnes was collected at Household Recycling Centres (HRCs). A breakdown of households and waste tonnages is shown in Figure 2-1.

Figure 2-1: GJWC Household Waste Collected (tonnes)

Authority	Number of Households ¹⁰	Household Waste (tonnes)
Cheltenham Borough Council	53,110	47,680
Cotswold District Council	39,360	35,259
Forest of Dean District Council	36,060	33,602
Tewkesbury District Council	36,580	30,729
Gloucestershire HRCs	-	42,945
Total	165,110	190,215

2.2 Collection Service Specifications

Upon formation, the GJWC inherited a number of waste collection and recycling service specifications as detailed in Figure 2-2. Both CDC and FoDDC are planning changes to their existing specifications in 2012.

CDC will be adding rigid plastics to its fortnightly kerbside recycling collection from August 2012 when the LA Company takes on the contract from SITA. FoDDC is introducing a charged garden waste collection from April 2012 to replace the current non-charged service and is changing from a weekly sack for residual waste to an alternate weekly 240L wheeled bin and introducing a weekly food waste collection from July 2012.

⁹ Wastedataflow figures 2010/11 – dwelling stock

¹⁰ Ibid.

No changes are planned to the collection service specification in 2012-13 for CBC and TBC.

Figure 2-2: Service Specifications

	CBC	CDC	FoDDC	TBC
Service Provider	Local Authority Company from April 2012	SITA to August 2012 Local Authority Company from August 2012	Biffa	In-House
Depot	Swindon Road, Cheltenham	South Cerney (SITA) to August 2012 Swindon Road, Cheltenham and new CDC depot from August 2012	Cinderford	Swindon Road, Cheltenham
Residual Waste Service	 green bin Alternate weekly 180L wheeled bin	 Fortnightly 180L wheeled bins or sacks	 Weekly sack <i>(Alternate weekly 240L wheeled bin from July 2012)</i>	 Alternate weekly 108L wheeled bin
Dry Recycling Service	 green box Alternate weekly kerbside box (plastic bottles, mixed glass, cans, paper and card)	 Fortnightly kerbside box and reusable sack (glass, cans, paper, card) (mixed rigid plastics added from August 2012)	 Alternate weekly kerbside box (mixed glass, cans, aerosols, paper, batteries)	 Alternate weekly (paper, cans, aerosols, mixed glass, card, mixed plastics, tetra-pak)
Garden Waste Service	 brown bin Fortnightly charged (£36 p.a.)	 Weekly Charged (£30 p.a. wheeled bin licence / £30 per 50 sacks)	 Fortnightly free collection (£26 charge for bin) <i>Fortnightly charged (£26 p.a.) from April 2012</i>	 Fortnightly charged (£30 p.a.)

	CBC	CDC	FoDDC	TBC
Food Waste Service	 food waste Weekly 23L caddy plus 7L kitchen caddy	 Weekly 10L caddy	None currently  food waste Weekly 23L caddy 7L kitchen caddy from July 2012	 Weekly 23L caddy plus 7L kitchen caddy
Number of Bring Sites	20 Plus Civic Amenity Site (Swindon Road)	62	39	5

2.3 Waste Treatment and Disposal

The GJWC manages a contract between GCC and Cory Environmental Ltd for the bulking and transfer of food, garden and residual waste, landfilling of residual waste, composting of garden waste, and the monitoring of closed landfill sites. This contract is due to end in August 2013 and therefore securing new contractual arrangements for these services will be a priority for the JWMU during 2012/13.

Bulking and transfer for residual, garden and food waste is carried out from transfer stations owned by Cory Environmental Ltd at Hempsted, west of Gloucester, Lydney in the Forest of Dean, Love Lane, Cirencester and from the transfer station at Swindon Road, Cheltenham. There are two landfill sites: at Hempsted and Wingmoor Farm, north of Cheltenham.

There is also a framework agreement in place between GCC and Mark Bennion (Potatoes) Ltd for the treatment of food and garden waste at Rose Hill Farm, Dymock which also has an end date of August 2013.

The five Household Recycling Centres in the County are managed under contract with May Gurney Ltd. This contract ends in August 2016.

GCC is managing the procurement of a contract for the design, build and operation of a new Energy from Waste (EfW) facility to treat Gloucestershire's residual waste at Javelin Park, Junction 12 of the M5 between Stroud and Gloucester. The contract is due to be awarded in the summer of 2012 at which point the GJWC will assume responsibility for managing the contract which is expected to run through to 2050.

The GJWC has also inherited upon its formation a number of Service Change Incentive contracts between GCC and the District and Borough Councils which are due to end between March 2012 and March 2014. In addition there are arrangements in place between GCC and CBC and Glos City Councils for bulking and transfer. These arrangements are renewed annual via Purchase Order.

2.4 Street Cleansing

In the main, street cleansing services for the Partner Authorities are linked to the arrangements for waste collection. Service arrangements are summarised in Figure 2-3.

Figure 2-3: Street Cleansing Arrangements

	CBC	CDC	FoDDC	TBC
Service Provider	Local Authority Company from April 2012	SITA to August 2012 Local Authority Company from August 2012	Biffa (Mechanical Street Cleansing) / Forest Equipment Services (Street cleaning of main towns, roads and villages and removal of fly-tipping) / 10 Parish Councils (Manual cleansing)	In-House DSO

2.5 Performance

Recycling performance continues to improve year on year in Gloucestershire with key performance indicators for the last financial year being shown at Figure 2-4. Targets for each Partner Authority are stated in Section 3.2.

Figure 2-4: Waste and Recycling Performance from April 2010 until March 2011

Authority	Recycling	Composting	Reuse	Total	Kg per household landfilled
Cheltenham BC	21%	14%	0.3%	35%	587
Cotswold DC	25%	35%	0.0%	60%	355
Forest of Dean DC	15%	24%	0.0%	39%	567
Gloucester City	20%	24%	1.6%	46%	463
Stroud DC	24%	0%	0.3%	25%	538
Tewkesbury BC	29%	25%	0.0%	54%	389
Household Recycling Centres	45%	21%	0.6%	67%	54
County Overall	26%	20%	0.5%	46%	544

3.0 Objectives and Targets

3.1 JMWMS Objectives and Targets

Section 5.2 and 5.3 of the JMWMS sets out the objectives and associated targets agreed by the GWP:

Objective 1: “Changing Behaviour”

To further develop our service design, communications and our education programmes to promote waste minimisation and to maximise participation in sustainable waste management services. In the long term we aim to transform consumer behaviour and society’s attitude to consumption and disposal.

Target (T1) - By 2020:

- Achieve an average participation rate of 80% in recycling & composting collection schemes;
- Achieve an average capture rate of 80% for targeted recyclable and compostable materials.

Objective 2: “Reduction First”

To reduce Gloucestershire’s municipal waste by addressing waste generation at the household level and further up the supply chain.

Target (T2):

- To reduce the growth of Gloucestershire’s municipal waste arisings to zero by 2020.

Objective 3: “Segregation at Source”

To provide collection systems that enable all householders to segregate their waste, balancing optimised collection systems with a desire to maintain the quality and value of the materials collected for recycling and composting.

Objective 4: “Compost Hierarchy”

To promote home and community composting where possible, and also provide facilities to compost biowaste that is collected at the kerbside and received at HRCs. We aim to produce high quality composts that can be used locally.

Target (T3):

Minimum county-wide improvement targets have been set as follows:

Year	Recycling & Composting Target	Residual waste per capita target
2014/15	50%	273kg
2019/20	60%	228kg

(Links to Objective 3)

In addition to the above targets the County Council has an aspiration to achieve a recycling and composting rate of 70% by 2030 although this has not been agreed by the GWP as a formal target.

Objective 5: “Residual Waste as a Resource”

To provide residual waste treatment capacity to divert waste from landfill, and find or develop markets for recovered materials. Our preferred treatment processes will optimise recovery of recyclables and gain further value from residual waste before disposal.

Target (T4): Reduce the amount of active biodegradable waste from landfill at least in line with the requirements of the Landfill Allowance Trading Scheme to:

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Tonnes	71,555	68,486	65,416	62,347	59,277	56,208	53,139	50,069

(Links to Objective 3, and 4)

Objective 6: “Delivering the Strategy”

To implement this Strategy through clear leadership, accountable decision-making, timely investment and resourcing. We will look to secure sustainable funding to continuously improve Gloucestershire’s waste management service.

Objective 7: “Working in Partnership”

To develop an effective partnership between the seven Gloucestershire authorities and investigate the formation of a suitable organisational framework, including financial and operational interests, for delivering this Strategy. We plan to develop strong partnerships with the Waste Planning Authority, businesses, community groups and other organisations to ensure effective management of the municipal waste stream.

Objective 8: “Closing the Resource Loop”

To reprocess waste material at the most appropriate location; recycling locally wherever practical by supporting reprocessors within Gloucestershire. We will seek to ensure that our waste materials are recycled into high quality products, helping to generate jobs, create wealth, and mitigate the impact of climate change.

Objective 9: “Depollution of the Waste Stream”

To encourage the reduction of hazardous waste arisings, and to segregate and safely treat or dispose of hazardous materials from the municipal waste stream.

3.2 Partner Authorities Objectives and Targets

[Following sections to be updated to show objectives / targets for 2012/13 when agreed]

3.2.1 Cheltenham Borough Council

The 2010 – 2015 Corporate Strategy for CBC includes a target for 50% of household waste is recycled or composted by 2015¹¹ in line with the JMWMS target. Key performance indicators for CBC are shown in Figure 3-1.

Figure 3-1: Key Performance Indicators for CBC.

Indicator	Baseline (year)	March 2012 Target
Residual household waste per head	627kg (2009-10)	611kgs
% of household waste recycled and composted	32.46% (2009-10)	46%
Amount of household waste land-filled	68.69% (2009-10)	54%

3.2.2 Cotswold District Council

Key performance targets for CDC are shown in Figure 3-2.

Figure 3-2: Key Performance Indicators for CDC

PI Code	Description	Reporting Type	Reporting Frequency	2011/12	2012/13	2013/14
				Target	Target	Target
new (ES53)	Percentage of refuse and recycling materials collected on the designated day	Public	Quarters	99.00%	99.00%	99.00%

3.2.3 Forest of Dean District Council

Key performance targets for FoDDC are shown in Figure 3-3.

¹¹ http://www.cheltenham.gov.uk/downloads/file/2350/2011-12_action_plan

Figure 3-3: Key Performance Indicators for FoDDC

Description	Actual 10/11	Target met?	Target 11/12	Target 12/13
Residual household waste per household (Kg per Household)	-	? (642)	590	470
Percentage of total tonnage of household waste sent for reuse, recycling and composting	-	? (42%)	42%	50%
Improved street and environmental cleanliness – fly tipping	-	? (3)	3	3

3.2.4 Tewkesbury Borough Council

[T.b.c.]

3.2.5 Gloucestershire County Council

3.2.5.1 'Zero Waste to Landfill'

The County Council, as part of its 'Zero Waste to Landfill' commitment aspires to reach a 70% recycling and composting rate and a 30% energy and materials recovery rate by 2030.¹²

As part of this long term plan GCC has committed to:

- Raise awareness across the county to encourage residents to reduce, reuse and recycle more;
- Work closely with schools to help children understand how they can make a difference;
- Target the one in five households that research tells us don't currently recycle;
- Supporting food recycling across the county, with four out of the six district councils currently offering food waste recycling;
- Exploring the co-mingled collection of recyclables;
- Considering providing a Materials Recovery Facility (MRF) to enable the sorting of recyclable materials from co-mingled collections; and
- Investigating Anaerobic Digestion (AD) for food and garden waste.

¹² See: http://www.recycleforgloucestershire.com/news_events/2011/public-exhibition-on-residual-waste-at-javelin-park/booklet.pdf

3.2.5.2 Outcome 1: Waste Minimisation

GCCs waste minimisation objective is expressed through total waste arisings and total residual waste arisings. Figure 3-4 and Figure 3-5 show the budget for these two performance indicators for 2011/12 against 2010/11 figures.

Figure 3-4: Total Household Waste Arisings (Tonnes)

District	2010/11 (Fcast)	11/12 Base Budget
Cheltenham Borough Council	47,680	46,615
Cotswold District Council	35,259	37,319
Forest of Dean District Council	33,605	34,144
Gloucester City Council	45,436	43,958
Stroud District Council	35,520	35,619
Tewkesbury Borough Council	30,729	29,370
HRC Waste Arisings	43,656	43,272
OVERALL ARISINGS	271,884	270,297

Figure 3-5: Total Household Residual Waste Arisings (Tonnes)

District	2010/11 (Fcast)	11/12 Base Budget Outturn
Cheltenham Borough Council	31,154	24,852
Cotswold District Council	13,958	14,264
Forest of Dean District Council	20,448	20,570
Gloucester City Council	24,715	23,276
Stroud District Council	26,786	26,017
Tewkesbury Borough Council	14,248	14,192
HRC Waste Arisings	14,601	14,880
OVERALL ARISINGS	145,911	138,051
Average cost to dispose of 1 tonne residual waste	£80.10	£90.13

3.2.5.3 Outcome 2: Reduce Residual Waste

The objective to reduce residual waste is measured by the following performance indicators:

- Kg of residual waste per household;
- % of waste recycled and composted; and
- % of municipal waste landfilled.

Figure 3-6 shows the budget (target) for these performance indicators for 2011/12 compared with 2010/11 figures.

Figure 3-6: Reducing Residual Waste Performance Indicators

Performance Indicator	2010/11 (Fcast)	11/12 Base Budget Outturn
Kg of residual waste per household	545	519
% Waste recycled or composted	46%	49%
% Municipal waste landfilled	56%	

3.2.5.4 Outcome 3: Divert Residual Waste from Landfill

For the objective to divert residual waste from landfill a performance indicator based on % municipal waste landfilled will be set once the residual waste contract is in place.

3.3 GJWC Objectives and Targets

3.3.1 Objectives

Taking the objectives in place for the Partner Authorities from Section 3.2, the SJWB has approved a number of key objectives for the GJWC for the purpose of setting the 2012 – 2015 Business Plan (See below).

These objectives will be reviewed annually as part of the GJWC business planning cycle and performance against targets will be a standing item at formal JWC meetings.

[GJWC Objectives and targets to be agreed following decision to form partnership taken in October/November 2011]

3.3.1.1 Objective 1:

3.3.1.2 Objective 2:

3.3.1.3 Objective 3:

3.3.1.4 Objective 4:

3.3.2 Targets

For the purposes of measuring performance against the achievement of the key objectives outlined in Section 3.3.1, a number of performance indicators have been agreed by the JWC. These are outlined in Figure 3-7 along with annual targets for the business plan period.

Figure 3-7: GJWC Key Performance Indicators

	2011/12 Baseline	2012/13 Target	2013/14 Target	2014/15 Target
Objective 1:				
Performance Indicator 1				
Performance Indicator 2				
Performance Indicator 3				
Objective 2:				
Performance Indicator 1				
Performance Indicator 2				
Objective 3:				
Performance Indicator 1				
Performance Indicator 2				
Performance Indicator 3				

4.0 Financial Plan

4.1 Partnership Business Case

The business case for the formation of a joint committee partnership agreed with S151 officers in June 2010 projected annual savings in the range £1.7m to £3.2m for a partnership involving the County Council and all six districts over a 20 year plus timeframe.

This business case anticipated savings from rationalising collection and disposal depots, joint service management, joint service delivery, and the economies that follow from increased purchasing power.

Savings were predicted to come from the following areas:

- Infrastructure Optimisation;
- Operational Management;
- Vehicles;
- Front-line workforce;
- Improved market response;
- Medium and short-term productivity gains; and
- Back Office.

Whilst the loss of Stroud District Council and Gloucester City Council from the partnership programme has an impact on the business case, the rationale for the delivery of savings through partnership working remains sound for the GJWC.

The GJWC financial plan has been formed using the 2011/12 budgets with S151's currently developing the 2012/13 baseline. In addition, a savings plan for the GJWP covering the period 2012 to 2016 has been developed and signed off by S151 Officers for the Partner Authorities. This estimates savings of nearly £2 million over the 5 year period, with annual savings of £809,000 per annum by 2016/17. The savings profile reflects the fact that 5 authorities, not 7, are joining up their waste activities and that some of the original Eunomia report savings have already been achieved through the formation of the Local Authority company and re-procurement of contracts necessary for business continuity.

4.2 Financial Model

In May 2011, external consultants providing technical support to the Joint Waste Programme were invited to comment upon the different approaches to forming a budget for a partnership of authorities providing waste collections and disposal. Their

report drew on experiences working with a number of waste partnerships in other counties.

Subsequently the finance team supporting Gloucestershire's programme together with other members of the programme team visited two of these partnerships, Somerset and Dorset, to gain an understanding of their respective approaches and, in the case of Somerset who formed in October 2007, what lessons had been learnt in the interim.

In summary the approach adopted by Dorset appeared very simplistic with all costs and benefits shared on a per household basis, whilst the approach used in Somerset, where cost and benefits were clustered under 14 headings, each with its own algorithm for distribution, was felt to be more robust but unnecessarily complex. In conclusion the Team proposed a model, which was endorsed by S151s and the Programme Board, similar in principle to Somerset's but having only six methods of treating costs and benefits as described in Figure 4-1. The rationale is that all partners will minimise budget risk and liability, whilst maximising opportunities to benefit from savings through joint working.

Figure 4-1: GJWC Financial Model

Proposed Title	Basis of share
Direct charge to LA	e.g. disposal costs charged to county, delivery of wheeled bins charged to districts, operation of HRCs etc., charged to county, each district or where a unique service is offered. Effectively a pass-through cost.
Households (Collection costs)	Based on the number of households in the district as a proportion of the total number of households that are part of the partnership.
Charged for Customer Services	e.g. Garden or bulky waste. Where allocation is on a customer basis and each district may have different charge or service.
Service Trials	For transitional arrangements. Where common service is used but maybe not by all. Based on the number of households taking that service, in proportion to the total for that service.
JWMU Client, Support Services Costs & Savings profile for 2012-2016	Used to allocate the joint client costs, overheads e.g. finance and legal etc. and the proposed savings plan. County and Districts percentage based on original % of budget, with the Districts individual share apportioned on a per household basis – see figure 4.2
Performance (Cost/Benefit) new initiatives	Could be an agreed amount or a percentage to be determined by results. This would be allocated based on the relevant activity and shared based on the proportion of those households taking part as a percentage of the total taking part.

The financial model has been based on 2011/12 budgets as agreed with S151 officers. The 2012/13 budgets are currently being prepared, based on the 2011/12 budgets with adjustments for inflation etc.

The Programme team accept that there will be costs associated with the formation of the JWC, both the possibility of one off costs associated with rationalisation of the staffing structure and recurring costs e.g. annual audit costs required for a joint committee. The profile reflects the County charging marginal costs associated with supporting the JMU in terms of overheads, with the JWC working towards full cost accounting over time.

The Programme team have also explored opportunities for delivering additional financial savings through joint waste working initiatives. These savings total nearly £2 million over the next 5 years. They include a range of initiatives through joint working across the whole waste system.

The key themes are outlined below with further detail in Section 4.3;

- Landfill avoidance; In addition to the payment of recycling credits and organic waste collection incentives, the GJWC will also share additional landfill avoidance through additional waste minimisation and recycling in excess of targets, capped at £200k per annum. GCC will retain any liability associated with landfill.
- Operational and joint procurement savings; through additional partner authorities joining the LAC, contract procurement, rationalisation of collection across District boundaries.
- Joint Waste Management Unit (JWMU) savings; reduced duplication of data management, ability to optimise tasks across one team.

The financial model sets out the marginal savings generated from partnership working shared using the sharing mechanism outlined in Figure 4-1.

The savings profile over the next 4 years is outlined in Figure 4-2 below.

Figure 4-2: GJWC Savings Profile

DETAIL	COUNTY £	LA Co £	FOREST £	TEWKESBURY £	TOTAL £
Total Budget for Joint Waste Partnership	20,001,809	5,232,894	2,557,981	2,575,507	30,368,191
Budgets as a percentage of total budget	65.86%	17.23%	8.42%	8.48%	100%
Number of households	n/a	92,470	36,060	36,580	165,110
ESTIMATED NET SAVINGS FROM NEW INITIATIVES					
DETAIL	COUNTY £	LA Co £	FOREST £	TEWKESBURY £	TOTAL £
2012/2013	-61,912	-17,971	-7,008	-7,109	-94,000
2013/2014	-115,921	-33,647	-13,121	-13,310	-176,000
2014/2015	-227,232	-65,956	-25,721	-26,091	-345,000
2015/2016	-324,711	-94,250	-36,754	-37,284	-493,000
2016/2017	-532,843	-154,662	-60,313	-61,182	-809,000
estimated cumulative net savings from new initiatives after first five years - 2012/13 to 2016/17	-1,262,619	-366,486	-142,917	-144,978	-1,917,000

4.3 Savings Plan Rationale

4.3.1.1 Infrastructure: Waste Depots, parking vehicles and tipping waste

The 2010 business case envisaged the development of a county network of depots and waste transfer stations based partly on the use of existing facilities and partly on the development of new facilities. The purpose of this planned infrastructure network was to ensure that facilities are correctly located for the needs of the service as jointly delivered.

The formation of the Local Authority-Owned Company (LAC) between CBC and CDC provides a catalyst for reviewing depot infrastructure. Ensuring that where possible waste depots have capacity for waste to be tipped and bulked means that crews no

longer need to spend productive working time making unnecessary extra journeys to tip waste: at the end of the working day the crews return directly to the depot where they finish work. This of course means that operatives can spend longer collecting waste and recycling and that fewer total crews and vehicles are required. Should other Partner Authorities opt to join the LAC in the future, then there is a further opportunity to ensure that the waste depot and transfer infrastructure for the GJWC and the County and a whole (including those non-GJWC members) is fit for purpose and delivers cashable savings.

Where depots are designed with capacity for waste to be tipped, then waste transfer stations (provided by the County Council to receive District Council collected waste) become redundant. The County Council has negotiated an extension to the waste transfer contract until 2018, which will then provide the opportunity to further integrate existing and planned waste depot and transfer infrastructure and deliver further savings.

4.3.1.2 Additional Landfill Diversion

Additional landfill diversion funding capped at £200k per year will be made available in addition to recycling credits and organic waste collection incentives. GCC will retain liability for landfill.

The partnership will be in a better position to address waste minimisation and enhanced recycling. In the event that the target is not met there may be a reduction in the level of savings achieved but this will not result in an overall increase in costs when compared to the pre-partnership position.

4.3.1.3 Operational Efficiencies

There is an implicit assumption behind the operational savings estimated within the MTFP that through working more closely together at an operational level, the GJWC will provide the mechanism to achieve cashable savings through operational efficiencies.

There are two potential mechanisms for achieving the MTFP savings in this area; firstly through additional Partner Authorities joining the LAC, and secondly through the GJWC letting a single collection service contract for several or all Partner Authorities.

Savings will be delivered in a number of ways, including through a reduction in the level of operational management and supervision required when authorities or their contractors are no longer managing a stand-alone operation.

In addition, when treating all waste vehicles as a single fleet (as opposed to multiple separate fleets), reduced vehicle cover is needed to cover maintenance downtime; a smaller pool of spare vehicles will provide this cover across the whole partnership fleet. Similarly, authorities need specialist vehicles for specialist tasks (for example, narrow-access RCVs). These have the potential to be under-used by an individual district and could be shared across the partnership, to reduce inefficiency and redundancy. There are also opportunities to reduce total maintenance costs through a single maintenance operation for the LAC.

There will also be procurement advantages in purchasing a larger fleet which will allow for better prices to be negotiated. Furthermore, gains are available through an improved joint approach to vehicle finance.

It is important to note that maximising savings such as those described above are only possible through a harmonisation of the approach to vehicle management (and by implication to service design) across the partnership.

As well as savings from combining operational management, treating the front-line workforce as a whole within the LAC means that less overall provision of cover for holiday and sickness would be required. In addition, the concentration of the workforce into fewer depots would create greater potential for internal cover to be used more efficiently, resulting in a reduced need for agency support staff.

Estimated savings have also been included within the MTFP from operational 'productivity gains'. Again, with a number of districts coming together and a harmonisation of service design over time (with agreement from the Partner Authorities under the terms of the Inter Authority Agreement), by removing district boundaries an opportunity will be created to optimise round design on the basis of the a number of previously distinct areas being managed as a single service area. This will help to ensure that operational staff spend as little time travelling and as much time collecting waste and recycling as possible. In particular, larger operational areas present the opportunity to balance rounds so that productivity is equalised. When round balancing in a larger operational area there is increased likelihood that the accumulated savings will be sufficient to design out a whole round. This is rarely possible on a single-district basis because small productivity gains made on each round often don't add up to one whole, now redundant, round.

Of course it must be acknowledged that these sorts of productivity savings can only fully be delivered with a harmonised collection service design between Partner Authorities.

4.3.1.4 Joint Procurement

Whilst the above saving mechanisms could be delivered via additional authorities joining the LAC, the alternative, joint procurement by the GJWC will have a positive impact on competition (and therefore price). The estimate provided within the 2010 business case was for a joint (rather than single authority) procurement based on discussions with potential suppliers as to the ranges within which they tend to 'mark up' their tenders, as well as experience in Somerset, where the winning contractor reduced bidding margin versus their standard margin by some 2%.

Clearly improved market response is inapplicable in the case where the service is delivered by an in-house or arms-length organisation such as the LAC although similar scale efficiencies can be achieved by a public sector workforce. The delivery of services to the partnership by the LAC also offers the opportunity, once initial set-up costs have been accounted for, of avoiding the significant costs of procuring new contracts.

4.3.1.5 JWMU

Savings were identified in the 2010 business case from the early formation of a joint service management team across all seven authorities. A single, joint management team can realise savings through the reduced duplication of data management tasks and the transfer of financial information across the two-tiers together with the ability to optimise the remaining tasks across a shared resource.

Savings may also be achieved through the 'managing down' of certain overheads within each authority, for example, by rationalising office space, via the sale or transfer of redundant equipment, and the re-organisation of partial FTEs in support services as other services also undergo efficiency reviews and business process re-engineering.

A reduction in the number of Partner Authorities (from seven to five) along with the remaining authorities having taken a number of recent savings in this area prior to the formation of the GJWC, has limited the opportunity for significant savings in this area. There is still an opportunity however; the original business case was verified using an 'As-Is' business process analysis project which identified a number of business processes for which there was duplication across authorities.

These areas of duplication still exist, albeit on a reduced scale from the business case model; particularly in areas such as:

- Management information;
- Contract Management;
- Inspection;
- Joint service development planning and project management; and
- Line management.

In addition, the bringing together of responsibilities that are currently managed separately (managing a collection and a disposal service for example) and for which management information needs to be collated and shared between tiers, will result in the elimination of some tasks and the reduction in the need for others.

With this in mind, an assumption has been made that following a period of business process review and redesign during the first year of the JWMU's operation, a modest saving will be possible to be delivered during 2013/14.

4.4 Summary

In summary the GJWC provides a real opportunity for savings. The majority of costs are pass-through costs and as such each authority will bear the risks and benefits of their own budgets, as outlined in Figure 1.1. However those savings identified from partnership working will be shared in accordance with the proposed cost/benefits sharing mechanism outlined in Figure 1.2, using a percentage for the County and Districts, with Districts sharing on a households basis.

5.0 Action Plans

In order to deliver against the GJWC objectives and achieve the relevant targets a number of actions have been identified. The actions are presented in tables under four main headings: Changing Behaviour; Waste Prevention; Collection Systems and Other following the convention adopted within the JMWMS and related action planning process. There are also additional tables reflecting the formation of the GWJWC itself. It should be noted that a number of actions will cut across these headings and that the headings do not necessarily reflect the way in which these actions will be managed by the JWMU.

5.1 Changing Behaviour

Ref	Initiative	Authority	Key Actions	Responsibility	Target Dates	Indicators
1	Recycle for Gloucestershire Campaign	All Partners	<ul style="list-style-type: none"> Maintain RFG website and content on Partner Authority websites. Coordinate and promote RFG activities for GJWC partners plus Stroud DC and Gloucs City. Develop suitable themed campaigns at appropriate times of the year to support the 3R's programme e.g. LFHW, Home Composting Real Nappies etc. Design & undertake targeted campaigns in low performing areas in order to drive up 	JWMU	<p>Ongoing</p> <p>As per schedule for 2012/13 and beyond.</p> <p>Throughout 2012/13</p> <p>Ongoing</p>	<p>Website up to date. Number of people engaged with.</p> <p>Activities delivered on schedule.</p> <p>Campaigns delivered on schedule.</p> <p>% of waste recycled & composted.</p>

			participation in existing waste collection services			
2	Schools programme	All Partners	<ul style="list-style-type: none"> Undertake programme of targeted schools and college visits and projects in identified focus areas. Maintain the Recycle for Gloucestershire schools website. Undertake Health4schools futures programme. Undertake a programme of support for new service developments. Plan a programme of targeted activities to take place outside the school term times. Schedule and deliver programme of activities. 	JWMU (supported by Partner Authority Wardens / LAC officers where appropriate).	<p>Ongoing</p> <p>Throughout 2012/13</p> <p>Throughout 2012/13</p> <p>Commence 3-6 months prior to implementing service change.</p> <p>By June 2012</p> <p>July 2012 – March 2013</p>	<p>Number of schools visited / number visited per district.</p> <p>Number of schools signing up to Recycle for Gloucestershire schools challenge.</p> <p>Levels of awareness achieved.</p>
3		All Partners	<ul style="list-style-type: none"> Develop and produce targeted marketing to communicate the re-use, reduce and recycling 	JWMU	Ongoing	Communications plan in place and kept up to date

	Communications in support of the waste and recycling collection service	FoDDC CDC	<p>message across partnership.</p> <ul style="list-style-type: none"> • Provide communications in support of any service changes. 	JWMU (Supported by LAC for CDC)	Before and during any service changes (FoDDC quarter 1 and 2 2012/13, CDC quarter 2 2012/13).	
4	Communicate on new technologies	All Partners	<ul style="list-style-type: none"> • Ensure communications issued are consistent with GCC Residual Waste Project. • Communicate and engage with GWP as a key stakeholder for the residual waste project. 	JWMU / GCC County Residual Waste Project Team	Ongoing	No inconsistent messages delivered.
5	Getting Own House in Order	All Partners	<ul style="list-style-type: none"> • Lead by example in the community. • Share good practice within GWP. • Develop and implement procurement and contract specifications that will increase waste prevention, re-use and recycling where this has not already been done. • Continue to provide and promote 	JWMU	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>Contracts and specifications in place.</p> <p>Quantity of</p>

			<p>internal collections of recycling at the main council offices.</p> <ul style="list-style-type: none"> Continue with purchasing of recyclable products and extend range of recycled and recyclable products purchased. 		Ongoing	recyclables collected from municipal buildings annually.
		CBC	<ul style="list-style-type: none"> Continue to compost parks and gardens waste. 	LAC	Ongoing	Range of recycled and recyclable products purchased.
		FoDDC	<ul style="list-style-type: none"> Research end markets for broken boxes and wheeled bins and develop a procedure for their recycling. 	JWMU	Ongoing	Quantity of parks/ gardens waste composted.
6	Supermarkets	All Partners	<ul style="list-style-type: none"> Engage with retailers to ensure support for waste minimisation and re-use campaigns/initiatives. Support the establishment of Fareshare food distribution scheme in Gloucestershire. Ensure retailer engagement programme is co-ordinated between all GWP partners. 	JWMU	Ongoing	End market secured.
		TBC	<ul style="list-style-type: none"> Work with local retailers to provide a retail distribution network for food waste collection 	JWMU		Number of initiatives supported.
						Number of retailers engaged and number of

			Bio-bags.			bags sold.
7	Community / Waste Champions and Community Groups	CBC / CDC / FoDDC	<ul style="list-style-type: none"> Continue to assist in development of new schemes and promotional campaigns delivered by Champions and Community Groups (including Forest Partnership place group). 	JWMU (Supported by Wardens and LAC)	Ongoing	No. of Champions registered / No. of events attended.
8	CBC Civic Amenity Recycling Centre	CBC	<ul style="list-style-type: none"> Continue provision of recycling centre and improve the recycling rate achieved at the site. 	JWMU / LAC	Ongoing	Annual improvement in recycling rate.
9	Internal systems	FoDDC	<ul style="list-style-type: none"> Continue to provide training for CRM team to deliver services effectively, especially during service change programme. 	JWMU	2011/12	Monthly reports and training feedback.
10	Communications	All Partners	<ul style="list-style-type: none"> Produce and deliver a targeted PR programme . Maintain and develop links with third party groups (i.e. village agents & neighbourhood partnerships) to ensure communications messages can be appropriately targeted. 	JWMU (Supported by Wardens and LAC)	Annually Ongoing.	Programme delivered.
		FoDDC	<ul style="list-style-type: none"> Continuous improvement of FoDDC website for improved customer service. Implement rolling programme of PR stories to tie in with key 	JWMU	Ongoing Ongoing	Hits/leads to and from site. Number of stories.

			highlights i.e. delivery of new Yellow Pages; Compost Awareness Week etc.			
11	Parish Council Visits	TBC	<ul style="list-style-type: none"> Continue to provide Parish Councils with a visit from a recycling officer upon request. Ensure all Parish Councils are aware of this service. 	JWMU	Ongoing	<p>Number of parish councils requesting a visit.</p> <p>Number of parish councils that are aware of service.</p>
12	Customer relations	All Partners	<ul style="list-style-type: none"> Review customer service performance (response to requests, satisfaction levels, service issues etc). Action taken in light of review findings. 	JWMU	As agreed with Service Providers	Issues reviewed and action undertaken.

5.2 Waste Prevention

Ref	Initiative	Affecting	Key Actions	Responsibility	Target Dates	Indicators
1	Home composting	All Partners	<ul style="list-style-type: none"> Continue to promote benefits of home composting within Gloucestershire and across partnership. Ensure adequate support for home composting is in place. Continue to work with the National Framework contract for the supply of home composting bins and accessories. 	JWMU	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>Number of bins supplied annually .</p> <p>Supply agreement in place / No. of customer complaints.</p>
2	Community composting	All Partners	<ul style="list-style-type: none"> Undertake monthly monitoring of compost bin & accessory sales. Determine 2013/14 composting support programme and budget. Maintain and enhance relationships with master composters to support local projects as appropriate. Support the establishment of operational community 	JWMU	<p>Ongoing</p> <p>By Dec 2012</p> <p>Ongoing</p> <p>Ongoing</p>	<p>Number of contacts made.</p> <p>Number of new schemes.</p>

			composting facilities in conjunction with County.			
3	SMART shopping & packaging	CBC	<ul style="list-style-type: none"> Promote smart shopping options via the Recycle for Gloucestershire website. Partner with retailers in order to promote local smart shopping options in-store. Provide advice through community champions. Conduct research into appropriate measures to promote SMART shopping and action them. 	JWMU	Ongoing	<p>Number of promotions undertaken.</p> <p>Measures researched and implemented.</p>
4	Junk Mail	All Partners	<ul style="list-style-type: none"> Continue to provide information at events. Continue promotions of the MPS via Partner websites and Recycle for Gloucestershire site and other material. 	JWMU	Ongoing	Number of householders registered with the Mailing Preference Service.
		CBC	<ul style="list-style-type: none"> Community champions continue promotion of no junk mail, MPS website, and opting out of receiving telephone directories. 	JWMU	Ongoing	Number of householders registered with the Mailing Preference Service.

5	Love Food Hate Waste	All Partners	<ul style="list-style-type: none"> Maintain campaign to raise awareness of food waste issues. 	JWMU	Ongoing	Number of promotions undertaken.
6	Packaging	All Partners	<ul style="list-style-type: none"> Lobby and support measures to reduce packaging and increase the proportion of packaging that is recyclable. Support GWP in working with supermarkets on waste minimisation and re-use. 	JWMU	As appropriate.	Number of initiatives and supermarkets involved in campaign.
7	Reusable nappies	All Partners	<ul style="list-style-type: none"> Continue Gloucestershire Real Nappy campaign and conduct quarterly scheme reviews. Continue Real Nappy incentives voucher scheme. Continue to provide information and advice on real nappies through Recycle for Gloucestershire website and through Partner Authorities websites and leaflets. Provide Officer support at Roadshows within Partner Authorities. 	JWMU	Ongoing	Number of families using real nappies & uptake of vouchers.
8	Collection of Furniture & WEEE	All Partners	<ul style="list-style-type: none"> Continue to promote HRC collection service for WEEE. 	JWMU	Ongoing	Furniture tonnage re-used & WEEE

			<ul style="list-style-type: none"> Continue to support third sector furniture reuse and recycling projects. Continue to offer furniture and WEEE recycling options to the public. 			tonnage recycled.
9	Support and utilise community and social enterprise projects	All Partners	<ul style="list-style-type: none"> See ref 2 above for community composting. Maintain support of charity schemes (promote & pay recycling credits). Promote reuse options e.g. Freecycle, freegle. 	JWMU	Ongoing	Tonnage of waste diverted from landfill.

5.3 Collection Systems

5.3.1 Cheltenham Borough Council

Ref	Initiative	Affecting	Key Actions	Responsibility	Target Dates	Indicators
1	Food waste collection	CBC	<ul style="list-style-type: none"> Continue to provide kerbside collection of kitchen food waste to every household on a weekly basis. Achieve landfill diversion targets 	LAC LAC	2011/12 Ongoing	Tonnage collected. Agreement remains in place.

			to satisfy the supply agreement with County for food waste collection service.			
2	Hazardous materials collections	CBC	<ul style="list-style-type: none"> Continue to provide battery recycling options at Swindon Road Recycling Centre. 	LAC	2012/13	Kg of batteries recycled.
3	Bring bank recycling	CBC	<ul style="list-style-type: none"> Ensure bring bank provision complements kerbside collection systems. Provide bring banks for materials not collected at the kerbside where possible. 	LAC	Ongoing	Range of materials collected.
4	Explore moving towards common standards	CBC	<ul style="list-style-type: none"> Investigate benefits from closer joint working in procurement of collection systems (e.g. phasing of rollouts, procurement of containers & vehicles, harmonisation of promotional literature etc). Implement appropriate actions. Work towards harmonisation of collection policies (e.g. side waste, compulsory recycling). 	JWMU (Supported by LAC)	To align with collection system roll outs/changes.	Number of joint initiatives undertaken.

5	Garden Waste	CBC	<ul style="list-style-type: none"> Continue provision of current paid for service. 	LAC	Ongoing	Number of residents signed up to service.
6	Near entry recycling for flats & HMO's	CBC	<ul style="list-style-type: none"> Work with landlords and residents to ensure adequate provision of refuse, recycling & food receptacles to allow full participation in the services provided. Undertake a communications campaign to encourage residents of flats to correctly use the receptacles provided to reduce landfill waste. 	LAC (Supported by JWMU)	2012/13	<p>Number of landlords/residents worked with.</p> <p>Campaigns delivered.</p>
7	Commercial	CBC	<ul style="list-style-type: none"> Explore options to increase the range of materials collected for recycling. 	JWMU (Supported by LAC)	2012/13	Recycle 20% of commercial waste collected.

5.3.2 Cotswold District Council

Ref	Initiative	Affecting	Key Actions	Responsibility	Target Dates	Indicators
1	Waste and Recycling collection service	CDC	<ul style="list-style-type: none"> • Re-procure the new service delivery arrangements for waste and street cleansing. • Explore ways of delivering service efficiency and cost reduction. • Continue to share experience gained with other authorities. • Target low performing areas and work to increase capture rates and participation. 	JWMU (Supported by LAC)	31-Aug-12 Ongoing Ongoing Ongoing	Tonnage of materials collected and recycling rates achieved.

5.3.3 Forest of Dean District Council

Ref	Initiative	Affecting	Key Actions	Responsibility	Target Dates	Indicators
1	Implementation of the new waste collection service.	FoDDC	<ul style="list-style-type: none"> Implement the garden waste charging. Delivery of containers and marketing material for new service. Produce and implement communications plan to support new service in conjunction with GCC. Implement operational work programme in partnership with BIFFA. 	JWMU (Supported by Biffa and Wardens).	1st April 2012. March to July 2012. June 2011 onwards. Ongoing	
2	New dry-recycling bulking	FoDDC GCC	<ul style="list-style-type: none"> Manage the implementation of the new dry-recycling bulking facility within Forest. 	JWMU	For June 2012	New facility operational and savings realised.
3	Current Waste & Recycling Services	FoDDC	<ul style="list-style-type: none"> Introduce and promote collection of batteries from the kerbside. Ensure continuing compliance with HSE guidance on Waste and 	JWMU	1st quarter 2011	Service enhanced & tonnes of batteries collected.

			Recycling Collection.		Ongoing	
4	Bring bank recycling	FoDDC	<ul style="list-style-type: none"> Ensure bring bank provision complements kerbside collection systems & provide bring banks for materials not collected at the kerbside where possible. Undertake monitoring project of banks to ensure adequate serviced provision across the district whilst providing value for money services to residents. 	JWMU	Ongoing Ongoing	Range of materials collected.
5	Trade Waste	FoDDC	<ul style="list-style-type: none"> Local business event to educate and raise awareness of waste & recycling services. Monitor for trade waste in household waste and carry out enforcement actions where appropriate. 	JWMU	Sept 2011 – Mar 2012	Responses received.

5.3.4 Tewkesbury Borough Council

Ref	Initiative	Affecting	Key Actions	Responsibility	Target Dates	Indicators
1	Collection of dry recyclables & food waste	TBC	<ul style="list-style-type: none"> Maintain and enhance performance of collection schemes with a focus on low performing 	JWMU (Supported by TBC DSO)	20012/13	Scheme rolled out.

	collected		<p>areas to increase capture of materials and participation.</p> <ul style="list-style-type: none"> Review the range of recyclables collected at the time of the full 5 yearly JMWMS review. 	JWMU	20012/13	Tonnage of card and plastic collected from the kerbside.
2	Bring bank recycling	TBC	<ul style="list-style-type: none"> Maintain bring banks ensuring they are clean, tidy & user friendly. 	TBC DSO	2012/13	Review value & tonnage from bring banks.
3	Explore moving towards common standards	TBC	<ul style="list-style-type: none"> Investigate benefits from closer joint working in procurement of collection systems (e.g. phasing of rollouts, procurement of containers & vehicles, harmonisation of promotional literature etc.) Implement appropriate actions. Work towards harmonisation of collection policies (e.g. side waste, compulsory recycling). Support moves towards common standards ensuring any moves are consistent with the best interests of both GWP and Tewkesbury. 	JWMU	To align with collection system roll outs/changes	Number of joint initiatives undertaken
4	Garden Waste	TBC	<ul style="list-style-type: none"> Continue paid for garden waste collection scheme. 	TBC DSO	Ongoing	Number of households served & Tonnage of

						garden waste collected
5	Support community & social enterprise projects	TBC	<ul style="list-style-type: none"> Expand the partnership with the local Adult Opportunities Centre through Alupro to recycle foil. Support and promote the work of the Butterfly garden with the collection of garden plastics. 	TBC DSO	Ongoing	Kg foil recycled by Adult Opportunities Centre annually.
				TBC DSO	Ongoing	Kg of plastic recycled annually.
6	Parks waste	TBC	<ul style="list-style-type: none"> Continue shredding of tree cuttings and mix with leaf fall to create mulch. 	TBC DSO	Ongoing	Quantity of parks waste diverted from landfill.
7	Commercial Waste	TBC	<ul style="list-style-type: none"> Investigate a commercial waste recycling policy. 	JWMU	2010/11 – DONE?	Options considered and presented to members.

5.3.5 County Council

Ref	Initiative	Affecting	Key Actions	Responsibility	Target Dates	Indicators
1	HRC Sites	GCC	<ul style="list-style-type: none"> Continue to work towards the introduction of a furniture reuse scheme. Broaden range of materials collected at HRC sites (e.g. asbestos, mixed plastics if markets support). Monitoring of compliance with 	JWMU (Supported by Contractor)	2011/12 and beyond 2011/12	Plan developed and implemented. Range and tonnage of materials collected at HRC's.

			<p>Planning Conditions.</p> <ul style="list-style-type: none"> • Grow the van and pick-up permit system with MG actively identifying residents who could be issued with a permit. • Maintain daily contact with May Gurney to facilitate continual contract improvements. • Undertake audits as per schedule and follow-up recommendations as necessary. • Maintain BCM system. 		<p>March 2012 and ongoing.</p>	
2	Incentives and Kerbside Collection Systems for Food Waste	GCC	<ul style="list-style-type: none"> • Negotiate and agree performance incentive scheme with non-GJWP Districts as appropriate to deliver enhanced kerbside collection services. 	JWMU	2011/12 – DONE?	Agreed schemes in place.
3	Service Policies	GCC	<ul style="list-style-type: none"> • Assist in the harmonisation of collection policies (e.g. side waste, compulsory recycling). • Review the range of recyclables collected at the time of the full 5 yearly JMWMS review. 	JWMU	<p>2012/13</p> <p>20012/13</p>	Number of joint initiatives undertaken.

4	Commercial Waste	GCC	<ul style="list-style-type: none"> • Signpost commercial waste carriers & producers to commercial waste operators. 	JWMU	Ongoing	N/A
5	Waste Composition Analysis	GCC	<ul style="list-style-type: none"> • Utilise results of waste composition analysis to inform campaign work. 	JWMU	Ongoing	Number of projects.

5.4 Waste Treatment

Ref	Initiative	Affecting	Key Actions	Responsibility	Target Dates	Indicators
1	Food & Garden Waste Treatment Facilities	GCC	<ul style="list-style-type: none"> • Maintain windrow composting capacity for garden waste (excluding food waste). • Maintain framework contract for the treatment of food and garden waste. • Ensure good quality compost produced and suitable markets established (including selling QSC to the public). • Maintain Bulking & Haulage contract. 	JWMU	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>Tonnage treated.</p> <p>Amount of compost sold.</p>

			<ul style="list-style-type: none"> Determine options regarding AD treatment of food waste. 		2011/12 – Done?	
2	Residual Waste Treatment	GCC	<ul style="list-style-type: none"> Complete procurement and secure residual waste treatment and disposal contract. 	Residual Waste Project Team	As per project plan	Project milestones as per project plan.
3	Bulking & Transfer facilities	GCC	<ul style="list-style-type: none"> Review bulking & transfer facilities as part of the service development work in preparation for new partnership service. Continue to provide transfer facilities at Lydney & Cirencester. 	JWMU	As per Infrastructure Optimisation Planning project plan. Ongoing Contract to 2016 (break at 2013).	Quantification of efficiency savings achieved by joint facilities.
4	Landfill	GCC	<ul style="list-style-type: none"> Continue to provide sufficient landfill capacity to meet the projected quantities to be landfilled. 	JWMU	Ongoing	Landfill capacity adequate for requirements.

5.5 GJWC Partnership Development

Ref	Initiative	Affecting	Key Actions	Responsibility	Target Dates	Indicators
1	Business Processes	JWMU and All Partners	<ul style="list-style-type: none"> Carry out business process review project to identify process improvements for the JWMU and wider partnership. 	JWMU	By December 2012	Review completed to time and improvements / savings identified

			<ul style="list-style-type: none"> Implement business process redesign and benefits realisation. 		By March 2013	and quantified. Service improvements realised and efficiency savings delivered.
2	IT Systems	JWMU and All Partners	<ul style="list-style-type: none"> Carry out review of IT systems in use across partnership and identify opportunities to rationalise / remove duplication / waste. 	JWMU	By March 2013	Review completed and business case prepared.
3	GJWC Business Planning	All Partners	<ul style="list-style-type: none"> Develop and agree 2013-2016 Business Plan incorporating 2013/14 budget and action plan. 	JWMU	By Dec 2012?	Plan agreed with S151 Officer Group, Strategic Management Group and GJWC to time.

5.6 CBC/CDC LA Company Implementation

[insert actions from LA Co implementation project]

Ref	Initiative	Affecting	Key Actions	Responsibility	Target Dates	Indicators
1		CBC / CDC	<ul style="list-style-type: none"> 			
2		CBC / CDC	<ul style="list-style-type: none"> 			
3		CBC / CDC	<ul style="list-style-type: none"> 			

5.7 Other

Ref	Initiative	Affecting	Key Actions	Responsibility	Target Dates	Indicators
1	Monitoring and review of action plans	All Partners	<ul style="list-style-type: none"> Agree monitoring and review criteria with GWP. Review and update action plan. 	JWMU/ GWP	Annually as part of business planning cycle	<p>Criteria agreed.</p> <p>Action plan updated.</p>
2	Securing sustainable funding	All Partners	<ul style="list-style-type: none"> Explore & maximise opportunities for sourcing external funding. Where appropriate, coordinate funding opportunities and applications with GWP. 	JWMU / GWP	Ongoing	External funding awarded.
3	Clinical Sharps Collection	All Partners	<ul style="list-style-type: none"> Continue to participate in County Wide collection of clinical sharps. 	JWMU	Ongoing	Sharps collected via Gloucestershire scheme.
4	Lobby private sector and Government	All Partners	<ul style="list-style-type: none"> Provide support to members to facilitate lobbying on key waste issues including waste prevention, powers, funding, packaging etc. 	JWMU / GWP	Ongoing	Number of lobbying campaigns undertaken.
5	Closing the resource loop	GCC	<ul style="list-style-type: none"> Support the development of local reprocessors, waste based businesses, social enterprises and or community groups throughout 	JWMU / GWP	Ongoing	Number of support arrangements.

			Gloucestershire.			
6	Lobbying	GCC	<ul style="list-style-type: none"> Coordinate information and research support through GWP for local politicians to lobby through appropriate channels (JWMU to act as executive). 	JWMU / GWP	Letters, emails and consultation responses.	Number of initiatives undertaken.
7	Performance monitoring	All Partners	<ul style="list-style-type: none"> Continue to collate county-wide performance data and report to all stakeholders. Undertake monitoring of performance at the householder level through either kerbside visual or telephone surveys as appropriate. 	JMWU	Ongoing	Performance metrics.
8	Street Cleansing	FoDDC	<ul style="list-style-type: none"> Procurement of new street cleansing contract. Implement anti-litter campaign. 	JWMU	Dec 2011 – Jul 2012 PID by Aug 2011 – Done?	Begin process Dec 2011, contract awarded for July 2012.
9	Data Reporting	GCC	<ul style="list-style-type: none"> Monitor quarterly data entry submissions to WasteDataFlow and ensure consistency with internal dataset and quarterly data submissions to P+ and the Gloucestershire Waste Partnership (GWP). 	JWMU	Ongoing	

6.0 Risks

This section will contain a risk register which will include risks to budget and MTFP assumptions.

The register will include appropriate risks from the Joint Waste Programme risk register as a 'hand-over' to GJWC.

The risk register is likely to include the following risks:

- Assumptions underpinning forecast for waste tonnages (including reduction in waste arisings) prove to be incorrect;
 - Customer service issues related to the implementation of new services in FoDDC and CDC creating reputational and financial impact to GJWC and Partner Authorities;
 - Negative impact of a downturn in the recycling materials market;
 - Planning and/or development and other issues negatively impact the timescales for the residual waste project;
 - Loss of critical expertise and experience as a consequence of the impact on staff of the creation of the JWMU and LA Company.
-

A.1.0 Appendix 1 – GJWC and SMG Membership

Members of the GJWC are as follows (correct as at 2nd April, 2012):

Partner Authority	Members
Cheltenham Borough Council	
Cotswold District Council	
Forest of Dean District Council	
Tewkesbury Borough Council	
Gloucestershire County Council	

Membership of the SMG is as follows (correct as at 2nd April, 2012):

Partner Authority	Director	Position
Cheltenham Borough Council		
Cotswold District Council		
Forest of Dean District Council		
Tewkesbury Borough Council		
Gloucestershire County Council		
Gloucestershire Joint Waste Committee		JWMU Head of Service

A.2.0 Appendix 2 – GJWC Services and Functions

Service	Pre-Partnership			GJWC		
	Strategy / Policy	Management	Operational Delivery	Strategy / Policy	Management	Operational Delivery
Residual Waste, Dry Recycling & Organics Collection	WCA	WCA	WCA / Service Provider	JWC	JWMU	Service Provider / LAC / Tewks DSO
Sale of Dry Recyclables	WCA	WCA	WCA / Service Provider	JWC	JWMU	Service Provider / LAC
Bring Site Provision	WCA	WCA	WCA / Service Provider	JWC	JWMU	Service Provider / LAC / Tewks DSO
Sharps Waste Collection & Disposal	WCA	WCA	Service Provider	JWC	JWMU	Service Provider
Clinical Waste Collection	CDC	CDC	Service Provider	JWC	JWMU	Service Provider
Household Bulky Waste Collection	WCA	WCA	WCA / Service Provider	JWC	JWMU	Service Provider / LAC / Tewks DSO
Commercial Waste Collection	WCA	WCA	WCA / Service Provider	JWC	JWMU	Service Provider / LAC / Tewks DSO
Street Cleansing	WCA	WCA	WCA / Service Provider	JWC	JWMU	Service Provider / LAC / Tewks DSO
Fly-Tipping Clearance	WCA	WCA	WCA / Service Provider	JWC	JWMU	Service Provider / LAC / Tewks DSO
Abandoned Vehicles Clearance	WCA	WCA	WCA / Service Provider	JWC	JWMU	Service Provider / LAC / Tewks DSO

Service	Pre-Partnership			GJWC		
	Strategy / Policy	Management	Operational Delivery	Strategy / Policy	Management	Operational Delivery
Waste & Street Cleansing Enforcement (including for fly-tipping and abandoned vehicles)	WCA	WCA	WCA / Service Provider	JWC	JWMU	JWMU / Districts / Service Provider
Waste and Street Cleansing marketing and community engagement	WCA/WDA	WCA/WDA	WCA/WDA	JWC	JWMU	JWMU
Waste and Street Cleansing schools education	WDA	WDA	WDA	JWC	JWMU	JWMU
Waste and Street Cleansing PR	WCA/WDA	WCA/WDA	WCA/WDA	JWC	JWMU	JWMU
Procurement of / for in-scope services	WCA	WCA	WCA / Service Provider	JWC	JWMU	JWMU and Admin Authority / Districts (for LAC)
Customer Contact for in-scope services (including taking orders for charged services)	WCA	WCA	WDA/WCA/Service Provider	JWC	JWMU	County / Districts / JWMU / Service Provider
Administration of charged services (including bulky waste, garden waste and commercial waste, schedule 2)	WCA	WCA / Service Provider	WCA / Service Provider	JWC	JWMU	JWMU/Districts
Billing for charged services	WCA	WCA	WCA	JWC	JWMU	Districts

Service	Pre-Partnership			GJWC		
	Strategy / Policy	Management	Operational Delivery	Strategy / Policy	Management	Operational Delivery
Waste Transfer	WDA	WDA/WCA	Service Provider	JWC	JWMU	Service Provider
Municipal Waste Treatment & Disposal	WDA	WDA	Service Provider	JWC	JWMU	Service Provider
Household Recycling Centres	WDA	WDA	Service Provider	JWC	JWMU	Service Provider / LAC (for Swindon Road)
Payment of Incentive Payments / Recycling Credits to non-GJWP WCAs / Third parties	WDA	WDA	WDA	JWC	JWMU	JWMU / Admin Authority
Monitoring / Admin of Closed Landfills	GCC	GCC	GCC	JWC	JWMU	JWMU / Admin Authority

A.3.0 Appendix 3 – Infrastructure Savings Timeline

Timeline of annual savings and cost implications of infrastructure decisions up until full integration in 2021

Date	Issue / Opportunity	Effect	Impact
Depot & transfer infrastructure starting point as of end 2011/12 (current baseline total costs includes calculated costs of South Cerney, Swindon Rd and Valley Rd depots, and total actual transfer costs. Excludes Stroud depot costs)			£2103k pa starting budget
June 2012	Forest of Dean commence transfer of dry recyclables locally	1 new depot required at nil cost, savings generated by reduced vehicle/haulage costs	net saving up to £250k pa
August 2012	LA Company commences Cotswolds collection service	Switch from Sita depot to an alternative Cotswold depot site.	Assume a switch of sites has no net effect on partnership costs.
August 2013	Review of transfer contract arrangements.	Reduced Cory rates or use a different contractor	potential saving of up to £500k pa
Between 2013 and 2015	Preparation of transfer arrangements for residual waste (to JP). Ideally would want to co-locate with transfer of other materials and depots. Begin to implement scenario of central strategic depot, eastern side depot/transfer station, and one satellite st	Investment requirement for Swindon Road (£132k pa cost), Investment requirement for Cotswolds depot/transfer (£121kpa net cost) and additional Cotswolds satellite depot investment value of £35kpa. Avoidance of Stroud tipping away costs will save £50k pa.	Annual net cost of £238k . This investment would be used to generate at least equivalent savings in other costs such as collection rounds and bulk haulage mileage. This is a critical factor when deciding upon the level and location of this investment.
from 2013 onwards	Redistribution of infrastructure would facilitate a redesign of collection rounds and haulage costs.	Greater vehicle efficiencies.	<i>subsequent saving in operating costs (not calculated)</i>
2016	Assume Stroud join the Partnership	Stroud operate from either Cotswold or strategic depot, releasing the annual cost of their current depot arrangements. The effect on haulage costs would need to be assessed.	saving £90k (the study average depot cost)
from 2016 onwards	Redistribution of Stroud infrastructure may facilitate a redesign of collection rounds and haulage costs.	Greater vehicle efficiencies.	<i>subsequent saving in operating costs (not calculated)</i>
July 2018	Forest of Dean collection contract with Biffa ends.	If not already done so earlier (during 2013-2015 infrastructure redesign), establish the western side depot/transfer station in the FoD (£182kpa net cost). New single site (£301k) would take the place of two current sites (Valley Rd Depot (£39k saving) an	Annual net investment cost of £182k . This investment would be used to generate at least equivalent savings in other costs such as collection rounds and bulk haulage mileage. This is a critical factor when deciding upon the level and location of this inves
2021	Assume Gloucester Cty join the Partnership	Reviewing the strategic roles of Eastern Avenue and Swindon Road may lead to a savings opportunity. (original Eunimoa business case excluded this consideration).	Unquantified saving
2021 onwards	Further rationalisation of collection rounds and haulage following establishment of full integrated partnership and final infrastructure configuration.	Greater vehicle efficiencies	<i>subsequent saving in operating costs (not calculated)</i>

A.3.1 Appendix 3 – GJWC Communications Plan 2012/13

[To be added once agreed].



Cheltenham Borough Council

Cabinet – 15th November 2011

Enhancement of Audit Partnership Governance

Accountable member	Cabinet member corporate services - Councillor Colin Hay
Accountable officer	Director of Resources – Mark Sheldon
Accountable scrutiny committee	Economy and business improvement
Ward(s) affected	All
Key Decision	No
Executive summary	<p>The Audit Partnership (AuditCotswolds) has been reviewed by the Audit Partnership Board to ascertain if the partnership and the service has been successful and should move to a more robust governance arrangement.</p> <p>This report provides the Cabinet with an assessment of the internal audit and partnership effectiveness and identifies that it has met the original business case objectives.</p> <p>Therefore Cabinet can support the original business case recommendation that the partnership moves to a more robust governance arrangement. The governance arrangement agreed in the original business case was that of a Section 101 (delegation of functions) of the Local Government Act 1972</p>
Recommendations	<ul style="list-style-type: none"> (a) That Cabinet delegates Cheltenham Borough Council’s Internal Audit services to Cotswold District Council (including the transfer of staff under TUPE) as set out in this report in accordance with S101 Local Government Act 1972 and s19 and s20 Local Government Act 2000 from 1st April 2012 (b) That Cabinet delegates authority to the Director of Resources (s151 Officer) in consultation with the Chief Executive and Cabinet Member for Corporate Services to enter into the agreement under s101 Local Government Act 1972 and s19 and s20 Local Government Act 2000 with Cotswold District Council and West Oxfordshire District Council in respect of Internal Audit services as set out in this report. on terms approved by the Borough Solicitor , subject to all Internal Audit partner councils entering into similar relevant agreements at the same juncture: (c) That Cabinet agree that the Audit Committee, through its existing role in terms of monitoring the effectiveness of Internal Audit, will suffice as the elected member input to the partnership governance.

Financial implications	<p>The original business case delivered savings for Cheltenham Borough Council as well as providing a more resilient and effective service for the future. There are no further financial implications arising from the widening of the partnership for the service, although, over time, there may be opportunities to generate more fee income from external work.</p> <p>By entering into a partnership with Cotswold District Council savings of £24,000 per annum are being generated. Expanding the partnership to include West Oxfordshire District Council is generating additional savings of around £2,000-£3,000 per annum.</p> <p>Contact officer: Mark Sheldon, Director of Resources</p> <p>mark.sheldon@cheltenham.gov.uk,</p> <p>01242 264123</p>
Legal implications	<p>By entering into the s101 (s19/s20 Local Government Act 2000) agreement, the partner Councils will delegate the Internal Audit services to Cotswold District Council. The proposed s101 agreement will feature the following:</p> <ul style="list-style-type: none"> • The term will be 10 years with a break clause in year 5. • The governance arrangements • Service delivery performance indicators • The financial arrangements • Exit and termination provisions • Dispute resolution clauses <p>Contact officer: Shirin Wotherspoon,</p> <p>shirin.wotherspoon@teWKesbury.gov.uk, 01684 272017</p>
HR implications (including learning and organisational development)	<p>The Audit team and the recognised Trade Unions have been kept advised about the development of the project on an informal basis but full formal consultation will be required to be undertaken as soon as full details about the potential transfer are available. Any Transfer Undertakings (Protection of Employment) Regulations 2006 (TUPE) issues will be dealt with in accordance with appropriate employment legislation</p> <p>Contact officer: Julie McCarthy, HR Operations Manager,</p> <p>julie.mccarthy@cheltenham.gov.uk, 01242 2643551</p>

<p>Key risks</p>	<p>If the system of internal audit is found to be ineffective and not meeting the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006, then only a limited reliance on the work conducted by internal audit could be taken by Audit Committee in support of the Annual Governance Statement. This would require the Audit Committee to seek assurances from other sources as to the effectiveness of the system of internal control.</p> <p>Furthermore, the Memorandum of Understanding is only designed to provide a short term governance solution for a shared service due to its reliance on secondment agreements. The move to a S101 agency agreement would provide a longer term solution.</p> <p>Failure to deliver the Annual Audit Plan on behalf of three authorities – arrangements will be in place to monitor performance by the Audit Partnership Board and Audit Committees at each partner authority Exit of a partner from the partnership – legal agreements drafted for the partnership will include exit strategies.</p> <p>The risk assessment contained within the business case also explored the opportunities associated with entering into the partnership i.e. the opportunity to make further efficiency savings and opportunities to generate revenue income and the ability to address existing resource shortages at one of the partner authorities.</p>
<p>Corporate and community plan Implications</p>	<p>The audit shared service helps the Council to deliver cashable savings and also through the work of the service helps the Council achieve its objectives.</p>
<p>Environmental and climate change implications</p>	<p>Officers will be required to move between sites but work schedules minimise the travel.</p>

1. Background

- 1.1 In September 2009 the Audit & Assurance Services for Cheltenham Borough Council entered into a partnership with the Internal Audit Services at Cotswold District Council. Due to the success of this partnership, and also in light of developing partnerships, the partnership was expanded to include West Oxfordshire District Council.
- 1.2 As part of this expansion to include West Oxfordshire District Council, it was recognised in the business case that the partnership governance, consisting of a Memorandum of Understanding (MoU) and supporting secondments, would only be a short term arrangement. This would enable the partners to assess if the arrangement across the three authorities could be successfully implemented and ascertain if it should then move to a more robust governance framework. Therefore to ensure there was an opportunity to assess the partnership the MoU was limited to one year.
- 1.3 This report provides the Cabinet with an assessment of the internal audit and partnership effectiveness and if it has met the original business case objectives. It also identifies that it is appropriate to move to the originally recommended Section 101/s19 agency agreement arrangements.

2. Reasons for recommendations

- 2.1 The Audit Partnership Board which includes the Director of Resources as Cheltenham Borough Council's representative has assessed the effectiveness of the partnership. This is shown at **Appendix 1**. The review identifies that AuditCotswolds has fulfilled the original business case criteria (including revenue savings) and has also delivered a quality service that meets the CIPFA standards for internal audit in local government.
- 2.2 Some of the non-financial benefits identified by the Audit Partnership Board include:
 - 2.2.1 Audit transfer of skills and knowledge – Auditors have undertaken reviews of a service at one site and reviewed the same service at other sites. This has enabled the auditor to bring real best practice to the review and ensured the auditor was more efficient each time as he only needed to build the knowledge of the service once.
 - 2.2.2 The auditors have gained in personal experience due to operating in multiple organisational environments, which include Cheltenham Borough Homes Ltd.
 - 2.2.3 The risk identified in the Cheltenham Borough Council Audit & Assurance Service in 2009 relating to the age profile of the service has been fully mitigated through the partnership working. There was also a recognised enhancement to progression opportunities for the individual.
 - 2.2.4 The service has now recruited and ICT Auditor and trained other members of the team in specialist areas, such as, environmental auditing. None of the specialist roles would have been enabled in a single site service.
- 2.3 As part of the effectiveness assessment process the KPMG Interim Audit Report that was presented to Audit Committee in June 2011 was reviewed. This report which included an assessment of AuditCotswolds and identified that the internal audit service had met the required standard for KPMG to place full reliance on their work.
- 2.4 This has therefore confirmed that AuditCotswolds has met the required milestones to move the development of a new and enhanced governance framework. The move to a Section 101/s19 agency agreement would enhance the governance of the partnership and is scheduled to be in place by 1st April 2012 subject to Cabinet approval . This time line has been extended from the original November 2011 suggested transfer date to enable the service to move within the transfer

timelines of the GO Programme. This will assist with the allocation of staff posts within the GO ERP. This would also enable AuditCotswolds to be 'stable' during the implementation of the GO ERP and therefore enable the service to provide audit support when needed.

3. Alternative options considered

- 3.1 The alternatives to moving the service into the Section 101 governance framework model would be; to extend the current MoU arrangement which is only designed for short term use; or to cease the partnership arrangement and return to single site services.
- 3.2 The Audit Partnership Board has recognised the benefits that the new partnership has brought and that this service delivery model best suits the organisation due to the commissioning agenda and the increased use of shared services.

4. Consultation and feedback

- 4.1 This report has been produced in consultation with the Audit Partnership Board.

5. Performance management –monitoring and review

- 5.1 This has been largely covered in section 3 above. However, the Audit Committee has made a formal comment for Cabinet to consider in terms of the service provision to date under the partnership arrangement.
- 5.2 Under the Section 101/s19 agency agreement the Audit Committee would be designated as the Member level group for monitoring the performance of the partnership. This is enabled by the fact that the Audit Committee is responsible for ensuring an effective Internal Audit service is provided under their current Terms of Reference in the Council's Constitution.
- 5.3 Based on the results of the effectiveness review and that the Audit Committee can place a reliance on the Internal Audit Service, it is recommended that Cabinet approve the move to the enhanced governance arrangements for the Internal Audit Partnership. This is supported by the Audit Partnership Board's assessment that service has met the original business case success criteria and can therefore consider the move to a Section 101/s19 agency agreement form of governance.

6. Delegated Responsibility

- 6.1 Each Partner council is being requested to delegate authority to enter into the s101/s19 agency agreement to the appropriate Members and Officers.
- 6.2 The functions to be delegated to AuditCotswolds are all the elements set out in the Audit Charter in Appendix 2.
- 6.3 The Audit Committee and Audit Partnership Board will monitor the performance of the partnership using key performance indicators (KPIs) included within the finalised s101/s19 agency agreement. The aim is to minimise the number of KPIs but ensure that they remain at a level that establishes the performance of the partnership (highlighting under or over delivery against performance standards) and delivery of benefits as per the business case. An illustrative example of KPIs include delivery of annual audit plan

7. Delegating Authority Risks

- 7.1 Following the political approval of the Audit Business Case in the autumn of 2010, each partner council entered into a Memorandum of Understanding (MoU). The initial business case set out the

risks of the use of a MoU. It was only ever intended to be a short term solution to enable the partnership to be trialled before entering into a more robust governance arrangement that had a longer term commitment i.e. 10 years.

- 7.2** There is the risk of loss of control over the audit partnership. However, the service has been trialled over 18 months and has delivered an effective service. There is scrutiny of the service provided by the External Auditor as there is still the requirement to deliver the service to CIPFA standards. Furthermore there is the regular review by the Audit Committee and the Audit Partnership Board.

8. Risks to the Audit Partnership

- 8.1** Risks are reviewed with the Audit Partnership Board and Audit Committee, and significant risks are included on the service risk registers at each partner council.

9. Accommodation

- 9.1** The Audit Partnership uses its collective accommodation across the partnership, locating services to best meet service needs and that is most cost-effective and efficient. There is no anticipated change to the accommodation requirements.

10. Financial Implications

- 10.1** There were no implementation costs above that of current budgets used to create this partnership. However, there was a contribution from Cotswold District Council to the cost of the flexible retirement of one of the Cheltenham staff. This contribution will be completed by the end of 2011/12 financial year and therefore no costs will remain for the go 'live' date of the partnership on the 1st April 2012.
- 10.2** The general charging principle is that the Host Authority will recharge all costs on a cost recovery basis.
- 10.3** Any additional savings arising from any future restructures will be shared in proportion to the original baseline staffing position. Any new income generated by the AuditCotswolds will be shared equally by the partner councils

11. Pension Liabilities

- 11.1** Advice to date from Gloucestershire's LGPS Actuary indicates that staff transferring to the Host authority will transfer with fully funded pensions as any deficit on those staff will remain with their original employing body. This means that the councils who are not the host authority will have less employees to spread the recovery of that deficit over. However, this is not likely to have a significant impact on recovery rates given the relatively small number of staff transferred and the change by the Actuary to recover deficits as a fixed sum rather than as a percentage of total pensionable pay.

12. VAT

- 12.1** The supply of Internal Audit Services to the Partner Councils will be via a s101/s19 agency agreement under the Local Government Act 1972. This enables the service to be provided as a non-business supply, which means that VAT is not chargeable from the lead authority to its partners.
- 12.2** Each local authority is required to prepare a partial exemption calculation for VAT accounting purposes. The partial exemption calculation substantiates each local authority's right to reclaim all

VAT input tax back from HMRC. Although, there will be a small impact upon this calculation, it is not anticipated that any authority will be unable to fully recover VAT input tax as a direct result of the use of the delegated authority.

13. Other Changes Required

13.1 The original business case outlined the requirement to standardise documentation throughout the partnership up to and including the reports presented to Audit Committee and management. On the 14th September 2011 a complete new audit manual was issued to all staff and changes in working practices introduced. It is anticipated by the end of 2011/12 the reporting to Audit Committees will be standardised. However, the partnership continues to commit to an in-house approach to delivery and as such the structure of the service is designed to ensure this is delivered. The Head of the Audit Partnership also fulfils the role of Head of Internal Audit as defined by the 2010 CIPFA paper.

14. ICT Implications

14.1 AuditCotswolds will be supported by the ICT services at each partner site. However, the partnership will be reviewing the use of ICT to ascertain if any further efficiencies can be gained. For example, staff will need access to one system for accessing emails, electronic calendars etc. and will also need to access shared drives and intranets at all client sites.

14.2 More work will need to be done to resolve these ICT implications

15. Conclusion

15.1 The Audit Partnership Board proposes that Cotswold District Council is designated the Host authority for the AuditCotswolds partnership.

15.2 It is proposed that staff from Cheltenham Borough Council and West Oxfordshire District Council will transfer under TUPE regulations to Cotswold District Council with effect from 1 April 2012. Consultation on the transfer will be carried out later this year and will be completed by the end of March 2012.

15.3 Further work needs to be carried out on the ICT infrastructure to enable staff to access systems which are essential for them to be able to deliver services as efficiently and effectively as possible. It is envisioned that staff in the wider organisation will communicate with AuditCotswolds by email and telephone.

15.4 Performance of AuditCotswolds will be monitored by the Audit Partnership Board and the Audit Committees against the performance standards contained within the s101 agreement.

15.5 AuditCotswolds will commence on 1 April 2012 under the new governance arrangements.

15.6 A timetable for TUPE consultation is being developed and will be used during staff information sessions.

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Appendices	<ol style="list-style-type: none">1. Effectiveness review of AuditCotswolds2. Audit Charter
Background information	<ol style="list-style-type: none">1. Cabinet 26th October 2010 Audit Partnership report

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	<i>The Memorandum of Understanding is only designed to provide a short term governance solution for a shared service due to its reliance on secondment agreements. The move to a S101/s19 agency agreement would provide a longer term solution.</i>	Mark Sheldon	26/10/2010	2	4	8	Reduce	Move to the S101/s19 agency agreement	1/04/2012	Mark Sheldon	Audit service register

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Effectiveness review of AuditCotswolds 2010~2011

Following Cabinet approval at both authorities in November 2010 the Internal Audit Service at Cotswold District Council formed a Partnership with Cheltenham Borough Council (including Cheltenham Borough Homes) and West Oxfordshire District Council. This partnership is called 'AuditCotswolds'.

The mission of the AuditCotswolds is to provide independent, objective assurance and consulting services designed to add value and improve the partner Council's operations. It helps each Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes

There is a requirement for both authorities to deliver an effective Internal Audit as a statutory function under the Accounts and Audit (England) Regulations 2011 as shown below:

Internal audit

Reg. 6:(1) A relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.

(2) Any officer or member of a relevant body must, if the body requires—

(a) make available such documents and records as appear to that body to be necessary for the purposes of the audit; and

(b) supply the body with such information and explanation as that body considers necessary for that purpose.

(3) A larger relevant body must, at least once in each year, conduct a review of the effectiveness of its internal audit.

(4) The findings of the review referred to in paragraph (3) must be considered, as part of the consideration of the system of internal control referred to in regulation 4(3), by the committee or body referred to in that paragraph.

Furthermore under the business case it was established that the partnership would deliver on the following three aims:

1. A sustainable high quality service
2. Reduce the cost of the service without adverse impact on aim 1
3. Provide progression and specialist development for the authority and individual, and generate potential income opportunities with other parties without adverse impact on aim 1 or 2

As the Internal Audit service is provided by the partnership there will only be one effectiveness review required for all authorities and it will also assess the achievement against the business case aims. The result of this review has comment by the Partnership Board and has been provided to Audit Committee for information.

Partnership Board Assessment against Business Case Aims 1 to 3

1. A sustainable high quality service
2. Reduce the cost of the service without adverse impact on aim 1
3. Provide progression and specialist development for the authority and individual, and generate potential income opportunities with other parties without adverse impact on aim 1 or 2

For each of the Aims listed below, please tick the most appropriate box for each question.

	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
Aim 1					
Sustainable – there has been a clear demonstration through direct action within the partnership that ensures a higher likelihood of sustaining the service.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
High quality – The partnership complies with the CIPFA and CIIA codes of practice (evidence of compliance through review shown in Appendix 2)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Aim 2					
Reduce the cost of the service – budget outturns at partner authorities identify savings as forecast (within reasonable tolerances)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Aim 3					
Progression and specialist development – there is clear evidence that progression and specialist development has been undertaken and could potentially generate income	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall assessment by the Partnership Board:					
Audit Cotswolds has achieved its Aims for 2010/11 as set down in the business case & Has operated to a satisfactory level of compliance with the CIPFA and CIIA codes of Practice (see appendix 2 below).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Cheltenham Partnership Board representative – Mark Sheldon (Director of Resources)
 Cotswold Partnership Board representative – Jenny Poole (Chief Finance Officer)
 West Oxfordshire Board representative – Paul Stuart (Head of Corporate Resources)

Appendix 2

AuditCotswolds

Internal Audit - Good Practice Self Assessment Checklist 2010/11

The Audit partnership (AuditCotswolds) has expanded by one site per year. Starting as a single site in 2008/09 (Cotswold DC) then Cheltenham BC including Cheltenham Borough Homes and in 2010/11 expanded to include West Oxfordshire DC. As a result of this some aspects remain only partial due to inconsistency at each site although compliance individually is sound.

Scoring:

1 = No - performance does not comply with good practice

2 = Qualified - partial compliance

3 = Yes - performance complies with good practice

2008/09	2009/10	2010/11	Evidence / Source
CDC only	CCAP	Audit Cotswolds	
enter 1, 2 or 3			

SETTING CLEAR & PROPERLY FOCUSED OBJECTIVES

1. Internal audit has an agreed terms of reference.

1.1	The internal audit section has written terms of reference.	3	3	3	Financial Rules, supported by Internal Audit Charter, Memorandum of Understanding, Partnership Board Terms of Reference
1.2	The TOR have been agreed between the chief internal auditor, senior management and councillors.	3	3	3	Agreed with Corporate Team and Audit Committees
1.3	The TOR have regard to the CIPFA Code of Practice and guidance published by relevant accountancy bodies.	3	3	3	Charter is aligned to the Chartered Institute of Internal Auditors
1.4	The TOR frame objectives for internal audit that take account of the council's corporate aims and objectives.	3	3	3	Annual Plan is aligned to objectives & Charter is enabling Audit to fulfil this element
1.5	The TOR make clear that internal audit should not be a substitute for effective control.	3	3	3	Charter
1.6	The TOR authorise internal audit's free access to all operations, information, records, assets and personnel across the council.	3	3	3	Financial Rules & Charter
1.7	The TOR are reflected in the council's standing orders and financial regulations.	3	3	3	Financial Rules
1.8	The communication arrangements between members and the chief internal auditor are set out in the TOR or standing orders.	3	3	3	Financial Rules, Council approved CIA role, (Possibly in new constitution) & CIA Job

					Description
1.9	The TOR are communicated across the council in the form of a mission statement or charter.	2	3	2	Internal Audit is marketed on the Intranet and Charter published ~ Intranet requires update to reflect wider partnership
1.1	The TOR have been reviewed during the last 3 years	3	3	3	Reviewed in line with business case November 2010
2. The respective roles of management and internal audit in maintaining internal control are clearly defined and communicated.					
2.1	Management has defined control objectives for all major systems (financial and non-financial).	2	2	2	Delegated Authorities in the Constitution, Procurement Strategy and Financial Rules.
2.2	Internal audit is consulted about significant proposed changes to internal control systems.	3	3	3	Audit Partnership Manager (APM) and Principal Auditors consulted on change programmes e.g. GO programme, Waste, One Team
2.3	The chief internal auditor provides an overall assessment for management of the robustness of internal control for the council's main systems, based on the work done that year.	3	3	3	Covered by fundamental auditing each year, Annual Report & AGS
2.4	Internal audit reviews demonstrate to managers the strength of internal controls and the levels of risk within their systems.	3	3	3	Assurance opinion given in reports - recommendations prioritised.
2.5	The chief internal auditor reports to the responsible officer or body the basis for demonstrating compliance with Section 151 of the Local Government Act 1972	3	3	3	APM Reports to Section 151 Officer
3. Internal audit has a clear role in relation to fraud.					
3.1	The council has an anti-fraud and corruption strategy.	3	3	3	Financial Rules, Anti Fraud & Corruption Strategy, Whistleblowers Policy and Terms of Reference.

3.2	A framework for internal audit involvement in fraud investigation and prosecution is set down in the anti-fraud and corruption strategy.	3	3	3	Financial Rules, Anti Fraud & Corruption Strategy, Whistleblowers Policy and Terms of Reference.
3.3	The council has a fraud response plan.	3	3	3	Financial Rules, Anti Fraud & Corruption Strategy, Whistleblowers Policy and Terms of Reference.
3.4	The fraud response plan clearly sets out the roles and responsibilities of internal audit and management and includes a protocol for informing the police.	3	3	3	Financial Rules, Anti Fraud & Corruption Strategy, Whistleblowers Policy and Terms of Reference.
3.5	The council has a 'whistleblowing' policy or confidential reporting procedure that has been communicated to all staff.	3	3	3	Financial Rules, Anti Fraud & Corruption Strategy, Whistleblowers Policy and Terms of Reference.
3.6	Where appropriate, fraud investigations lead to recommendations to help disclose similar frauds and improve internal control.	3	3	3	Financial Rules, Anti Fraud & Corruption Strategy, Whistleblowers Policy and Terms of Reference.
3.7	The anti-fraud and corruption strategy and fraud response plan have been reviewed since April 1996 during the last 3 years.	3	3	3	Current version Sept 09 + Leaflets issued Feb 2010 to all staff

MAINTAINING INTERNAL AUDIT INDEPENDENCE

4. Internal audit has sufficient organisational status to be able to undertake its work effectively.

4.1	The chief internal auditor has direct access to members, the chief executive and senior managers.	3	3	3	Financial Rules, Internal Audit Charter
4.2	The chief internal auditor formally discusses the work and performance of internal audit with the chief executive / audit panel or equivalent at least annually.	3	3	3	Regular reports to Audit Committee and briefings to the Section 151 Officer
4.3	Internal audit determines its own priorities, based on risk assessment, in consultation with management.	3	3	3	Annual operational plan based on risk assessment. Audit Committee approves plan after CT consultation.

4.4	The chief internal auditor reports to the responsible finance officer under s95 or to a more senior manager in the council.	3	3	3	Section 151 Officer
4.5	The level of seniority (management tier) of the chief internal auditor within the management structure helps it to function effectively and independently.	3	3	3	APM reports to Sec 151 officer but also access to CT, CEO, Leader and Audit Committee. From April 2011 Audit Partnership Manager now Head of Internal Audit at CBC and all other partner Councils
4.6	Internal audit has unrestricted access to people, systems, documents and property as it considers necessary for the proper fulfilment of its responsibilities	3	3	3	Financial Rules and Charter
4.7	The chief internal auditor is free to report, without fear or favour, eg, the chief internal auditor has the right of final edit and issues reports in his or her own name.	3	3	3	APM reports to Audit Committee

5. Internal audit is free of operational responsibilities that could compromise its independence.

5.1	Internal audit is independent of any line management task and is seen to be independent.	3	3	3	Internal Audit Charter & Financial Rules
5.2	Where internal audit provide advice and consultancy work, are staff clear when they are operating as auditors and when they are not.	3	3	3	Internal Audit Charter & Declarations of Interest
5.3	The chief internal auditor plans assignments to minimise the possibility of staff conflicts of interest.	3	3	3	APM and Principal Auditors allocate work taking account of interests recorded on annual 'declaration of interest' forms submitted by team members
5.4	Whilst reporting to the responsible finance officer, the chief internal auditor has freedom of access to all members and officers, especially the chief executive.	3	3	3	Un-restricted access to all stakeholders
5.5	Staff with family or close friends within the council do not audit activities within their section.	3	3	3	Chartered Institute of Internal Auditors code of ethics embedded in service & Internal Declaration

PLANNING & CONTROLLING THE WORK OF INTERNAL AUDIT

6. Internal audit bases its work on a comprehensive risk assessment.

6.1	Internal audit bases its risk assessment on information from the authority's risk management process and an agreed audit risk methodology.	2	3	3	Risk Registers used where possible - Risk Management Audit undertaken annually to assess risk maturity of organisation. Plus formal consultation process with SLT/SMT
6.2	Internal audit consults widely with management to identify critical systems and risks.	3	3	3	APM conducts a consultation with SMT/SLT each year
6.3	Internal audit has a comprehensive understanding of the authority's systems, structures and operations.	3	3	3	Audit plans and reports
6.4	Internal audit uses a formal framework to assess risks.	2	2	3	Audit planning process incorporates organisations risk register and other key documents for assessment.
6.5	Internal audit uses the risk assessment to prepare audit plans and prioritise its work.	3	3	3	Audit planning process incorporates risk assessments
6.6	Internal audit review their risk assessment basis at least annually periodically, depending on the extent of change within the organisation.	3	3	3	Audit uses an annually developed risk based plan and is approved by Audit Committee

7. Internal audit operates within a structured planning framework.

7.1	Internal audit plans link back to the council's corporate aims and objectives and are co-ordinated with other review programmes (eg Best Value reviews).	3	3	3	Internal Audit Service Plan
7.2	Audit plans are produced in consultation with senior managers across the organisation.	3	3	3	Audit Plan agreed with CT/SLT and approved by Audit Committee
7.3	Internal audit has a strategic plan based on risk assessment, which sets out the audit scope and objectives.	3	3	3	Audit Plan identifies the risk universe - scope and objectives confirmed at the audit brief level

7.4	The strategic plan sets out the resources required to meet the audit needs of the council and identifies any mismatch between resource needs and resource availability.	3	3	3	Available days planning linked to Audit Planning
7.5	An annual audit plan is produced which translates the strategic plan into audit assignments to be undertaken during the year.	3	3	3	Annual Audit Plan
7.6	Project plans are set out for each audit assignment, which allocate resources, set out the scope and objectives of the assignment and establish target completion dates.	3	3	3	Audit Brief
7.7	Audit plans are flexible enough to accommodate work that has arisen during the course of the plan without resulting in core risk areas not being reviewed.	3	3	3	Audit Brief identifies the possibility of focus change in the engagement
7.8	Significant changes to audit plans are approved by senior management and the audit committee (or equivalent).	3	3	3	Sec 151 Officer / Audit Committee / Partnership Board
7.9	The planning process takes account of the work undertaken by external audit and other review agencies and inspectorates.	3	3	3	Joint Working Agreement + BCP and PIR
7.1	Internal audit strategic plans are reviewed to reflect the changed priorities of the council.	3	3	3	Audit Plan agreed by SMT/SLT and approved by Audit Committee
7.11	The agreed annual audit plan is only revised in exceptional circumstances.	3	3	3	Core plan yes - Risk based plan is fluid

8. Internal audit has effective relationships with council members, council managers, external audit, inspectorates and other agencies.

8.1	The timing of internal audit assignments is normally arranged with the management concerned to minimise disruption.	3	3	3	Agreed Brief
8.2	There is an ongoing dialogue between the auditor and client service throughout the audit assignment.	3	3	3	Agreed brief, includes findings feedback, draft report discussion and agreements
8.3	External audit place reliance on the work of internal audit (<i>evidenced by explicit mention in annual Audit Letter</i>).	3	3	3	Annual Audit letter / JWA from External Auditor
8.4	Internal audit and external audit regularly exchange audit files.	3	3	3	Audit files reviewed every year
8.5	Internal audit effectively co-ordinates its work with external audit and other review agencies.	3	3	3	Joint Working Agreement e.g. PI audit

8.6	Internal audit maintains good working relationships and channels of communication with elected members.	3	3	3	APM is the key contact for all Audit Committees
9. Internal audit properly manages, controls and records its work.					
9.1	Internal audit has documented policies and procedures contained in an audit manual.	3	2	2	Audit Manual to be updated to reflect expanded Partnership with WODC
9.2	The chief internal auditor allocates staff to assignments according to their skills and experience.	3	3	3	Annual Plan Allocation + Assurance/Consultancy on Programmes/Projects
9.3	Internal audit staff understand the objectives of their assignments and their responsibilities.	3	3	3	Scope set out in Brief
9.4	Internal audit has a rigorous approach to collecting and managing evidence.	3	3	3	Structured Working Papers and file system
9.5	Adequate working papers are prepared to support internal audit findings, conclusions and recommendations.	3	3	3	Audit files reviewed by Principal Auditors
9.6	Internal audit work is documented at all levels from audit planning to reporting.	3	3	3	Structured Working Papers
9.7	Internal audit assignments are adequately supervised and reviewed.	3	3	3	Audit files reviewed by Principal Auditors - APM approves final reports
RESOURCING THE INTERNAL AUDIT WORK PROGRAMME					
10. Internal audit is adequately staffed and resourced.					
10.1	The chief internal auditor is professionally qualified and has wide experience of internal audit and its management.	3	3	3	Member of 3 professional bodies (CMIIA/MCMI/AMS) and three postgraduate qualifications (DMS/MA/PgDip) and 10+ years experience
10.2	The chief internal auditor has identified a staffing structure that enables internal audit to meet its objectives and the changing needs of the organisation.	3	3	3	Organisation structure approved - partnership business case
10.3	Internal audit has adequate resources to enable it to meet its work objectives efficiently and effectively.	3	3	3	Organisation structure approved + consultancy+ Partnership agreement

10.4	Internal audit employs or has access to people with relevant skills and experience in order to undertake the required tasks.	3	3	3	Skilled staff, access to consultants and other LA's
10.5	Where required the chief internal auditor can 'buy in' people for specialist work who are suitably experienced and qualified.	3	3	3	Consultants and Partnership staff. Recruited an ICT Auditor due to expansion of partnership in 2010/11
10.6	Internal audit uses appropriate the latest technology for planning, audit work and reporting.	2	2	3	Internal system using Microsoft Office software - Huddle is used for cross site management
10.7	All audit staff have job descriptions and personnel specifications that reflect their current post.	3	3	3	JD and PS exist for all posts
11. Internal audit staff are suitably trained and developed.					
11.1	An induction programme has been prepared for all new audit staff.	3	3	3	Formal Council Induction programme + Published training programme
11.2	Training is tailored to the needs of individual auditors and includes both theoretical knowledge and its practical application.	3	3	3	Appraisal system covers + coaching for new staff
11.3	Internal auditors keep up-to-date with current developments in auditing and the issues facing the audited body.	3	3	3	CIIA / CIPFA / AAT / CIMA memberships, GCIAG & MDCIAG, TISonline, CMI online, Team Brief & CPD plan
11.4	All staff maintain competence through professional development.	3	3	3	Appraisal system and training programme (see plan 2009/10)
11.5	The chief internal auditor co-ordinates and keeps under review the training and development requirements of internal auditor staff.	3	3	3	Appraisal system and team meetings
12. Internal audit has clear reporting arrangements that provide management with an opinion on the adequacy of internal controls.					
12.1	The chief internal auditor produces an annual report, which contains a view on the soundness of the council's internal control system.	3	3	3	Year end annual report to Audit Committee - feeds into the AGS
12.2	Internal audit has documented, systematic, procedures in place for producing and clearing reports.	3	2	2	To be updated for partnership for consistency
12.3	Reporting arrangements, including timescales for drafting, finalisation and management action have been agreed with management.	3	2	2	To be updated for partnership for consistency

12.4	Internal audit produces clear, concise, constructive written reports (<i>in the opinion of the external auditor</i>).	3	3	3	External audit provided with copies of Internal audit reports
12.5	Before issuing final reports, internal audit discusses the contents with management, and may submit a draft to confirm factual accuracy.	3	3	3	As routine on all audits
12.6	Where internal audit and management disagree the relevance of the factual content, the chief internal auditor has the opportunity to refer to this in his/her report.	3	3	3	Sec 151 officer, Director, CEO, Audit Committee Chairman, Leader of the Council (Case example CRB audit)

13. Internal audit follow up their recommendations to ensure action is taken.

13.1	Internal audit, agrees 'SMART' action plans, which identify persons responsible for implementation, with management to review progress of implementation by both parties.	3	3	3	Recommendation Action Plan in every report
13.2	Internal audit reports instances of significant failure to comply with action plans to the appropriate senior management/members corporate management team.	3	3	3	Reports identify previous recommendations that have not been implemented
13.3	Where management do not implement internal audit recommendations, it is clear that they accept the risk resulting from not taking action.	3	3	3	Determined at follow up, reported to Audit Committee
13.4	The results of follow up work by internal audit are used to update the Audit Committee.	3	2	3	Follow-up work is reported to Audit Committees (shown in annual report 2010/11 at CBC)
13.5	The results of follow up work by internal audit are used to inform updated audit plans.	2	2	3	Audit follow-up feeds Audit Planning process, 2010/11 plan included some specific follow-up audits

HOLDING INTERNAL AUDIT TO ACCOUNT FOR ITS PERFORMANCE

14. Internal audit has a performance management framework that ensures continuous review of its performance.

14.1	Internal audit is accountable to an audit committee or equivalent body.	3	3	3	Audit Committee
14.2	The chief internal auditor prepares an annual plan that is presented to senior management and the audit committee (or its equivalent).	3	3	3	CT/SLT and Audit Committees

14.3	The chief internal auditor uses a set of indicators to measure the performance of internal audit.	3	3	3	Reported through Covalent + Partnership Board. APM receives an annual appraisal by the Partnership Board
14.4	Internal audit has a documented system for evaluating the performance of the unit as a whole.	3	3	3	Partnership Board and Annual effectiveness review
14.5	The chief internal auditor is responsible for continuously maintaining and developing the performance management in internal audit.	3	3	3	Service plan tasks & Team meetings
14.6	Internal audit is accredited under a national or international quality standard (eg IIP, EFQM, etc).	2	3	3	CIPFA Code of Practice & CIA Standards

15. The chief internal auditor promotes and maintains professional standards in internal audit.

15.1	Internal auditors possess knowledge of the council and its systems to a level commensurate with their role in the unit.	3	3	3	Appraisal and training promotes + Audit Partnership Manager + Principal Auditor role guides
15.2	Internal auditors are impartial in discharging their responsibilities	3	3	3	Internal Audit Charter
15.3	Disciplinary procedures are invoked where a staff member contravenes the ethical standards required by the accountancy bodies.	3	3	3	Employee Code of Conduct
15.4	Internal audit maintains a current register of declarations of interest, and acceptance of hospitality.	2	3	3	Officer Declaration of Interest & Hospitality register

SUMMARY

1 = No - performance does not comply with good practice
 2 = Qualified - partial compliance
 3 = Yes - performance complies with good practice

	2008/09	2009/10	2010/11	
	0	0	0	0%
	8	8	5	5%
	89	89	92	95%
Total Questions	97	97	97	100%

The results show a 95% full compliance and 5% partial with no instances of non-compliance. Through 2011/12 the service will be going through further changes due to increasing demands e.g. GO and Waste company. Therefore this assessment will be regularly reviewed.

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COTSWOLD
DISTRICT COUNCIL



"Working in partnership for a sustainable and resilient quality service"

AuditCotswolds



Audit Partnership Charter

October 2011

Mission and Objectives

The mission of the Cheltenham, Cotswold & West Oxfordshire Audit Partnership, named AUDITCOTSWOLDS is to provide independent, objective assurance and consulting services designed to add value and improve the partner Council's operations. It helps each Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management control, and governance processes.

AUDITCOTSWOLDS works in partnership with all of its customers to provide a service the scope of which is to determine whether each Council's network of risk management, control, and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed.
- Interaction with the various governance groups occurs as needed.
- Significant financial, managerial, and operating information is accurate, reliable, and timely.
- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations.
- Resources are acquired economically, used efficiently, and adequately protected.
- Programmes, plans, and objectives are achieved.
- Quality and continuous improvement are fostered in each Council's control process.
- Significant legislative or regulatory issues impacting each Council are recognised and addressed appropriately.
- Appropriate counter fraud arrangements operate.
- Opportunities for improving management control, profitability, and each Council's image may be identified during audits. They will be communicated to the appropriate level of management.

Accountability

The Head of the Audit Partnership in the discharge of his duties, shall be accountable to the Partnership Board and the members of each Audit Committee to:

- Provide annually an assessment on the adequacy and effectiveness of each organisation's processes for controlling its activities and managing its risks in the areas set forth under the mission and objectives section of this Charter.
- Report significant issues related to the processes for controlling the activities of each organisation and its affiliates, including potential improvements to those processes, and provide information concerning such issues through to resolution.
- Periodically provide information on the status and results of the annual audit plan and the sufficiency of the Partnership's resources.
- To support and review each Council's overall control environment which links to the annual statement on internal control (for example; risk management arrangements, policy and procedure compliance, security, ethics, environmental and external audit).
- To deliver the Audit Partnership in line with the principles as set out in the Section 101/s19 Agreement.

The Partnership Board, formed by Statutory Officers or Corporate Level Management Team representatives from each partner authority, has the key purpose to ensure the Audit Partnership meets with statutory requirements. These statutory requirements are listed below:

- Internal Audit is a statutory function in the context of the Accounts and Audit (Amendment) (England) Regulations 2006 which state “*a relevant body shall maintain an adequate and effective system of internal audit of its accounting records and its system of internal control in accordance with the proper practices in relation to internal control*”.
- Section 151 of the Local Government Act 1972 requires every local authority to designate an officer to be responsible for the proper administration of its financial affairs. One of the ways in which this duty is discharged is by maintaining an adequate and effective Internal Audit function.

Independence

To provide for the independence of the Internal Audit Service, the Head of the Audit Partnership reports to the Partnership Board and to each Audit Committee in a manner outlined in the above section on accountability.

Responsibility

The Head of the Audit Partnership has responsibility to:

- Develop a flexible annual audit plan using an appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the Partnership Board and the relevant Audit Committee for review and approval as well as periodic updates.
- Implement the annual audit plan, as approved, including as appropriate any special tasks or projects requested by management.
- Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter.
- Evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation, and/or expansion.
- Issue periodic reports to the Partnership Board, and the Audit Committees summarising results of audit activities.
- Keep the Partnership Board informed of emerging trends and successful practices in internal auditing.
- Provide performance indicators, measurement goals and results to the Partnership Board and each Audit Committee.
- Assist in the investigation of significant suspected fraudulent activities as requested by the Partnership Board members and notify the appropriate Service Manager, Assistant Director, Director, Section 151 Officer and the Chief Executive of the results.
- Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the partner organisations at a reasonable overall cost.

Customer Care

The Head of the Audit Partnership and the staff of AUDITCOTSWOLDS will ensure that customer care is at the centre of its activities and shall:

- Operate a process by which the quality of service received by the customer can be assessed by the customer and the customer can influence improvements in the service they can expect to receive.
- Consultation with all customer groups will ensure that the local standards adopted by AUDITCOTSWOLDS are determined by the customers.
- Standards will be continually reviewed in accordance with customer feedback.
- Compliance with standards will be monitored by the Partnership Board and will be periodically reported to customers.
- Apply the principal of Best Value to the management and performance of the service.

Authority

The Head of the Audit Partnership and staff of AUDITCOTSWOLDS are authorised to:

- Have unrestricted access to all functions, records, property, and personnel.
- Have full and free access to the Chief Executive and the members of each Audit Committee.
- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives.
- Obtain the necessary assistance of personnel in Divisions of each Council where they perform audits, as well as other specialised services from within or outside the Council.

The Head of the Audit Partnership is authorised to;

- Report to the relevant Chief Executive or other statutory officers and the Chair of the relevant Audit Committee without reference to his/her line manager should that be deemed appropriate.
- Report to the Partnership Board members individually for all audit matters relating to that partner authority.

The Head of the Audit Partnership and staff of the partnership are not authorised to:

- Perform any operational duties for the Council or its affiliates without the approval of the Partnership Board.
- Initiate or approve accounting transactions external to AUDITCOTSWOLDS.
- Direct the activities of any Council employee, except to the extent such employees have been appropriately assigned to AUDITCOTSWOLDS.

Standards of Audit Practice

AUDITCOTSWOLDS will meet the Standards for the Professional Practice of Internal Auditing of The Chartered Institute of Internal Auditors (UK & Ireland), and of the Chartered Institute of Public Finance and Accountancy Code of Practice for Internal Auditors in Local Government 2006.

Partnership Board

Mark Sheldon – Cheltenham BC

Chief Finance Officer

Supported by

Robert Milford

Head of Audit Partnership

Jenny Poole – Cotswold DC

Head of Financial and Audit Services

Paul Stuart – West Oxfordshire DC

Head of Corporate Resources

Glossary

Audit Committee

A formally constituted group of members of the organisation responsible for:

- providing independent assurance on the adequacy of the risk management framework and the associated control environment
- independent scrutiny of the organisation's financial and non-financial performance to the extent that it affects the organisation's exposure to risks and weakens the control environment
- overseeing the financial reporting process

Section 101/s19 Agreement

This is the document that formally delegates the internal audit function from Cheltenham Borough Council and West Oxfordshire District Council to Cotswold District Council,

Partnership Board

This is the senior management group established to monitor the delivery of the key aims as set out in the Section 101/s19 Agreement.

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Cheltenham Borough Council
Cabinet – 15 November 2011
Nominations to outside bodies
Report of the Leader

Accountable member	Leader, Councillor Steve Jordan
Accountable officer	Rosalind Reeves, Democratic Services Manager
Accountable scrutiny committee	All
Ward(s) affected	Not applicable
Key Decision	No
Executive summary	<p>Cabinet agreed the formation of a local authority company, Ubico Limited, with Cotswold District Council on 13 October 2011 and nominated Councillor Colin Hay as the Council's member observer on this body. As agreement from the group leaders was still being sought at that time the appointment was postponed until the November meeting of Cabinet.</p> <p>A vacancy on the Cleeve Common Board of Conservators has arisen after Councillor Surgenors decision to step down as a committee member. Councillor Thornton had indicated an interest in nomination to this outside body.</p>
Recommendations	<p>That Cabinet;</p> <ol style="list-style-type: none"> 1. Appoint Councillor Hay as the member board observer on Ubico Limited. 2. Appoint Councillor Thornton as a committee member on Cleeve Common Board of Conservators.
Financial implications	<p>There are no financial implications associated with this report.</p> <p>Contact officer: Mark Sheldon, mark.sheldon@cheltenham.gov.uk, 01242 26 4123</p>

Legal implications	<p>Two general powers are relevant to nomination/appointment to outside bodies, these being the 'Well Being' power found in the Local Government Act 2000 and the power of an authority to do anything conducive, incidental to or facilitative of the discharge of any of their functions found in the Local Government Act 1972.</p> <p>Updated guidance for Members appointed to outside bodies can be found at Part 5G of the Council Constitution.</p> <p>Contact officer: Peter Lewis, peter.lewis@tewkesbury.gov.uk,</p>
HR implications (including learning and organisational development)	<p>There are no HR implications associated with this report</p> <p>Contact officer: Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 264355</p>
Key risks	<p>Members appointed should be aware of their roles and responsibilities.</p>
Corporate and community plan Implications	<p>Supports all the community priorities and supports community engagement.</p>

1. Background

- 1.1 On 13th October 2011 Cabinet selected Councillor Colin Hay as a board observer to the board of directors of Ubico Limited, the local authority company established between the Council and Cotswold District Council. As agreement from the group leaders was still being sought at that time the appointment was postponed until this meeting of Cabinet.
- 1.2 A vacancy on the Cleeve Common Board of Conservators has arisen after Councillor Surgenors decision to step down as a committee member. Councillor Thornton had indicated an interest in nomination to this outside body.

2. Constitutional process

- 2.1 Appointments must be made in accordance with the Council's constitution. The power of Cabinet to nominate/appoint in respect of executive functions is subject to the proviso that if all political groups on the Council cannot agree a particular nomination/appointment then it will be referred to full Council for determination. In this case, the group leaders have agreed to both the proposed appointments.
- 2.2 The Council is able to indemnify members (and officers) in the course of their activities on outside bodies provided they are acting within the scope of their authority as Council representatives.

3. Alternative options considered

- 3.1 not applicable

4. Consultation and feedback

- 4.1 Group Leaders were notified and no objections were received.

5. Performance management –monitoring and review

5.1 Members are encouraged to give feedback on their attendance at meetings of outside bodies and communicate any relevant issues.

Report author	Contact officer: Rosalind Reeves, Democratic Services Manager Tel: 01242 264937
Appendices	none
Background information	1. Report and minutes of Cabinet meeting held on 13 th October 2011

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Briefing Note

Cabinet

15 November 2011

Andrew McKinlay, Cabinet Member for
Sport and Culture

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

If Members have questions relating to matters shown, they are asked to contact the Officer indicated.

Leisure and Culture Commissioning Review – Consultation Update

1.0 Purpose of this Briefing Note

- 1.1 To bring Cabinet up to speed with the recent Leisure and Culture Commissioning Review Phase 1 consultation workshops and to outline the next steps regarding Phase 2 consultation.

2.0 Background

- 2.1 On 11 July 2011 Cabinet endorsed the recommendations contained within the report **“Towards a Commissioning Strategy for Leisure and Culture Outcomes”**. The report contained a recommendation **“to engage with local partners and stakeholders, including the voluntary and community sector, LSP and Health and Well-Being partnership to (a) bring them up to date with the review; (b) outline the priorities for further work and (c) consult on the currently proposed outcomes for leisure and culture.**

3.0 Facilitation and Workshop Structure

- 3.1 Three consultation workshops took place during the w/c 26 September 2011. The workshops were independently facilitated by the South West Regional Director for the Museums Libraries and Archives (MLA).
- 3.2 The workshops were segmented by service theme, ie, Leisure including Sport, Play and Healthy Lifestyles; Art Gallery and Museum; Town Hall and Pittville Pump Room. Twenty two delegates attended the workshops and therefore provided a reasonable, although clearly not extensive, representation of local stakeholders and partner views.

4.0 Workshop Objectives

- 4.1 Objectives were to; (a) bring delegates up to date with the work to date and Cabinet recommendations; (b) obtain feedback on identified community needs and to highlight any gaps; (c) obtain feedback on the leisure and culture commissioning outcomes; (d) highlight any other matters of relevance for the review.

5.0 General Commentary on the Workshops

- 5.1 The “mood” of the consultation was generally positive with delegates welcoming the opportunity to take part. There was overwhelming support for further consultation.

- 5.2 Delegates welcomed the independent facilitation of the workshops which enabled greater free expression of ideas and views.
- 5.3 Delegates did observe they were a “self selecting” group and therefore future consultation needs to address this with a “balancing of the audience” required.
- 5.4 The segmentation of the consultation into service specific workshops was seen by a number of delegates as inhibiting wider creative and cross-cutting thinking. The request was made for any feedback workshop to address this.

6.0 Service Principles

- 6.1 Delegates provided some very useful pointers to the principles they believed should underpin future provision. Examples include:
- Pricing; concessions for community groups, non-commercial uses
 - Commercial and entrepreneurial focus
 - Accessibility; in particular physical access to services
 - Inclusion; pricing, transport, overcoming barriers to participation
 - Energy and green credentials
 - Voluntary sector contribution; how to engage, facilitate and encourage
 - Breaking down barriers to participation
 - Contribution to the wider economic and creative growth
 - Beneficial contribution across town – opportunities for synergy, partnerships, joint working
 - Long term sustainability
- 6.2 The further exploration of these and other service principles will be important to inform the evaluation criteria which will underpin options appraisal.

7.0 Needs and Outcomes

- 7.1 There was mixed understanding amongst the delegates about “needs” and “outcomes” as defined by commissioners. Delegates were generally far happier to consider “what” actually might be different than they were to explore the more strategic “why” questions.
- 7.2 However, Leisure workshop delegates did feel that the following were insufficiently represented/considered in the draft needs and outcomes framework:
- Young people – fall off in teenage participation
 - Access for children and young people with disabilities
 - Understanding the real barriers to participation
 - Focus on long term behaviour change
 - Mental health as well as physical wellbeing
- 7.3 Delegates from the Entertainments and Art Gallery and Museum workshops were more focussed on “**what**” actually might be different, ie, vision and concrete proposals. Both groups also identified the need to make connections with, and how to capitalise on the synergies between culture, business and retail.
- 7.4 Entertainments delegates talked about the concept of Cheltenham being “England’s greatest festival town/town of culture”, with the Art Gallery and Museum delegates expressing a desire to “establish the big picture” for the “cultural quarter” concept.

8.0 Consultation – Next Steps

- 8.1 Responding to the request from Phase 1 for further consultation, we will be concluding Phase 2 consultation with this same group of stakeholders during November.
- 8.2 The Director of Engagement (West) for the MLA, Jon Finch, has been secured to run the event on behalf of the Council.
- 8.3 Objectives will be to; (a) respond to the “what might be different” question by inviting key note speakers to give their experiences of leisure and culture re-purposing/regeneration; (b) reshape/revise the draft outcomes; (c) better understand the ambition for the re-developed Art Gallery and Museum and the concept of a cultural quarter.
- 8.4 Following the workshop, we will bring proposals for revised outcomes back to the Cabinet for approval.

Contact Officer: Pat Pratley

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