



CHELTENHAM
BOROUGH COUNCIL

**Notice of a meeting of
ECONOMY AND BUSINESS IMPROVEMENT OVERVIEW AND
SCRUTINY COMMITTEE**

Monday, 23 January 2012

6.00 pm

Municipal Offices, Promenade, Cheltenham, GL50 9SA

Membership	
Councillors:	Malcolm Stennett (Chairman), Garth Barnes, Tim Cooper, Paul Massey (Deputy Chair), Paul McLain, Lloyd Surgenor, Pat Thornton, Andrew Wall, Peter Jeffries and Jon Walklett
Other Members:	

The Council has a substitution process and any substitutions will be announced at the meeting

Agenda

1.	APOLOGIES	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES OF THE LAST MEETING To approve the minutes of the last meeting of 28 November 2011	(Pages 1 - 8)
4.	PUBLIC QUESTIONS AND PETITIONS None	
5.	MATTERS REFERRED TO COMMITTEE A. By Council - None B. By Cabinet - None	
6.	BRIEFING FROM CABINET MEMBERS	
7.	ABSENCE MANAGEMENT A report of the Human Resources Operations Manager (20 mins)	(Pages 9 - 16)

8.	CORPORATE RISK REGISTER Report of the Director Resources (15 mins)	(Pages 17 - 34)
9.	GO PROGRAMME A report of the Cabinet Member Corporate Services supported by the Director People, Organisational Development and Change (20 mins)	(Pages 35 - 38)
10.	QUARTERLY BUDGET MONITORING REPORT 2011/12 - POSITION AS AT NOVEMBER 2011 Cabinet Report of the 13 December 2011 of the Cabinet Member Finance and Community Development (10 mins)	(Pages 39 - 54)
11.	GENERAL FUND AND HRA REVENUE AND CAPITAL - REVISED BUDGET 2011/12 AND INTERIM BUDGET PROPOSALS 2012/13 FOR CONSULTATION Cabinet reports of the 13 December of the Cabinet Member Finance and the Chief Finance Officer (45 mins)	(Pages 55 - 94)
12.	DATE OF NEXT MEETING AND FUTURE AGENDA ITEMS Date of next meeting : 5 March 2012	(Pages 95 - 98)

Proper Officer Name
Proper Officer Title

Public Information

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Economy and Business Improvement Overview and Scrutiny Committee

Monday, 28th November, 2011
6.00 - 7.40 pm

Attendees	
Councillors:	Garth Barnes, Tim Cooper, Paul Massey (Deputy Chair), Paul McLain, Malcolm Stennett (Chair), Lloyd Surgenor, Pat Thornton, Andrew Wall and Jon Walklett
Co-optees:	
Also in attendance:	Councillor Steve Jordan and Councillor Colin Hay
Apologies:	Councillor Peter Jeffries

Minutes

1. **APOLOGIES**
Apologies were received from Councillor Jeffries.

2. **DECLARATIONS OF INTEREST**
None declared.

3. **MINUTES OF THE LAST MEETING**
The minutes of the last meeting of 19 September 2011 were approved as a correct record.

4. **PUBLIC QUESTIONS AND PETITIONS**
None received.

5. **MATTERS REFERRED TO COMMITTEE**
None.

6. **BRIEFING FROM CABINET MEMBERS**
The Leader updated members on two issues as requested by the chair.

Regarding the New Homes Bonus, he advised that there were no restrictions in terms of its usage and indeed other districts in Gloucestershire had included it in their base budget. It was his understanding that after 2012/13, the New Homes Bonus will be included in the overall government settlement and therefore would not be easily identifiable. The Cabinet had taken the view to spend the funding on minor environmental improvements and to give the town an economic boost by encouraging bids which would promote Cheltenham.

Discussions were currently underway at county level regarding future infrastructure spending and whether authorities across Gloucestershire should be working together to jointly allocate available funding.

The chair still had concerns that the decision to spend the New Homes Bonus in this way seemed to go against the government's original intention that the funding was to improve areas which had suffered from new building. Therefore if funding had been allocated as a result of the North Place development for example, residents could be concerned if it was subsequently spent in a completely different area of the town.

In response, the Leader confirmed that he was totally confident in their decision and that any challenge could be defended. There were no restrictions unlike section 106 agreements which were related to a specific development and site. The Director Resources confirmed this and said the exact wording from government would be included in the budget report.

The Leader advised that Gloucestershire First, now operating as the Local Enterprise Partnership, was keen to maintain the relationships with the district councils. As the majority of their funding was now provided by the county council, GCC were currently carrying out a economic development review. He agreed to approach their chief executive, David Owen, to see whether he would be available to attend the committee in January or March 2012. Gloucestershire First had recently produced a performance report and the Leader agreed to circulate that to members.

7. ENSURING BEST VALUE FROM MOBILE COMMUNICATIONS

The Cabinet Member Corporate Services introduced the report. At the Economy and Business Improvement Overview and Scrutiny Committee meeting on the 23 May 2011, Members had asked for a Value for Money Review on the use of mobile technology within the council. The review had resulted in;

- confirming that the council's contract for the supply and operation of its mobile communication devices remains competitive
- identifying additional efficiency and financial savings
- the revising of the Mobile Phone principles and protocol

He highlighted that the appendix 2, Quarterly Scenario had been included in error in the papers for this meeting and should be disregarded.

In the discussions that followed, there were concerns regarding the significant number of phones where there was zero usage. Members were advised that these were often for health and safety reasons or to enable emergency contact to be made but it was suggested that staff could use their own mobile phone in that situation. There was also a significant risk that without regular checks, the phone may not be charged or fully functional when it was required. In response, officers advised that the current mobile phone policy excluded the option of use of personal phones but it was appropriate to revisit this and also include some type of regular assurance checks.

Members were reassured that there was no automatic qualification for having a mobile phone or Blackberry and every request had to be justified in terms of business need.

A member asked whether their own ICT requirements could be better satisfied through a Blackberry rather than a council laptop which was currently issued to members. The Cabinet Member Corporate Services advised that ICT support for members was currently being reviewed and a seminar was being planned in the next two months to understand how members work and how their needs could best be satisfied

Another member highlighted the large gap between rental usage and call charges which seemed to suggest that there were too many phones being allocated. There was also a challenge regarding whether a Pay as you Go tariff would be cheaper as the report seemed to suggest this would be more expensive.

In response officers advised that the mobile phone protocol does not normally allow Pay as you Go but this would be reviewed.

In response to further questions, officers advised that quite a number of phones had been withdrawn from officers as a result of this review and the review had recorded a small number of phones had been lost or damaged, although no Blackberries had been lost.

Members were advised that phones were on a two-year contract so when a member of staff left and the contract was still running, a decision was taken on whether to pass on the phone to another member of staff or cancel the contract. Members suggested that given the significant number of phones, the council should be looking to adopt a more flexible contract where there was effectively a single contract for all the phones. In response, officers advised that the contract was due for review in the New Year and the council's Procurement Officer would be working to negotiate the optimum contract to meet the council's needs.

In response to a question, members were advised that the phones for Cheltenham Festivals and Cheltenham Borough Homes referred to in paragraph 3.11 of the report were administered by the council. A member expressed concern that if the phones were lost and key data was put at risk, the council could be legally responsible. Officers agreed to review this.

The Director Resources was keen to point out to members that he had a Blackberry and the benefits of having one. Although he did not make a huge amount of calls, it enabled him to manage his e-mails, his diary and be in contact outside office hours. In that respect it was an invaluable tool and he received no reimbursement from the council for his time spent using it which was frequently in the evenings, early mornings and at weekends. In the new commissioning structure it was essential that senior managers across the organisation could keep in touch and manage workloads effectively.

The chair concluded that it had been a very worthwhile exercise and he hoped that the information presented satisfied both the committee and members of the public who had challenged the usage of mobile communications.

Resolved that a further report be brought back to members in six months time to include consideration being given to staff using their own

personal phones, figures on turnover of phones, multi-phone contracts and updates on all the issues that had been raised during this meeting.

8. QUARTER 2 PERFORMANCE REPORT

The Strategy and Engagement Manager introduced his report which set out the corporate performance of the organisation at the end of the second quarter 2011-12. Members were invited to make any comments and observations in order that Cabinet can agree the report at its meeting on 6 December 2011.

The Leader emphasised that the report represented the position as at the end of September 2011. He was pleased to report that the budget gap for 2011/12 reported under the amber milestones, had now been closed. There was also a national trend of rising unemployment which was also apparent in Cheltenham although exact figures were not available.

In response to questions from members, officers gave the following responses:

- Regarding the 95% appraisal return, there were now only three people where appraisals were outstanding and in each case there were good reasons why they had not been done.
- Regarding the proportion of planning decisions upheld on appeal, officers advised that a one-off issue at a particular site had skewed the figures.
- The technical problems at the Tourist Information Centre had been due to the website and the loss of the skill and expertise of a key member of staff. The content management system had been reviewed and the staffing issues were being addressed.
- A member questioned how many garden waste bins had been sold as a result of the promotional campaign referred to on page 20 of the report and hence had it been a good use of the additional spend. The Leader advised that the costs of the campaign had been covered in the existing marketing budget and so it was not an additional spend. He agreed to provide the figures requested to members
- Regarding the traffic modelling referred to under the amber milestones, the Leader advised that the county council were working on a revised bid which could be submitted to government and this bid would cover Boots Corner as well as sites in Gloucester.
- Regarding the problems with user assessment testing at the Forest for the GO project, the strategic director advised that user testing had raised a number of errors which had been investigated and the system was now due to go live at the Forest next week.

The chair thanked members for their input.

Resolved to note the report and request further information on the take-up of green waste bins following the promotional campaign be circulated to members.

9. COMMISSIONING PROGRAMME UPDATE

The Cabinet Member Corporate Services introduced the update report on Strategic Commissioning which had been requested by the committee.

Members were reminded that Council had agreed the ambition of leading the community by taking a commissioning approach by April 2012. This would be driven by the needs of people and place, in order to improve wellbeing, the economy and the environment, and use resources efficiently and effectively. During the last six months, the council had made great progress in turning its ambition into reality which was set out in the report.

In his introduction, he referred to paragraph 3.3.1 and the work of the cross party member group which had now been disbanded. Of their original objectives, the scrutiny review was now taking forward the definitions of the scrutiny process for a commissioned service. The other important question was how the decision was made on which area should be next for the commissioning approach. As this decision had to be taken in the context of the corporate plan and available resources, he had asked the Group Leaders to consider this with advice from the Director Commissioning and the Chief Executive. He did not believe a formula approach could be adopted and the decision must be made on what was right for the situation which applied at that time.

The chair suggested that future reports should give details of comparative costs of a service before and after commissioning, success measures and whether the council had made any profit on services they had taken on.

The Cabinet Member Corporate Services was keen to emphasise that the council was a non profit-making organisation and although finance was a very important factor, the outcomes being delivered from the commissioned service were equally important success measures. Resilience was also a key factor in ensuring that the provision of the service was sustainable.

Councillor Cooper was concerned that the cross-party member working group had been disbanded. He felt strongly that there should be member involvement in the commissioning programme at a strategic and planning level. There did not appear to be a plan and although he had requested this, it had not been provided to him. He questioned the difference between a departmental review and a commissioning exercise as the review of built environment seemed to be the former and there had been no changes as a result.

In response the Cabinet Member Corporate Services said that the way in which the council now does business follows a commissioning approach. This was being rolled out across the authority and there would be an ongoing learning process. As he had already indicated the Group Leaders would be responsible for agreeing the high level strategic plan for future commissioning.

The Director Commissioning said that in her experience the review of Built Environment had been very different to any review she had previously been involved in. It had started by defining outcomes and had consulted with stakeholders including a full day session with them. The review had concluded that in-house provision was best at this time but this would be retested in 2013. A service specification was currently being written for Built Environment to specify the outcomes that should be delivered from the service. This was a completely different approach and would be implemented on 1 April 2012 once agreed by the member working group. Traditionally such reviews had started with the mindset that the council was the best option for providing the service. In the commissioning process there was no such assumption.

Councillor Wall questioned how successful the programme had actually been. He was concerned that there was no strategic plan and if a key benefit of the

commissioning programme was to develop the marketplace, as a member he couldn't see what the council was doing to achieve that. The programme highlight report circulated with the papers indicated an amber status for developing knowledge and skills for members and employees and he found that a concern. The programme also needed to define its critical success factors.

Councillor McLain questioned why the built environment review had been started given the full knowledge that the government plans for legislation on planning fees were still uncertain. He also suggested that the Local Authority Company was joint working and not commissioning. He was concerned about the reduction in the scope of the future work on the Leisure and Culture review. It appeared to be concentrating on areas such as catering at the Town Hall whereas the obvious target for the commissioning approach was in the provision of leisure services. He was happy to support the commissioning programme but felt it was important to focus on the right things.

The Cabinet Member Corporate Services acknowledged that commissioning had been a learning process and both the built environment and the leisure and culture review had been heavy on resources and time. Therefore it was important that learning points from these were incorporated into future plans. The built environment review had been necessary because of the changes coming through and had been carried out in a commissioning way. The council was already reaping the benefits of the efficiency savings that had been made as a result of the systems thinking exercise. The members' skills audit was really important and he encouraged members to complete it if they had not done so already. Quite a lot of work had been done already in developing the marketplace particularly in working with the third sector. Following the systems thinking exercise, it does become more apparent which delivery options might be suitable and therefore some soft market testing could be done at this stage. There would then be a decision point regarding which options would be explored in more detail.

In response to a challenge that this decision point should be more transparent, he reminded members that all commissioning projects were supported by a member working group where any member could challenge the outcomes or delivery options to be pursued. In addition overview and scrutiny committees could ask any commissioning project to come to a meeting and provide members with an opportunity to ask questions and challenge.

Councillor Massey welcomed the report as the first time members had been able to see such details on progress. He was pleased to see the diversity of options being looked at and encouraged by the range of delivery mechanisms. He welcomed a report in six months time to highlight further progress.

The chair commented on the lack of reference in the report to staff morale and requested that this be included in a future report. The report should set out the resource costs of carrying out the commissioning exercise and the impact on staff once implemented.

Resolved that a further report be brought back to the committee in six months time and members advise the Democratic Services Manager on any specific information they require to be in the report.

10. DATE OF NEXT MEETING AND FUTURE AGENDA ITEMS

Councillor Cooper introduced his scrutiny registration form which had been circulated with the agenda which suggested that the management of the Pittville Bridge project was a suitable topic for scrutiny. In his opinion it had not been well managed and he had concerns that future small projects could go down the same path if lessons were not learnt.

Members noted the officer advice that a post implementation review would be carried out and the results of this would then be communicated to this committee. They would then be in a position to assess whether they needed to carry out a review of project management for such projects and how any lessons should be communicated.

Councillor Massey referred to the suggestion listed on the agenda that the committee might scrutinise the economic results of the decision to replace the over bridge at J10 of the M5 at Piffs Elm. He considered this would only be of value if the Highways Agency were willing to attend and requested officers investigate this.

The future workplan was noted and the date of the next meeting was Monday 23 January 2012 at 6 pm.

Chairman

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Information/Discussion Paper

Economy and Business Improvement Overview & Scrutiny - 23 January 2012

Absence Management

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

1. Why has this come to scrutiny?

- 1.1 To provide an update to members on Cheltenham Borough Council's approach to managing and monitoring sickness absence

2. Summary of the Issue

- 2.1 Cheltenham Borough Council is committed to delivering effectively and efficiently all its services. Quality customer service can only be achieved through committed employees who form its most valuable resource. High attendance levels are therefore vital in enabling the Council to meet its objectives. It is extremely important that employee attendance is managed properly, as poor levels of attendance can lead to loss of service delivery, reduced effectiveness, increased costs and increased pressures on colleagues to cover workloads. The Human Resources Advisors and the Corporate Health and Safety Advisors are working with line managers on a number of work streams to improve the health and wellbeing of employees and improve attendance rates. Appendix A outlines the work streams and the progress to date.

3. Summary of evidence/information

- 3.1 The Council has a corporate target to reduce sickness absence to 7.5 days per full time equivalent employee (FTE) for the financial year 2011/2012. An agreed quarterly reporting schedule is in place to collect results by divisions. An annual corporate total is also reported against this target. The table below details the total number of days lost for Cheltenham Borough Council in the first two quarters of this year and the comparable quarters from 2010-11.

CBC	Jun-11	Sep11	Half Year 2011-12 Total
FTE Employees	523	514	
FTE Days Lost	960	921	1881
Average Days Lost per Employee	1.83 (2.11 same quarter in 2010)	1.79 (2.48 same quarter in 2010)	3.62 (4.59 half year 2010)

Please note quarter 3 (Dec 2011) data will be available at the end of January 2012.

3.2 The target for 2010/2011 was 8 days. The Operations Division reported an average of 15.68 days per employee. The table below details the total number of days lost for the Operations Division in the first two quarters of this year and the comparable quarters from 2010-11.

Operations Division	Jun 11	Sep 11	Half Year 2011-12 Total
Average Days Lost per Employee	0,80 (4.10 same quarter in 2010)	0.84 (3.82 same quarter in 2010)	1.64 (7.92 half year in 2010)

3.3 Analysis of the 2010/11 sickness absence in the Operations Division showed a number of employees on long term absence. The employees were predominantly in the Waste and Recycling (W&R) and Cleansing teams.

3.4 Within the W&R team, four employees accounted for nearly 750 out of 1300 days lost due to sickness during the period 2010-11. Of the four, two employees are no longer employed, one has returned to work following an operation on a pre-existing back condition and one has returned to work following treatment for cancer and is now in remission.

3.5 Within the Cleansing team, five employees accounted for nearly 430 out of 625 days lost due to sickness during the period 2010-11. Of the five, three are no longer employed and the other two have seen their attendance improve as a result of their absence level being managed through the Council's Sickness Absence policy and procedure.

3.6 These 9 employees had a significant impact on the overall absence statistics for Operations Division.

3.7 A request by South West Councils for information on ill health for in-house Waste & Recycling only elicited information from one other council (Weymouth & Portland Borough Council) whose rate was 21.8 days per employee.

3.8 In comparison to other LA's across the Country, a study being undertaken by the Health & Safety Laboratory shows that of the 19 participants, Cheltenham is approximately mid position. – see diagram below.

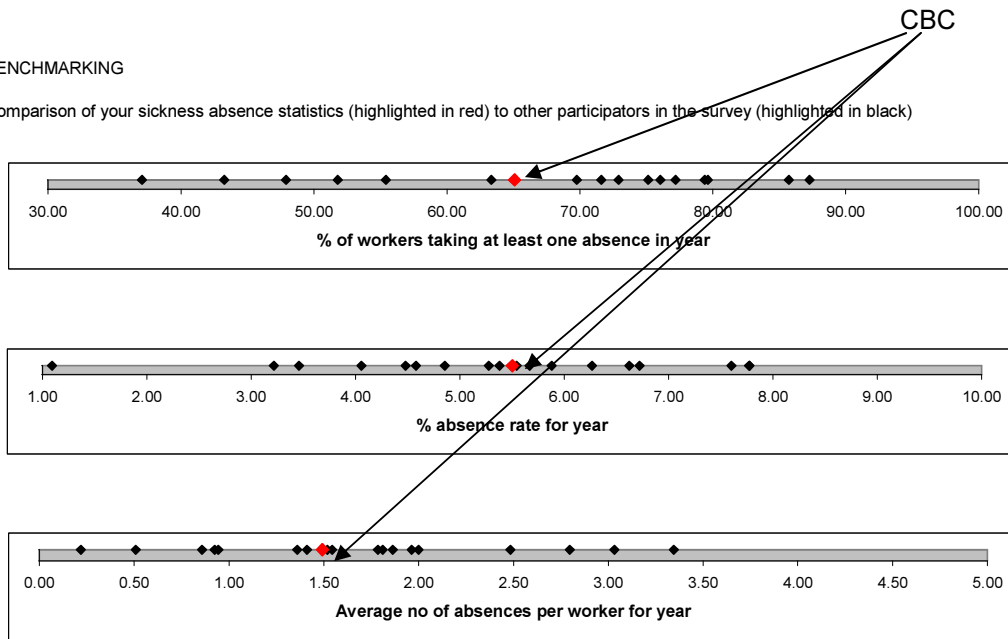
3.9 The first set of data from the study highlights the percentage of employees who have taken at least one absence on the year.

3.10 The second set highlights the percentage of employees who are absent at any one time.

3.11 The third set highlights the average number of occasions an employee is absent per year.

BENCHMARKING

Comparison of your sickness absence statistics (highlighted in red) to other participators in the survey (highlighted in black)



4. Conclusions

5.1 It is inevitable that employees do become ill and need to be absent from work. However, the Council rightly aims to have a high level of attendance and to deal with sickness absence fairly, consistently, and appropriately. With significant change and tough public spending cuts expected over the coming years, there is little room for complacency on this issue.

Background Papers

Contact Officer	Julie Mccarthy, HR Operations Manager, 01242 264355, julie.mccarthy@cheltenham.gov.uk
Accountability	Cabinet Member Corporate Services, Councillor Colin Hay
Scrutiny Function	EBI O&S.

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Appendix A

Ref	Work Stream	Update	Lead Officers	Target Completion Date
1.	Offer Flu vaccines to all council employees prior to the start of the 'Flu season'.	<ul style="list-style-type: none"> o Flu Vaccines were offered to all employees in September 2011. o 200 vaccinations were purchased to cover the clinics run over 2 days 	Corporate Health & Safety Advisors	November 2011 - Complete
2	Refresh of the current Absence Policy and Procedure to include a reduction in the current trigger points.	<ul style="list-style-type: none"> o Work to refresh the current Absence Policy has been re-scheduled to take place later this year following the implementation of the GO shared service. 	HR Operations Manager	June 2012
3	HR Advisors to work closely with Directors to ensure that managers have the skills and information to manage absence in their service.	<ul style="list-style-type: none"> o 1-2-1 meetings with Directors take place on a monthly basis. o Regular monthly absence management information is shared with Line Managers. o Coaching and support given to all newly appointed managers on how to deal with absence management.. o HR Advisors work closely with L&D and corporate Health and Safety colleagues on issues arising from absence management case work. 	Human Resources Advisors	Ongoing
4	Work with IMASS to establish a 'fit for task' test to be used as part of recruitment and review ongoing support for employees employed to undertake manual work.	<ul style="list-style-type: none"> o An initial meeting has taken place with IMASS with a view to establishing a fit for task test. o All employees within the waste and recycling teams have received refresher training on their activities which has included manual handling. o The change to green waste collection from bags to bins will also help reduce any long term musculo-skeletal impacts on employees. 	Corporate Health & Safety Advisors	March 2012

Appendix A

Ref	Work Stream	Update	Lead Officers	Target Completion Date
5	<p>Health & Safety Advisors to work closely with Directors to complete a stress audit with their teams. On completion, work with HR & L&OD colleagues to put in place interventions to help reduce identified levels of stress within each division.</p>	<ul style="list-style-type: none"> ○ The Corporate Health & Safety Advisors have completed 6 team surveys and a number of individual assessments. ○ Corporate Health & Safety are continuing to work with services to complete the remaining surveys. 	Corporate Health & Safety Advisors	August 2012
6	<p>Health & Safety Advisors with the support of HR & L&OD Advisors to design and implement a programme of bite size training programmes and/or information and guidance documents to support a range of health and well being topics</p>	<ul style="list-style-type: none"> ○ The Corporate Health and Safety Advisors met with colleagues from Bath & North East Somerset Council (B&NES) to find out about an initiative they had implemented to improve the health and Wellbeing of their Waste and Recycling employees. A Health at Work survey undertaken by employees at the start of the initiative captured employee expressions of interest about health and wellbeing ideas. A programme of information session was then put together for them. The programme, aimed at long term health and wellbeing, included such things as smoking cessation, healthy eating, lifestyle checks and sporting activity. ○ Discussions have taken place with the TUs at CBC about a similar initiative. TU's have given their commitment to work with us to undertake the Health at Work survey with W&R employees and develop a similar programme based upon the survey results. The survey will be carried out in January-February 2012 with the programme being developed based upon the results of this. ○ The Corporate Health and Safety Advisors link in to National Health and Wellbeing Campaigns regularly publicise relevant information about the initiatives on the intranet (notice boards for those employees who do not have access to the intranet) to increase employees' awareness 	Corporate Health & Safety Advisors	Ongoing

Appendix A

Ref	Work Stream	Update	Lead Officers	Target Completion Date
7	Work with colleagues from leisure@ and IMASS to extend the Cheltenham Borough Council GP referral scheme to employees.	<ul style="list-style-type: none"> A meeting with IMASS has taken place. 6 employees are currently attending sessions or have completed the programme with leisure@ via the GP referral scheme. 	Human Resources Advisors	March 2012
8	Bench mark current levels of absence against neighbouring Councils.	<ul style="list-style-type: none"> Completed May 2011 - see table below. Aim to revisit May 2012. 	HR Operations Manager	May 2012

2010 - 2011 ABSENCE LEVELS ACROSS THE COUNTY

	2010 - 2011 Absence Level per FTE	2010 - 2011 Depot Services Absence Level Per FTE
Cheltenham Borough Council	9.45	15.68
Forest of Dean District Council	5.64	
Cotswold District Council	5.47	
Cheltenham Borough Homes	8.85	
Tewkesbury Borough Council	8.22	14.47
Gloucester City Council	8.4	
Stroud District Council	11.69	
Gloucestershire County Council	8.09 (ex schools)	

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Cheltenham Borough Council

Economy and Business Improvement Overview and Scrutiny Committee – 23 January 2012

Corporate Risk Register

Accountable member	Cabinet Member Corporate Services, Councillor Colin Hay
Accountable officer	Mark Sheldon, Director Resources
Accountable scrutiny committee	Economy and Business Improvement
Ward(s) affected	None
Key Decision	No
Executive summary	The corporate risk register is “owned” by the senior leadership team as it is a management tool that helps managers run their business effectively, but members also need to be aware of the risks that may impact on the council and the decisions it makes. The risks within the attached register are continually updated by the senior leadership team. The attached version is as of the 10 th January 2012.
Recommendations	<p>1.1.1 The committee are asked to consider the register and identify any further corporate risks which they feel should be brought to the Cabinet’s attention at their meeting on the 7th February 2012..</p> <p>1.1.2 The committee are asked to consider whether the mitigating actions to manage the identified risks are appropriate and if there are other actions which they would like to suggest</p> <p>1.1.3 At your meeting on the 28th November a Member of E&BI suggested that officers consider if it was possible to report how many risks had been accepted. In response to this, Members are asked to consider a new approach being proposed by officers to record, score, monitor and report Corporate Risks.</p>
Financial implications	<p>There are a number of risks in the corporate risk register which, if not managed have the potential to expose the council to financial costs which are not provided for within existing budgets. The mitigating actions seek to control the risk of expose to these costs.</p> <p>Contact officer: Mark Sheldon E-mail: mark.sheldon@cheltenham.gov.uk Tel no: 01242 264123</p>
Legal implications	<p>The effective engagement of members in the management of corporate risk contributes to sound corporate governance and probity in corporate decision making.</p> <p>Contact officer: Peter Lewis E-mail: peter.lewis@tewkesbury.gov.uk, Tel no: 01684 272012</p>

HR implications (including learning and organisational development)	There are a number of risks in the corporate risk register that have HR implications (e.g. capacity, skills for commissioning, health and safety) however these are addressed through the mitigating actions. Contact officer: Amanda Attfield E-mail: amanda.attfield@cheltenham.gov.uk Tel no: 01242 264186
Key risks	If the council does not manage its risks appropriately then this can lead to ill-informed decisions.
Corporate and community plan Implications	Effective identification and management of risk helps the council make informed decisions and manage its corporate plan priorities. .
Environmental and climate change implications	There are no specific environmental or climate change implications arising from the report, but the council is keen to ensure that the risks of climate change and ability to mitigate and adapt are built into service plans and risk registers.

2. Background

- 2.1** Effective risk management is a key component of good governance arrangements and the senior leadership team review the register on a monthly basis. They consider where mitigating actions may not be progressing as planned or may not have achieved the desired outcomes or what further action needs to be taken. They also consider any new risks and identify the mitigating actions which need to be taken to manage the impact and likelihood of that risk.
- 2.2** Each division record and manage their divisional risks and those that score 16 or over are brought to the senior leadership team where they are considered for escalation to the corporate register.
- 2.3** The dashboard and the register (appendix 1 and 2) highlight that there are currently 30 active risks on the register, 1 with a low score, 24 with a medium score and 5 with a high score. The dashboard goes on to highlight the number of risks within those categories that are either on target to *meet*, *may not meet* or *will not meet* their specific deadline for reducing or removing risks.
- 2.4** Risks that are closed or transferred by SLT are listed at the end of the register in a greyed out format. There have been 15 risks closed since the last report to E&BI in March.
- 2.5** All of these risks are continually monitored by the risk owners and collectively managed by SLT on monthly basis.

3. Exceptions

- 3.1** This section of the report provides information on new risks and those that are scored at medium or high which may or will not meet their deadlines i.e. those that are highlighted within the register as Amber or Red, the reasons for this and what is being done to mitigate the risk.

3.2 Table 1: New risks since the last report

Risk number	Risk
CR63	If we fail to agree a county wide approach to implementing the Supporting People strategy then it would result in an inability to effectively manage the budget which would result in reduction of services and/or failure to provide appropriate and integrated housing related support services. This in turn would impact disproportionately on the most vulnerable members of our community and may increase demand on homelessness budget.
CR64	If the proposed transaction between CBC and preferred bidder fails to occur as a result of market instability, inability to deliver price & quality of outputs agreed or failure to secure planning consent then CBC will be forced to abandon existing process and begin again.
CR65	If there is further / ongoing strike action following recent ballot of TU members (in protest against planned pension changes), service delivery - particularly impacting statutory services - is likely to be disrupted.
CR66	If members, senior managers, managers, supervisors, and employees are not fully aware of their obligations and responsibilities for Data Protection particularly in relation to the permitted and lawful disclose of of private and confidential information, then the council could face financial penalties and reputation risks.
CR67	If GCC will give notice shortly to terminate the existing agency agreement relating to the management of the on-street car parking management and enforcement function in March 2013 then CBC may be unable to offer or negotiate acceptable terms for the renewal of the agreement from that date, This will in turn lead to significant HR and financial implications which will need to be managed.
CR68	If the Local Authority Company (for environmental service) is not fully operational on the 1st April 2012 it could impact upon service delivery

Table 2: There have been 28 Corporate Risks closed by SLT between the 01/01/2011 and the 3rd January 2012. The following risks that have been either closed or transferred since the last report to E&BI;

CR65	If there is further / ongoing strike action following recent ballot of TU members (in protest against planned pension changes), service delivery - particularly impacting statutory services - is likely to be disrupted.
CR62	If there is national strike action as a result of the proposed ballot of members as announced at the TUC conference (in protest against planned pension changes), service delivery - particularly impacting statutory services - is likely to be disrupted on Weds 30th November 2011 (the day announced for planned strike action, subject to ballot outcome).
CR64	If there are challenges to the CBC decision making process as a result of the OJEU procurement process, cabinet decision making process or Government call-in then CBC will not be in a position to conclude the transaction.
CR17	If members, senior managers and employees do not recognise their obligations and responsibilities for information management including data quality and information security then it could result in ill informed decisions, unreliable outcomes, ineffective use of resources and loss of assets, leading to a reduced public reputation and a lack of

	confidence from regulators
CR48	If key employees are suddenly unavailable then service delivery will be severely compromised.
CR56	Due to financial constraints the GO Programme does not have a separate business change manager role, and if the necessary change both within the retained organisation and inside the shared service does not take place to the required level, savings may be compromised. This was logged as a risk in August 2010, however on 20th April 2011 the GO Programme Board took a decision to increase the risk rating.
CR57	If the North Place & Portland Street process is compromised by misunderstanding of the proposal or legal framework (OJEU) within which proposal has been developed then Councillors will not lend their support to the scheme.

Table 3: Risks that may or will not meet their original deadline for mitigating the risk

Risk number	Risk	Risk score
CR34 b	If the council does not have robust testing of its business continuity plans then there is a risk that they may not be effective	12
CR12	If members, senior managers, managers, supervisors, and employees are not aware of their obligations and responsibilities for health and safety (in relation to the public, customers, employees) and ensure that the necessary H&S arrangements are in place and adhered to, then the council could face prosecution (and/or personal injury claims) which would carry associated capacity, financial, and reputation risks.	12
CR20	If knowledge and skills about commissioning are not developed within the organization, there is a risk that services will not be commissioned or delivered in the right way which may impact on flexibility and/or costs.	9

4. Reasons for recommendations

- 4.1 The committee need to be satisfied that the council is taking appropriate action to mitigate its risks and reduce either the likelihood or impact of such risks on the council's ability to deliver on its outcomes and objectives.

5. Alternative options considered

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

6. Consultation and feedback

- 6.1 No consultation has been undertaken.

7. Performance management –monitoring and review

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- 7.1** Cabinet Members discuss risks with their respective directors at one to one meetings. The senior leadership team consider the risk register on a monthly basis, and challenge how risks are being managed and monitored.
- 7.2** The development of a risk management culture within the council over the last 2/3 years which involves both elected Members and officers has led to more risks being identified and improved management.
- 7.3** The current corporate risk register is within an Excel spreadsheet which is updated and saved each month but is lacking in functionality and flex ability. SLT have agreed that we should start to develop a more sophisticated system that is capable of recording Corporate, Divisional and Project risks with a wider range of reporting tools and access for users.
- 7.4** This new risk management system will provide reports similar to those presented on performance management and will record how risks are related to objectives within the Corporate Strategy.
- 7.5** The new system will be developed over the next 6 months with the new reports being ready for the June meeting. In the meantime there will be no further changes to the current format.
- 7.6** The development of the templates will consider how best to report how many risks had been accepted, closed, transferred or reduced.
- 7.7** A sample of the type of reports that can be produced are included within Appendix 3 and Members are asked to consider if they have any specific requests for additional information to be included beyond the current risk template format.

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Appendices	<ol style="list-style-type: none">1. CRR – ‘Dashboard’2. E&BI CRR3. Sample reports styles
Background information	

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Cheltenham Borough Council Corporate Risk Register Dashboard 2010 - 2011

09/01/2012 12:31

Risk scores updated following SLT monitoring meeting												
	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-11	September	October	November	December
Total number of Low Medium and High risks												
Risks scoring												
< than 7	4							1	1	No Review	3	4
> than 10 but < 16	22							24	24	No Review	20	21
> than 15 but < 25	6							5	7	No Review	7	5
Total number of open risks	32							30	32	0	30	30
Number of risks closed by SLT since 01/01/2011	28							21	21		25	27
Total number of risks on register	60							51	53	0	55	57

<p>August 2011 risks by score.</p> <p>5 risks by score. 24</p>	<p>Sept 2011. risks by score.</p> <p>7 risks by score. 24</p>	<p>Nov 2011. risks by score.</p> <p>7 risks by score. 20</p>	<p>December 2011 risks by score.</p> <p>5 risks by score. 21</p>
<p>August 2011 risks by score.</p> <p>5 risks by score. 24</p>	<p>Jan 2012. risks by score.</p> <p>6 risks by score. 22</p>	<p>Feb. 2012 risks by score.</p> <p>4 risks by score. 22</p>	<p>Feb. 2012 risks by score.</p> <p>4 risks by score. 22</p>

	Deadlines updated following monthly SLT monitoring meeting											
	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	August	September	October	November	December
Total number of risks on target to meet deadline by score												
Low Risks												
< than 7 on deadline	4							1	1	No Review	3	4
< than 7 may not meet deadline	0							0	0	No Review	0	0
< than 7 will not meet deadline	0							0	0	No Review	0	0
Medium risks												
> than 10 but < 16 will meet deadline	19							21	20	No Review	16	15
> than 10 but < 16 may not meet deadline	3							3	4	No Review	4	4
> than 10 but < 16 will not meet deadline	0							0	0	No Review	0	0
High risks												
> than 15 but < 25 will meet deadline.	6							5	7	No Review	7	5
< than 15 may not meet deadline	0							0	0	No Review	0	0
> than 15 but < 25 will not meet deadline.	0							0	0	No Review	0	0
Total number with deadline indicator	32							30	32	0	30	28

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row number	Cheltenham Borough Council Risk Register				Risk score			Managing risk			Mitigating action taken (if you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)	Date of current update		
	Risk Ref	Risk description	Risk owner	Date raised	Impact	Score	Likelihood	Control	Proposed Action	Deadline			On Target for deadline?	Responsible officer
1	CR63	If we fail to agree a county wide approach to implementing the Supporting People strategy then it would result in an inability to effectively manage the budget which would result in reduction of services and/or failure to provide appropriate and integrated housing related support services. This in turn could result in increased homelessness and a loss of support services of our community and may increase demand on homelessness budget.	Mike Redman	14/09/2011	4	4	16	Reduce >16 Red 7 to 15 Amber 3 to 6 Green	Influence implementation of strategy via consultation and partnership planning processes to secure robust programme of delivery that meets local and county wide needs	To be determined by SP Partnership Board	Green	Martin Stacey	To meet with partner organisations. Monthly meetings are now being held with Cheltenham Borough Homes to consider potential challenges and opportunities with regards to sheltered housing, plus alternative options. CBH are part of CALF - a Gloucestershire-wide group comprising a small number of social landlords, with a view to informing SP commissioning processes. GCC have delayed a report to their cabinet and are due to meet with CBH/CBC representatives in January to discuss transitional arrangements. Other relevant groups which have CBC representation are: SP Partnership Board SP Core Strategy Group SP Provider Fora Cheltenham Housing and Support Forum	29/12/2011
2	CR6b	If the Department of Transport are unable to support the traffic proposals which underpin the civic pride schemes, specifically the closure of Boots corner then our vision and outcomes will not be achieved, and this will impact on the council's reputation and the future economic position of the town. Certain schemes such as North Place and Brewery phase 2 can still happen by likely to be enhanced by Boots closure to through traffic. Other schemes such as Royal Well will not proceed as envisaged if closure not deliverable	Task Force Managing Director Jeremy Williamson	01/04/2010	4	4	16	Reduce Initial outputs paint a positive impact on the town centre but dis-benefits elsewhere.	Initial outputs paint a positive impact on the town centre but dis-benefits elsewhere.	June/July 2010	Green	Task Force Managing Director Jeremy Williamson	DC Research appointed to assist with economic evaluation aspect of LTF bid working with GCC/CBC and Gias City; draft report anticipated for 08/2/11. This will bolster letters of support being generated from local retailers/businesses by M.Quantock/J. Williamson. A meeting with Dept for Transport arranged for 15/2/11 where further advice to be sought over final shape for resubmitted bid.	28/11/2011
3	CR33	If the council does not keep the momentum going with regards to the JCS then the policy vacuum left by the abolition of the RSS and the resultant delay in projections and framework could result in inappropriate development.	CEX Andrew North	10/08/10	4	4	16	Reduce Agreement across Gloucestershire districts to work collaboratively on determining housing and employment projections by the end of the year.	Agreement across Gloucestershire districts to work collaboratively on determining housing and employment projections by the end of the year.	01/04/2013	Green	Spatial planning manager - Tracey Crews	3 JCS council agreed JCS - developing the preferred option. Formal 9 weeks public consultation began 13 December 2011. In considering the emerging JCS there continue to be differences of views between councils. tensions arising need to be managed. JCS Cross Boundary Programme Board has been alerted via JCS risk log. CBC member working group to be established in addition to JCS member steering group to address concerns raised by elected members in regards to engagement.	23/2/2011
4	CR64	If the proposed transaction between CBC and preferred bidder for North Place fails to occur as a result of market instability, inability to deliver price & quality of outputs agreed or failure to secure planning consent then CBC will be forced to abandon existing process and begin again.		31/10/2011	4	4	16	Reduce CBC need to maintain close liaison with preferred bidder to work through challenges as appropriate. However it is recognised that for some items such as global economic instability there is no mitigation possible.	Agreement across Gloucestershire districts to work collaboratively on determining housing and employment projections by the end of the year. Economic Housing Model received and analysis undertaken. Spammers for councilors to explain the projections. Decision to consult from all three councils and consultation underway.	31/03/2012	Green	Task Force Managing Director Jeremy Williamson	Positive negotiations continue between CBC and Augur Buchler. Now awaiting board level approval from housing and foodstore operator, at which point aim to issue OJEU award notice and once 10 day standstill period elapsed, exchange contracts.	28/11/2011
5	CR67	If GCC give notice within the next 3 months to terminate the existing agency agreement relating to the management of the on-street car parking management and enforcement function in March 2013 then CBC may be unable to offer or negotiate acceptable terms for the renewal of the agreement from that date. This will in turn lead to significant HR and financial implications which will need to be managed.	Mike Redman Director Built Environment	03/01/2012	4	4	16	Reduce Seek early advice and formal confirmation from GCC about their relations regarding service for commissioning. Ensure that existing service is fit for purpose and able to demonstrate efficient and holistic delivery in relation to alternative options. Prioritise review of outcomes from the service which support community plan objectives and seek to work in partnership with GCC in relation to service commissioning. Review potential impact on internal staffing and support costs and consider 'what if' scenarios.	Seek early advice and formal confirmation from GCC about their relations regarding service for commissioning. Ensure that existing service is fit for purpose and able to demonstrate efficient and holistic delivery in relation to alternative options. Prioritise review of outcomes from the service which support community plan objectives and seek to work in partnership with GCC in relation to service commissioning. Review potential impact on internal staffing and support costs and consider 'what if' scenarios.	30/12/2012	Green	Integrated transport and parking manager	SLT have requested that a briefing paper be produced detailing financial and other resource implications.	03/01/2012
6	CR45	If sites identified within former Civic pride programme do not generate sufficient net receipts then the wider aspirations e.g. public realm will not be deliverable	Jeremy Williamson	21 07 10	4	4	16	Reduce It may be possible to utilise receipts from other non Civic Pride sites e.g. Midwinters if necessary. Effective soft market testing suggests optimism over net receipts.	February 2012 - financial close on North Place	Green	Task Force Managing Director Jeremy Williamson	Augur Buchler approved by Cabinet as preferred bidder on 18/10/11. Next stage is final clarification on Development Agreement and sub-tenants/sub-sales board approvals with objective of securing an exchange of contracts ASAP. If achieved this will allow for a planning submission targeted for 01/02/12. In the meantime there are sufficient funds in the Civic Pride Reserve fund to undertake key works e.g. East Promenade upgrade and works to improve Grosvenor Terrace car park.	29/11/2011	
7	CR65	Resourcing - If availability of critical resources during the GO implementation and post implementation periods then officers involved in project may be unable to provide day to day delivery of service to their authority.	Director People & Change Amanda Atfield	19/04/2011	3	5	15	Reduce Mitigating actions - Project structure and reporting duties reviewed and will highlight key areas for Local GO implementation project due to commence July 2011 (GOKP).	Mitigating actions - Project structure and reporting duties reviewed and will highlight key areas for Local GO implementation project due to commence July 2011 (GOKP).	01/03/2012	Green	Director People Org Change Amanda Atfield	Additional HR admin support secured to release capacity of the teams - including super users, to commence in new year. Review of current HR needs and HR strategy completed and likely to be completed by end of February. "Smart client training" in February. Change management support in place for CBC's local implementation utilising capacity funding, with an agreed set of priorities to include work to identify £30k savings in retained organisation, as per BIG. "Outside ABW" processes have been mapped for HR and are almost completed for Finance. A communications and training and change plan is being finalised for CBC. Local implementation commenced, with project team to meet 2-weekly from January.	23/12/2011
8	CR41	If capacity to lead and manage the changes, at the same time as implementing major change (i.e. a new ERP system), is not secured then the benefits from commissioning and the ERP system will not be fully realized, and morale and motivation may be impacted adversely - affecting existing SLT, members and service managers	Chief Executive Andrew North	28 th October 2010	4	3	12	Reduce Quarterly review of capacity for major change programmes by SLT. Agree allocation of capacity funding. Ensure dialogue between project programme managers and resource managers via portfolio management process re resource requirements and supply.	Quarterly review of capacity for major change programmes by SLT. Agree allocation of capacity funding. Ensure dialogue between project programme managers and resource managers via portfolio management process re resource requirements and supply.	01/04/2012	Green	Dir People, OD & Change Amanda Atfield SLT	From a review of capacity for major programme, main pressure appeared to be within Finance, and additional resource has now been secured to commence fixed term contract in the new year and to end March 2012. A plan is in place to recruit additional resource. Reduced likelihood to 3 from 4. Emerging issue is around the impact on capacity when critical dates for pieces of work are brought forward (e.g. requiring change to deadlines and reports for cabinet). Forward plan items are being tracked. Funding bids for remaining £10k of the £30k capacity fund have been received by 31 December.	23/12/2011

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	Risk Ref	Risk description	Risk owner	Date raised	Impact	Score	Likelihood	Control	Proposed Action	Deadline		On Target for deadline?	Responsible officer	(if you are not going to meet the deadline explain why, what action is being taken to mitigate the risk and what new deadline you propose.)
9	CR35	If the current public service proposed budget cuts mean that the county council are unable to fund and provide officer resource for strategic infrastructure planning phase 3 then the JCS will not be supported by robust evidence which may lead to inappropriate development	CEX Andrew North	10/08/10	4	>16 Red 7 to 15 Amber 3 to 6 Green	3	Reduce	Appointment of a strategic infrastructure planner - paid for by 3 JCS LAs. Countywide working group set up to consider collaboration on CIL. County council focusing its attention on being an active participant in the Gloucestershire LEP planning process, but the Gloucestershire LEP has agreed to be a conduit for engagement with the business community on infrastructure to support business growth.	working group initial conclusions by Feb 2012	Green	Spatial planning manager - Tracey Crews	SIDP Phase 2 data available from the County to assist with infrastructure planning. CIPB - agreed to fund an in house infrastructure planner on a short-term contract. The approach to CIL is being considered on a Gloucestershire wide basis. Engagement with infrastructure providers relevant to JCS underway	23/12/2011
10	CR34b	If the council does not have robust testing of its business continuity plans then there is a risk that they may not be effective	Exec Graham Lewis	05/07/10	4	12	3	Reduce	Two storage area networks to be purchased for real time backups of ICT data, and purchase of additional UPS battery supply for the municipal offices. Full test with depot as stand by site to be tested	01/09/2011	Amber	ICT Infrastructure Manager Paul Woodcock	November: As part of the centre of excellence for the hosting and supporting the GO infrastructure ICT was required to conduct a DR exercises of GO live system in September. This was successfully completed and the live environment was available to all GO partners within the agreed target of 2 days. Work is underway to utilise this technology for CBC applications. SLT requested that HKS discuss progress re other key systems with PMV and review deadline. New contract paper is being drafted for SLT (end of Jan) to discuss CBC applications DR options and recommendation.	05/01/2012
11	CR12	If members, senior managers, managers, supervisors, and employees are not aware of their obligations and responsibilities for health and safety (in relation to the public, customers, employees) and ensure that the necessary H&S arrangements are in place and adhered to, then the council could face capacity, financial, and reputation risks.	Director Dev & Change Amanda Atfield	01/02/2010	4	12	3	Reduce	Introduction of health and safety audits inc. addressing issues in the internal audit action plan completed. Creation of a Health and Safety strategy - Development of a H&S action plan for 2010-11 to include awareness training for managers and supervisors during 2010-11 - completed. Roll out Harriet Risk Management software - decision made not to roll out.	01/03/2011 As per the audit considered by committee Mar 2012	Amber	HR Operations Manager Julie McCarthy	Recent HSE inspection at the Depot was positive, with a few minor issues to pick up. Health and Safety quarterly report (June-Sept 2011) was presented to the JCC on 24th November. More "near misses" and less actual accidents being recorded. Positive improvement in absence levels in Waste and Recycling, where level has reduced by 50% over same period last year. Questionnaire will be issued to employees in W&R to help inform a health and well being plan. Planning is underway re H&S support to the Local Authority Company.	22/12/2011
12	CR3	If the council is unable to come up with long term solutions which bridge the gap in the medium term financial strategy then it will find it increasingly difficult to prepare budgets year on year without making unplanned cuts in service provision	Director of Resources Mark Sheldon	26/01/2010	3	12	4	Reduce	Development of the BIG programme. Establishment of a cross party working group following the elections in May. Review budget scrutiny process. Review and rolled out revised budget consultation process. SLT presentation of new ideas to Cabinet leads.	01/09/2010	Green	Director of Resources Mark Sheldon	Monthly BIG meeting with the Cabinet lead and monthly reports to SLT (Operational Programme Board) on progress in delivering BIG initiatives for both current and future years supported by budget monitoring reports to Cabinet. The October budget monitoring report to Cabinet / BIG monitoring in October confirmed the structural budget shortfall in 2011/12 and which added to the budget gap for 2012/13. SLT responded to the in year shortfall in green waste bin sales by freezing supplies and services budgets for 3 months and by early recruitment decisions are robust. This supported by other one off savings initiated the current budget year. The interim budget has been published for consideration at Cabinet on 13/12/11 including the BIG initiatives for closing the 2012/13 funding gap.	30/11/2011
13	CR36	If changes to contractual allowances are made outside the collective bargaining process then there is a risk that industrial action, morale and motivation may be impacted.	Director People Org Dev & Change Amanda Atfield	30/09/2010	4	12	3	Reduce	Seek to consult and negotiate via collective bargaining process. Communicate reasons for change. Ensure follow collective consultation regulations and give required contractual notice.	End March 2012	Green	HR Manager Ophelia McCarthy	The revised approach to car allowances is a revision to policy which TUs have not agreed. CBC write to TUs to set out the approach. TUs have not agreed. But for SLT to proceed with the proposal. The approach to the draft of the new allowance proposal confirmed. Employees impacted have been briefed by their managers face to face w/c 5 12 2011, letters have gone out to individual employees. Intranet article published. FAQs to be published in the new year in response to individual questions that have come in to HR. Key risks remain around motivation and morale, potential for non-acceptance /non use of vehicle and corresponding impact on service delivery.	23/12/2011
14	CR40	If Partner organisations are not sufficiently "bought into" the commissioning process then there is a risk that the commissioning work will be done in isolation and potential savings and effective delivery of outcomes will be reduced.	Chief Executive Andrew North	28 th October 2010	4	12	3	Reduce	Effective engagement with the VCS forum, plus other partners through CSP and thematic partnerships. The objective of 'place based' project is to engage partners and create alignment. Ensure that joint funding is subject to use of proper commissioning disciplines.	Continuing to October 2012	Green	Strategy and Engagement Manager Richard Gibson	£.0K pa agreed to extend current grant agreement with GAYCA and additional provisions set out in new agreement. Revised partnership structures have been endorsed by cabinet on 18 October and preparations underway for launch of new structures in the new year. Market making work stream so far having limited success but to be considered further in the New Year.	23/12/2011
15	CR47	If the emerging car parking strategy is not properly articulated, then it is likely that any potential redevelopment could be misinterpreted and not favourably received.	MRJW	16 02 11	3	12	4	Reduce	Need to finalise car parking strategy through parking board. Develop a communications plan to thoroughly involve stakeholders as early as possible.	30/06/2012	Green	Owen Parry	Following on from the Cheltenham Parking Board ratifying the process for establishment of necessary working groups to engage with key stakeholders and other interested parties through the resident and on street parking consultations. This has started through the parking review. Current work is still continuing. This work is being undertaken at a level with support from the other key stakeholders such as disability representatives, resident associations, the cycle forum and other key stakeholders such as Gloucestershire constabulary etc. Work is ongoing with the Cheltenham development task force highways working group, to ensure an holistic approach is taken in developing the strategy as it relates to the proposed network changes to boots corner and north place redevelopment. This is being achieved through a series of parking demand management applications enabling data collection and modelling of demand together with the traffic modelling. GCC has informally advised of their intention to give notice to terminate the existing CPE agency agreement from 31 March 2013, formal notice has yet to be given but it is expected this will be tabled at the next parking	27/09/2011
16	CR59	If the council does not fully understand and plan for the impacts of new housing legislation and welfare reforms and their interdependencies then there is a risk to communities and to the MFS.	Director of Resources Mark Sheldon	17/06/2011	4	12	3	Reduce	the development of the HRA business plan and associated risks, member seminar, housing review working group Report to Cabinet 27.09.2011 Review report to cabinet 16.10.2011 HRA business plan report to be taken to cabinet	31/10/2011 18/10/2011	Green	Director of Commissioning Jane Griffiths	The proposals for HRA subsidy reform and the impact on the General Fund have now been published and built into the interim budget proposals for 2012/13. CFOs are working collectively to understand the financial implications of benefit and council tax changes and to develop a joint local scheme for council tax benefit reforms.	22/12/2011





row number	Cheltenham Borough Council Risk Register				Risk score			Managing risk			Mitigating action taken		Date of current last update	
	Risk Ref	Risk description	Risk owner	Date raised	Impact	Likelihood	Score	Control	Proposed Action	Deadline	On Target for deadline?	Responsible officer		(if you are not going to meet the deadline explain why, what action is being taken to mitigate the risk and what new deadline you propose.)
17	CR54	The proposed welfare reforms and parallel increases to affordable rents may lead to an increase in housing rent arrears across the social rented sector.	Director Commissioning - Jane Griffiths	04/04/2011	3	4	12	Reduce	Keep government proposals for reform under review. Housing working group to be established to understand the impacts and what further action can be taken to mitigate the risks. Current economic conditions are placing additional pressures on tenants and the Government's benefit reforms in 2013 will significantly increase this risk. CBH have requested additional resources to mitigate the impact through its financial inclusion policy. Through CBH management agreement we will be monitoring actions	31/03/2013	Green	Director Commissioning - Jane Griffiths	Housing strategy will be presented to cabinet in June 2012. The HRA business plan has made provision for the increase in rent arrears, and the draft budget includes provision for additional arrears officers. Positive Lives Partnership have also identified housing as a key risk.	29/12/2011
18	CR44	If GBC do not complete the PCI self assessment and identify all of the risk then there is a risk that there could be a breach in security and subsequent fines from the Information Commissioner	Director of Resources Mark Sheldon	23/02/2011	5	2	10	Reduce	Carry out self assessment to ensure compliance with PCI standard	31/03/2012	Green	ICT Infrastructure Manager Paul Woolcock	November: A workshop is planned for November with Service managers who deal with credit/debit card transactions to discuss the PCI compliance process and review which self assessment questionnaire to complete and discuss this can be moved forward. November: Workshop held with service managers who handle debit/credit card information. SAQ forms have been circulated and service managers have been asked to contact their suppliers regarding compliance and complete their information. Service risk registers to capture PCI compliance if applicable. December: PCI compliance workshop held with service managers and IT. Progress reports and feedback supplied correspondingly to the Infrastructure Manager. A meeting has been planned for the 12th January with an external consultant to give additional advice/guidelines.	03/01/2012
19	CR21	Art Gallery and Museum If the Art Gallery and Museum Development Trust fails to deliver the fundraising strategy, then the AG&M Development Scheme is at risk of failing to be delivered.	Director Wellbeing & Culture	01/06/2007	3	3	9	Reduce	A fundraising risk assessment has been incorporated into all funding/grant applications submitted to date. An updated fundraising assessment will be required as part of the Heritage Lottery Fund Stage 2 application.	01/10/12	Green	Museum Arts & Tourism Manager Jane Lyllystone	Whilst Council approved the decision to underwrite the project funding shortfall of £919,687 (subject to a successful HLF bid) this sum will be raised through further fundraising by the CAG&M Development Trust and the Friends to CAG&M. The Phase III fundraising strategy was launched on 25 May 2011 with the aim to have raised the £919k shortfall by the end of the build & construction stage of the project. (October 2012) prior to the commencement of fit out. Closure events took place on 25 May with key dates revised with reference to the launch of public & corporate fundraising campaigns. The public campaign will commence from the end of January 2012, and the corporate fundraising launch (which is being organised through the Development Trustees) will take place in Spring 2012. Overall project cost has now been revised down to £5.6m with £5.38m currently raised. Therefore there remains a fundraising shortfall of £220k. It is anticipated that this will be raised following through the above mentioned campaigns.	23/12/2011
20	CR20	If knowledge and skills about commissioning are not developed within the organization, there is a risk that services will not be commissioned or delivered in the right way which may impact on flexibility and/or costs.	Director People Org Dev & Change Amanda Allfield	25/02/2010	3	3	9	Reduce	Identify resource to deliver knowledge and skills needs (i.e. in house as external funding unlikely) Knowledge programme for relevant officers/members, skills for business, development programme, developed and delivered during 2011/12.	complete	Amber	HR Manager Learning and Dev. Development and Jan Bridges	Service Managers: Marketing workshops delivery commenced. REVISED deadline for delivery Dec 2011. Members: Discussed with Group leaders how to take these forward and alternative approaches for those who have not responded. REVISED deadline for delivery Dec 2011. Reduced likelihood from 4 to 3 = low.	22/12/2011
21	CR68	If the Local Authority Company (for environmental services) is not fully operational on the 1st April 2012 it could impact upon service delivery	Director Commissioning - Jane Griffiths	06/01/2012	3	3	9	Reduce	Ensure that Go programme aware of interdependencies Project Implementation Plan for LAC is regularly monitored through project team	01/04/2012	Green	Director of Operations Rob Bell	New Risk	06/01/2012
22	CR69	CBH are currently reviewing their management structure, which while ongoing could impact on motivation with the loss of staff expertise, leading to a reduction in service delivery	Director Commissioning - Jane Griffiths	07/01/2012	3	3	9	Reduce	CEX of CBH to support managers through coaching and 1-2-1. Service delivery to be discussed at regular performance meetings (UG)	01/04/2012	Green	Chief Executive CBH	New risk CEX and leader have met with Vice chair and Board	06/01/2012
23	CR13	If members, senior managers and employees do not recognise their obligations and responsibilities for equalities then there is a risk that we could be treating people unfairly and the council could face prosecution	Director Commissioning - Jane Griffiths	01/03/2010	3	3	9	Reduce	Ensure that the council complies with new duties set out in the Equality Act 2010	01/12/2011	Green	Strategy and Engagement Manager Richard Gibson	The Equality Act 2010 introduced new obligations on public bodies via the new Public Sector Equality Duty. To comply with this, we are preparing to publish statutory equality information, covering employees and service provision by 31 Jan 2012 and to set out our equality objectives by 6 April 2012	05/01/2012
24	CR55	If the council is not alert to new legislation with regard to fixed term tenancy arrangements and social rents then it may find that there are issues with people's ability to access social rented properties and the potential disruption to communities as people face fixed term tenancy arrangements.	Director Commissioning - Jane Griffiths	19th April	3	3	9	Reduce	Member working has been established to understand the implications. Tenancy strategy to be drafted for inclusion in the housing strategy to be considered by cabinet July 2012	30/07/2012	Green	Director Commissioning - Jane Griffiths	Housing Review group has met to consider implications. Issues report provided to Soc and Com. Committee who identified some specific areas they would wish to see addressed and officers are currently scoping format for housing strategy which will incorporate homelessness and tenancy strategies. Cabinet endorsed direction of housing review, housing strategy and HRA business plan at its meeting on 18 October. Tenancies have been discussed with housing forum and CBH	29/12/2011
25	CR58	If the Waste Project does not include impact assessments to the residual (client side) organisation then customer service and reputation could be put at risk	Exec Director Grahame Lewis	17/06/2011	3	3	9	Reduce	Develop a programme of work to support the establishment of the local authority company that includes impact assessments and meets agreed deadlines	31/03/2012	Green	Director of Commissioning Jane Griffiths	A project team has been established and is currently considering some of the identified impacts for the retained organisation. Work is ongoing in the development of the SLA for the new company. Work is ongoing with systems thinking to identify how the disaggregating of services will be delivered in the best way to ensure continuity for the public, as well as ongoing work looking at the way in which the customer and member interface will work. A number of issues have emerged which are being discussed in early January relating to fleet management, invoicing and contracts	29/12/2011

row number	Cheltenham Borough Council Risk Register				Risk score			Managing risk			Mitigating action taken		Date of current last update
	Risk Ref	Risk description	Risk owner	Date raised	Impact	Score	Control	Proposed Action	Deadline	On Target for deadline?	Responsible officer	(if you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)	
26	CR66	If members, senior managers, managers, supervisors, and employees are not fully aware of their obligations and responsibilities for Data Protection particularly in relation to the permitted and lawful disclosure of private and confidential information, then the council could face financial penalties and reputation risks.	Director of Resources	08/12/2011	4	2	Reduce to Go.	Complete Privacy Impact Assessment in relation to Go. Raise awareness of Data Protection and Information Security	31/12/2012	Green	Governance officer	Drafted intranet item to raise awareness. Contacted Go partners to start PIA. Onelegal Drafting Privacy protocol	08/12/2011
27	CR23	If resilience issues are not addressed in the Payroll service, the service quality for employees will be impacted, and may impact on partner relationship with CBH, possibly impacting funding stream from CBH, and there will not be sufficient resource to support necessary tasks regarding payroll (returns re Pension Scheme and statutory returns to inland Revenue) and ABW (GO) implementation.	Director People Org Dev & Change Amanda Atfield	01/04/2010	4	2	Reduce	Raise as GO Programme risk. Monitor situation. Seek and obtain required skill set and experience advertise role with partners. SWEMPLOYERS other networks. Seek Agency support via Comensura / temporary contract.	Revised headline set - end March 2012	Green	HR Operations Manager Julie McCarthy	Current temporary resource and team working well. In process of recruiting 20hrs additional temporary administrative resource to help manage the data migration and data cleansing needed for ERP implementation. Capacity funding bid for additional resource between Jan and April 2012 submitted (£7k). Still missing knowledge and experience to manage year end payroll processes. In particular to meet HMRC requirements. Currently working to resolve this, hence timescale revised to end March 12.	22/12/2011
28	CR29	If the council does not implement the actions identified in the climate change adaptation risk assessment there is a risk that resources will not be used to best effect which could impact on financial, environmental and service decisions and affect service delivery.	Director Commissioning - Jane Griffiths	06/05/2010	4	2	Reduce	A review of the climate change risk assessments and actions (both adaptation and mitigation) will be undertaken for all internal services to update them. Climate change adaptation and mitigation to be built into service specifications and contracts for services which are commissioned.	30/06/2012	Green	Business Transformation manager - Rachel Mickinnon	The service specification for built environment and the local authority company includes reference to the requirement to complete impact assessments on an annual basis.	29/12/2011
29	CR62	If the Waste Project between some of the GO partners has significant effects on the GO programme from both a Governance and operational perspective, delivery of the GO Programme may be adversely impacted.	Exec Director Pat Pratlley	10/05/2011	3	2	Reduce	Mitigating actions - Establish formal links between respective project officers and designate GO programme board representative as formal link from the GO project to the LAC project.	31/03/2012	Green	Executive director Pat Pratlley	Jenny Poole (Head of GO Shared Services designate) acts as formal link/liaison between the GO programme and the LAC programme. Risk is actively managed within the GO programme as part of the regular risk update. A set of fact finding tasks was initiated and a meeting arranged on 3rd May to progress the matter further - Update 12/5/11 Two meetings have been held to discuss the issues involved. Progress had been made, although challenges remained. Update 15/6/11 - Outline Business case has now been developed that has suitable funding to reduce risks to GO Programme UPDATE (28/6/11). Approval has been gained, but detail is still considered lacking Residual risk raised from 6 to 8 - UPDATE (19/10/11) LAC has been provided with list of required deliverables and a budget has been agreed and SPRINT II contract amendment placed to cover initial resources required. Residual risk reduced from 8 to 6. UPDATE 4.1.12 - LAC representatives on CBC and CDC GO Implementation team projects.	04/01/2012
30	CR27	Icelandic banks - financial exposure If a group claim against Glitir bank fails and the council is not recognised as 'priority depositor' the council's deposits would be re-classified as 'general unsecured creditors' resulting in a lower recovery rate and exposure to defendants costs.	Director of Resources Mark Sheldon	09/04/2010	4	1	Accept	Council commitment to join in group action with other councils to make case for priority depositor status. Capitalisation direction approved for £4.43m allows for write off of loss over 20 years.	01/12/2011	Green	Director of Resources Mark Sheldon	In April 2011, the Icelandic District Court judged that UK local authorities deposits be recognised as having priority status following the collapse of the failed Icelandic banks. This decision has been appealed and was upheld by the Icelandic supreme court on 29/10/11 for the test cases. The council is awaiting confirmation by the district court that the ruling will apply to non test cases of which the council is one. Likelihood score now reduced.	22/12/2011
31	CR28	Icelandic banks - financial exposure If the current status as priority deposits with Landsbanki bank is successfully challenged, the council's deposits would be re-classified as 'general unsecured creditors' resulting in a lower recovery rate and exposure to claimant costs and impact on the MTFPS over that already factored in through capitalisation of losses.	Director of Resources Mark Sheldon	09/04/2010	4	1	Accept	Council commitment to join in group action with other councils to defend current priority depositor status.	01/12/2011	Green	Director of Resources Mark Sheldon	In April 2011, the Icelandic District Court judged that UK local authorities deposits be recognised as having priority status over other creditors' claims and will be at the front of the queue when it comes to getting their money back following the collapse of the failed Icelandic banks. This decision has been appealed and was upheld by the Icelandic supreme court on 29/10/11 for the test cases. The council is awaiting confirmation by the district court that the ruling will apply to non test cases of which the council is one. Likelihood score now reduced.	22/12/2011
32	CR60	If the business plan for the new AGSM fails to be delivered this will impact on HLP bid and MTFPS.	Director of Wellbeing and culture	16/08/2011	2	2	reduce	Savings identified within the MTFPS 2011/12 are on target following completion of re-structure of the phase of re-organisation in September 2011, and negotiations regarding income generation activities.	20/12/2011	Green	Museum, Arts & Tourism Manager Jane Lillystone	Review of business plan submitted to HLF to provide further information regarding income generation within the areas of the café, retail and community arts space will be complete by July 2012. Procurement of catering services for the new AGSM will be complete by 23/12/11. The arrangements with Glos University & Glos Guild will be in place in January which will inform the revised business plan.	23/12/2011
33	CR65	If there is further / ongoing strike action following recent ballot of TU members (in protest against planned pension changes) service delivery - particularly impacting statutory services - is likely to be disrupted.	Director People Organisational Development and Change	08/12/2011			Close	Monitor situation	31/03/2012		HR Manager Operations Julie McCarthy	New Risk - but given the recent announcements re in principle agreement to pensions by local government, risk no longer anticipated. SLT agreed closure 31/12/2012	22/12/2011
34	CR62	If there is national strike action as a result of the proposed ballot of members as announced at the TUC conference (in protest against planned pension changes), service delivery - particularly impacting statutory services - is likely to be disrupted on Weds 30th November 2011 (the day announced for planned strike action, subject to ballot outcome).	Director of People, Organisational Development and Change	15/09/2011			Close	Monitor likelihood. Exec Board request to managers to communicate sensitively to employees, that as of 15th September no further leave is to be granted for 30th November 2011. Publish strike action guidance to managers. SLT and Cabinet lead kept informed. Post strike action lessons learned to be captured.	01/03/2012		HR Manager Julie McCarthy	CBC's two recognised trade unions took action - GMB/Unison. Manager guidance, employee letter provided, plus sign in posters and timesheets to record attendance for pay purposes. Exemptions agreed with Tus. Operational arrangements for reduced services/closed buildings in place in advance. Media release and public notices prepared. Local authority region etc re impacts. Around a third of CBC employees took action, overall of these employees was 20%. Staff were encouraged to take the day off. Staff were encouraged to take the day off. Negotiations at national level regarding pensions are understood to be underway again, aiming to conclude by end December, however the possibility of further strike action cannot be ruled out. THIS RISK CAN BE CLOSED - SEE NEW RISK RE POTENTIAL FOR ONGOING ACTION SLT 3/1/2012	08/12/2011
35	CR64	If there are challenges to the CBC decision making process as a result of the OJEU procurement process, cabinet decision making process or Government call-in then CBC will not be in a position to conclude the transaction.	Jeremy Williamson	31/10/2011			Close	CBC need to maintain close liaison with preferred bidder to work through challenges as appropriate. However it is recognised that for some items such as global economic instability there is no mitigation possible.	31/03/2012		Task Force Managing Director Jeremy Williamson	SLT agreed that this should be closed 6/12/2011	31/10/2012

row number	Cheltenham Borough Council Risk Register				Risk score			Managing risk			Mitigating action taken		Date of current last update	
	Risk Ref	Risk description	Risk owner	Date raised	Impact	Likelihood	Score	Control	Proposed Action	Deadline	On Target for deadline?	Responsible officer		(If you are not going to meet the deadline explain why, what action is being to mitigate the risk and what new deadline you propose.)
36	CR17	If members, senior managers and employees do not recognise their obligations and responsibilities for information management including data quality and information security then it could result in ill informed decisions, unreliable outcomes, ineffective use of resources and loss of assets, leading to a reduced public reputation and a lack of confidence from regulators	Director Commissioning - Jane Griffiths	01/02/2010	Impact		>16 Red 7 to 15 Amber 3 to 6 Green	Close	Annual data audit undertaken to identify classification of data Information strategy to be developed jointly with CBH	revised target date set - March 2012		Director of Resources Mark Sheldon	The information strategy, supporting policies and staff guidance have been redrafted by the officer working and will be signed off by SLT on 27/9/11 and presented to service managers in October 2011. The draft strategy was considered by E&BI on 19/9/11 and members received sound responses to issues and questions raised and the strategy was commended for its clarity. Appropriate support training will be organised for all staff through the annual assurance statement process linked to the production of the annual governance statement issued annually by the audit committee. SLT agreed Strategy IMG have an effective action plan for delivering improved information management policies. Review report will be brought back to SLT April 2012. Suggested that SLT close. Agreed	04/11/2011
37	CR48	If key employees are suddenly unavailable then service delivery will be severely compromised.	Chief Executive Andrew North	16 02 11			Close	SLT to agree a working definition of key role - along lines of "highly technical, specialist knowledge residing in a single individual, that could not be easily picked up or covered by others in the event of sudden loss of that individual, the work cannot wait (is time driven)". SLT to identify which roles in their areas were "key" that would cause a major service disruption (such as they were suddenly unavailable e.g. loss of the key person). SLT to determine actions that could cover the loss. SLT to determine actions to take in the event of a sudden loss of the key employee/s - this may vary according to the nature of the role/key employee/s. SLT to review findings of above actions.	Revised deadline set - end October 2011		Director People Org Dev & Change Amanda Atfield	Review completed, 14 key posts identified. Summary findings were circulated to SLT in October. A list of the key posts is held within HR and will be reviewed on a quarterly basis. Has this risk been reduced to the point where it can be closed? SLT agreed that risk should be closed	31/10/2011	
38	CR56	Due to financial constraints the GO Programme does not have a separate business change manager role, and if the necessary change both within the retained organisation and inside the shared service does not take place to the required level, savings may be compromised. This was logged as a risk in August 2010, however on 20th April 2011 the GO Programme Board took a decision to increase the risk rating.	Exec Director Pat Pringle	10/05/2011			Close	Mitigating actions - GO Programme Manager to maintain a close watching brief of business change tasks. Risk level raised as action was felt insufficient for the task. Other possible actions being considered. CBC to consider funding bid for business change capacity. CBC local GO implementation project (Project GORP) to commence July 2011. Further assessment of capacity requirements to take place as part of GORP.	01/09/2011		Director People Org Dev & Change Amanda Atfield	GO Shared Services Programme Change Manager commenced role mid Sept. Prior to the appointment the GO programme had commissioned an internal review of business change needs for the GO programme. As a result of that review it was agreed that a Change Manager be appointed. The Change Manager has now met with all the implementation team leads and process leads. The Change Manager leads the partnership change co-ordinators - a representative from each of the partnerships whose role is to engage and drive the individual business change needs at the partnership organisations. The Change Manager is currently working closely with implementation teams for Forest of Dean and West Oxonshire - these authorities go live in December 2011 and January 2012 respectively. Business Change is also a specific project with the GORP (Shared Services Implementation Project) a related project with the GORP. The Lead Officer for the project is the GO Finance Lead for West Oxonshire who is tasked with ensuring that the recommendations from the internal review are implemented.	31/10/2011	
39	CR57	If the North Place & Portland Street process is compromised by misunderstanding of the proposal or local framework (OLEU) which proposal has been developed then Councilors will not lend their support to the scheme.	ANJW	23 05 11			Close	Ensure effective communication of structures	Early July		ANJW	Identification of preferred bidder by Cabinet on 18/10/11 means this risk has fallen away. Suggested that SLT close (agreed)	20/09/2011	

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Example of format for new Risk Register

Risk Ref	Risk name:	Gross Impact	Gross Likelihood	Gross Score	Control:	Net Impact	Net Likelihood	Net Score	Risk Owner	Risk Manager	Timescale	Objectives
 C.01 - Failure to keep Business Continuity Plans (BCP) current and 'fit for purpose'	Failure to keep Business Continuity Plans (BCP) current and 'fit for purpose'	5	3	15	Introduction of consistent Business Continuity Plans throughout the organisation.	2	2	4 Comment = This field can hold some comments..... ...	Director of Finance and Resources	Financial Systems Manager	Thu-30-Sep-10	Maintain and develop continuous improvement in all aspects of the business
 C.02 - Pay and Workforce Strategy	Pay and Workforce Strategy	2	2	4	Training plan to be devised to ensure appropriate staff levels in specialist areas.	4	2	8		Head of HR	Wed-30-Apr-08	Continuous Improvement
 C.03 - ICT Risk	ICT Risk	2	2	4	Use of environmental scanning. Liaison path set up at national level.	3	2	6	Head of ICT	Information Systems Technology Manager	Wed-30-Apr-08	Continuous Improvement
 C.04 - Health and Safety	Health and Safety	2	2	4	Development and implementation of a Health & Safety Policy.				Manager	Corporate Health &	(not specified)	Health & Safety

A	C.05 - <u>Project Management</u>	<u>Project Management</u>	2	4	8	<u>effective training, established safe systems of work and procedures, a robust risk assessment process, effective auditing and review process to evaluate health and safety performance.</u>	2	2	4	<u>Manager</u>	<u>Head of Special Projects Finance</u>	<u>Safety Manager</u>	
R	C.06 - <u>Climate Change Implications</u>	<u>Climate Change Implications</u>	4	5	20	<u>Tackle climate change in partnership with the local community. Set out a strategy and action plan for tackling climate change.</u>	3	3	9	<u>Director of City Services</u>	<u>Sustainable City Coordinator</u>	<u>Wed-30-Apr-08</u>	<u>Continuous Improvement</u> <u>Regeneration</u> <u>Development</u>

CRM - SageMME
File Edit View Favorites Tools Help
CBC Risk System - Home Google Hitec WebMail MME NEW PM Demo - Home Windows Live Hotmail
Risk Management System - ... X
Log Out Manager Help Search

Risk Profile

Home Strategic Risks Operational Risks Objectives People Reports Administration Performance

	Strategic Risks	Current Risks	Outstanding	History	Risk Profile
5			C.06		
4	C.09	C.05	C.07 C.08	C.11	
3			C.14 C.15	C.01	
2		C.03 C.04	C.12		
1					

Impact
1 Very Low
2 Low
3 Medium
4 High
5 Very High

Likelihood
1 Remote
2 Unlikely
3 Possibly
4 Likely
5 Highly Likely

CRM - SageMME | Risk Management System - ... X

File Edit View Favorites Tools Help

CBC Risk System - Home | Google | Hitec WebMail | Jigsaw Business Contact D... | MME | NEW PM Demo - Home | Windows Live Hotmail

Log Out | Manager | Help | Search

Strategic Risks - Analysis

Home | Strategic Risks | Operational Risks | Objectives | People | Reports | Administration | Performance

Current Corporate Risks

- 5 Below Target
- 7 On Target
- 4 Above Target

Quarter	Value
01/09/10	25
02/09/10	23
03/09/10	19
04/09/10	18
01/10/11	17
02/10/11	16

Information/Discussion Paper

Economy and Business Improvement Overview and Scrutiny Committee - 23rd January 2012

GO SHARED SERVICES UPDATE

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

1. Why has this come to scrutiny?

At the meeting of Economy and Business Improvement O&S committee on 19th July 2011, a report was presented regarding the revised business case (version 6.0) and the proposed GO Shared Services implementation at Cheltenham. Members requested a progress update in January 2012. As a brief reminder, the GO Programme is a partnership of Cheltenham Borough Council, Cotswold District Council, Forest of Dean District Council, West Oxfordshire District Council. Cheltenham Borough Homes will also be part of the GO Programme under Cheltenham Borough Council's membership, and the Local Authority company will be taking its HR/Payroll and Finance/Procurement services from GO Shared Services under an SLA.

2. Summary of the Issue

2.1 The Programme's aim is to develop a shared service for Finance, Procurement, Human Resources and Payroll, based on the creation of a shared IT platform – ABW (Agresso Business World), in order to deliver savings for partner councils, improved resilience and improvements in service delivery.

2.2 The implementation costs of the GO Programme were set out in the business case approved by the GO partner councils in the autumn of 2010. Although the contingency funding within the business case is now anticipated to be fully utilised, overall the Programme costs remain in line with the approved budget of £1.4m, with planned net savings over a 10 year period to March 2021 of £3.8 million pounds. For CBC, the total investment of £442k results in planned cumulative savings over the same 10 year period of £1.78m. This will only happen if we get the processes right, the system configured properly and work together in true partnership.

2.3 Progress since July 2011

The following comprises a summary of progress to date:

- Programme Board meeting every 2 weeks
- Risks and issues logged, monitored and updated – key risk around capacity to deliver in extremely tight timescales

- High level structure agreed, management posts described and evaluated.
- Head of GO Shared Service “designate” appointed, to be in post from 1 04 2012.
- Heads of Finance, Head of HR “designate” appointed, to be in post from 1 04 2012.
- ABW (Agresso Business World) –“Gold” Client User Acceptance Tests
- ABW - cloned Clients, local User acceptance testing and interfaces tested
- Live Data Load & Conversion
- Change manager appointed for the Programme, together with change co-ordinators for each partner council
- “Navigating your way through change” sessions held
- Implementation projects live and progressing in Forest of Dean and West Oxford District Councils
- LA Company agreed, and agreement to take GO Shared Services
- Implementation projects commenced in Cheltenham Borough Council, Cotswold DC, CBH Ltd, and an LA Company implementation project commenced
- Partner Councils commenced agreement on required constitutional changes e.g. Financial Regulations
- Consultation on TUPE arrangements commenced and ongoing, including provision of FAQs. Have established cross partner Trade Union and Employee representative joint meetings to take place monthly from January 2012.
- Communication with employees and stakeholders - on going
- Agreement reached by partner councils to implement / use LMS system
- December 2011 / January 2012 Forest of Dean Go live with Agresso

2.4 For Cheltenham BC

- the implementation project is progressing, however all timelines are under consideration in light of the implementation at FoD taking longer than planned, and the consequential impact on process lead availability.
- project board in place and meeting every 2 weeks from January 2012
- financial rules (common across partners) changes approved, with contract procedure rules to be approved by council as part of the Constitution changes – by end March 2012
- key identified risks include capacity to deliver in required timeframes whilst maintaining focus on other major projects and business as usual - capacity funding of £7k approved by Executive Board for additional HR administrative support. Additional support identified and commenced in Finance.
- change co-ordinator resource has been identified and deployed

- Paul Jones appointed as one of the designate Heads of Finance GO Shared Services, Amanda Attfield appointed as designate Head of HR GO Shared Services. Appointments effective from 1 04 2012
- Decisions that have been made so far are to
 - move to a common pay date - agreed as 20th of each month. For CBC this will be in May 2012;
 - phased introduction of self-service for payroll elements at CBC from April through to September 2012.

3. Next Steps

- 3.1 Jan – April 2012 Agresso (ABW) system go-lives. Consultation on TUPE transfers.
- 3.2 January – March – s101 agreement, agreement re any constitutional changes in partner councils, development of draft service plan for GO Shared Service. GOPN project to progress governance arrangements with Strategic Programme Management Board e.g. S101 agreement and go live arrangements. Working with the ICT project (GOPC) to ensure ICT support infrastructure enables service delivery from go live and beyond.
- 3.3 April TUPE transfer takes place (77 affected in total, with 61 in the TUPE ringfence as follows:
- Cheltenham BC – 29 (25.85fte), Forest of Dean DC – 16 (12.48 fte), West Oxford DC – 14 (11.1fte). Cotswold DC have 18 affected employees, who are not transferring under TUPE
- 3.4 April – end September 2012 closer working under shared service management - consultation on arrangements for service delivery from October 2012 led by shared service management - this would include consultation on the impact of any revised delivery arrangements.
- 3.5 Accommodation and location - aiming to make best use of partners collective accommodation, for example services may cluster on one or more partner site depending on nature of service and accommodation available, proximity of employees, cost. Some services are not “fixed” location dependent, potential for more flexible mobile working e.g. advisory. No permanent location moves envisaged prior to October 2012.
- 3.6 Performance monitoring and reporting arrangements in place (Joint Monitoring and Liaison Group, Client Officer Group).
- 3.7 May – September – consultation on any revised delivery arrangements as required.
- 3.8 October 2012 - any revised service delivery arrangements commence, and savings begin to be delivered.
- 3.9 The Head of GO Shared Services will be accountable with the senior management team, working with the Client Officer Group, to the Joint Monitoring and Liaison Group (JMLG) for delivering the service plan and benefits set out in the business case.
- 3.10 Training and development will continue regarding the ABW system and new processes as per the GO Shared Services programme plan.

Contact Officer

Amanda Attfield, Director People, OD and
Change, 01242 264186,
amanda.attfield@cheltenham.gov.uk

Accountability

Colin Hay, Cabinet Lead Corporate Services

Cheltenham Borough Council

Cabinet – 13 December 2011

Budget Monitoring Report 2011/12 – position as at November 2011

Accountable member	Councillor John Webster, Cabinet Member for Finance and Community Development
Accountable officer	Paul Jones, Head of Financial Services
Accountable scrutiny committee	All
Ward(s) affected	All
Key Decision	Yes
Executive summary	To update Members on the Council's current financial position for 2011/12 based on the monitoring exercise at the end of November 2011. The report covers the Council's revenue, capital, treasury management and the housing revenue account. The report identifies any known significant variations (minimum £50,000) to the 2011/12 original budget and a position statement on major schemes.
Recommendations	<ol style="list-style-type: none"> 1. Note the contents of this report including the key projected variances to the original 2011/12 budget which have enabled the council to deliver a balanced revised budget. 2. The current freeze on spending against supplies and service expenditure budgets, where possible, is continued until further notice. This has been factored into the revised 2011/12 budget.

Financial implications	<p>As detailed throughout this report.</p> <p>Contact officer: Paul Jones, paul.jones@cheltenham.gov.uk, 01242 775154</p>
Legal implications	<p>None directly arising from the recommendations. The current legal position regarding Icelandic Banks is referred to in the report.</p> <p>Contact officer: Peter Lewis, Peter.Lewis@teWKesbury.gov.uk, 01684 272695</p>

<p>HR implications (including learning and organisational development)</p>	<p>Service Managers and the HR Advisors are continuing to work together to ensure vacancies are managed effectively. A request to recruit to a new or vacant post must be approved by the divisional Director. The decision to approve or reject the recruitment request is based on the business case outlining the impact on the service delivery and/or loss of income generation if the post were to remain unoccupied.</p> <p>Contact officer: Julie McCarthy , julie.mccarthy @cheltenham.gov.uk, 01242 264355</p>
<p>Key risks</p>	<p>As outlined in Appendix 1.</p>
<p>Corporate and community plan Implications</p>	<p>Key elements of the budget are aimed at delivering the corporate objectives within the Corporate Business Plan.</p>
<p>Environmental and climate change implications</p>	<p>None.</p>

1. Background

- 1.1 This report provides the third monitoring position statement for the financial year 2011/12. The purpose of this report is to notify members of any known significant variations to budgets for 2011/12 and highlight any key issues, allowing Members to take action if required. This report has been used to construct the revised budgets for 2011/12, included within the separate report on the interim budget proposals for 2012/13.
- 1.2 The previous budget monitoring report to the end of August 2011 projected an overspend for the year of £476,400. As a result of that projection, officers have been instructed to reduce spend on supplies and services to essentials for the remainder of the financial year.
- 1.3 It is therefore pleasing to report that these measures have enabled the council to address the potential in year budget deficit and deliver a balanced budget which does not require a contribution from general balances.

2. Net revenue position

- 2.1 The table below summarises the net impact of the variances identified on the overall 2011/12 revised budget position. A detailed explanation of budget variances in excess of £50,000 are provided in paragraphs 2.2 to 3.8.

Significant budget variances (> £10,000)	Overspend / (Underspend) £	para. ref:
Net reduction in employee costs	(224,950)	2.2 – 2.6
Net increase in service costs	101,150	2.7 – 2.10
Net increase in income	412,500	2.11– 2.25
Net saving in Minimum Revenue Position (MRP) / leasing	(364,100)	2.26 – 2.29
Net reduction in investment income	75,400	3.4 - 3.8
Total projected variance to original budget	-	

2.2 Employee costs 2011/12

There is a projected net saving in employee costs of £224,950 for 2011/12. This has been incorporated into the revised 2011/12 budget and includes the following variances to the original budget:

- 2.3 The 2011/12 original budget included a target of £480,000 from salary savings to be made throughout the council from vacant posts arising during the year. An assessment of vacant posts (i.e. staff turnover) in the first seven months of the year indicate that this budget saving is likely to be exceeded by £85,350 in 2011/12. This includes £69,600 anticipated savings to be generated in the remainder of the financial year.
- 2.4 There is a saving of £59,900 in respect of a budget allocation to fund the early retirement costs of a former employee made redundant in 2010/11 where a change to the pension rules meant this contribution to the superannuation fund was not required.
- 2.5 The Bridging the Gap programme savings identified from a restructure of the front-office service provided to Revenues and Benefits by Customer Services has been put in place from 1st April 2011, a year prior to the 2012/13 planned saving. As a result £51,400 of savings (net of decommissioning costs) has been delivered in 2011/12 and is built into revised budgets.

- 2.6** There is a forecast saving in employee costs at leisure@ of £28,300 as a result of restructures undertaken during the year within the operations team. These savings have been built into the revised budget and the 2012/13 base budget.
- 2.7 Net reduction in service costs / operational expenditure**
There is an expected net reduction in service expenditure of £101,150 for 2011/12. This has been incorporated into the revised 2011/12 budget and includes the following main variances to the original budget:
- 2.8 Fuel costs**
There is a projected increase in fuel related costs of £77,400 for 2011/12. This is primarily due to the Refuse Collection and Dry Recycling services which have experienced additional costs following the reorganisation of services in the Spring of 2011.
- 2.9 Utilities**
There is a net saving in gas and electricity budgets for 2011/12 of £55,100 as a result of a six month contract extension negotiated up to April 2012. The gas extension prices are around 13% cheaper than the existing contract and it is anticipated that optimum prices will be achievable when the contract is re-tendered in April 2012, maintaining savings in 2012/13.
- 2.10 NNDR**
There is an increase in NNDR budgets of £86,100 for the year due to the rateable values increasing mainly on Regent Arcade car park and the Crematorium. Consideration is being made to appeal against the rateable values set by the valuation office on some of the council's buildings and an update will be provided to members later on in the financial year if the appeals are successful.
- 2.11 Net reduction in income**
There is an expected net reduction in income of £412,500 for 2011/12. This has been incorporated into the revised 2011/12 budget and includes the main variations to the original budget:
- 2.12 Off-street Car Parking Income**
The current projections show that off-street parking revenue continues to fall, Cheltenham is not alone on this front, as national indicators show a general fall in local authority off-street parking and fine revenues. Prices were not increased in 2011/12 however, off-street car parking income has been further impacted by the introduction of new parking zones by Gloucestershire County Council. This has had an effect on customer choice as there is more opportunity to park closer to their destination using on-street spaces at a competitive rate.
- 2.13** The projected income position for off-street car parking for 2011/12 is a shortfall of £80,000, which equates to around 2.11% of the target. A corresponding shortfall in fine income is also being generated, with income projected to be £20,000 down against the original budget. This equates to around 30.7% of target demonstrating a marked drop in fine income. This reduction in income has been incorporated into the revised 2011/12 budget.
- 2.14 Cemetery & Crematorium income**
There is a projected shortfall in cemetery and crematorium income of £81,200 for 2011/12. This is due to a shortfall in cremation and burial numbers. Demographic statistics indicate that a decline in the mortality rate is resulting in reduced annual deaths per 1,000 population.

2.15 Planning Fee Income

This income stream was showing a positive variance of £50,000 at the end of October. On current trends, this could result in a full year income surplus of up to £80,000. This position is somewhat surprising in view of prevailing economic conditions and a downturn in the current trend cannot be ruled out.

2.16 Building Control fees

There is a projected shortfall in the building control income figures of £66,900 income figures for 2011/12. Limited growth and available finance has impacted significantly on the local construction industry. The overall result appears to be that although the same number of applications are received the income from those applications has reduced. Domestic works are generally smaller in size than they were two or three years ago.

2.17 A Planning application usually precedes a Building Regulation application and so the fact that income for the Planning team is currently quite good suggests that when money is more freely available there may be a return to more acceptable levels of income for the Building Control Service.

2.18 GCC schools contract income

There is a projected surplus in the Gloucestershire County Council schools contract of £47,100 for 2011/12. This is represented by additional income generated of £11,600, savings on employee costs of £15,500 (which are reported on globally in Table 2.1 above) and on savings on transport costs of £20,000 (see paragraph 2.26 below).

2.19 Recycling

There is a projected net over recovery of income on recycling activities of £158,800 in 2011/12. This is due to higher than anticipated tonnages processed and higher than anticipated recycle prices.

2.20 Garden Waste Scheme

It is anticipated that there could be a projected shortfall in income of £306,000 in 2011/12, which represents an anticipated sale of 11,500 Garden waste bins based on current sales data. However, a promotional campaign and operational reorganisation is underway to address this position. The anticipated savings on employee costs of £42,000 are incorporated in the global employee cost figure in Table 2.1 above. Savings on Transport costs of £78,000 are anticipated for 2011/12. The net over spend on this cost centre is therefore anticipated to be £186,000 at the year end. This has been incorporated into the revised 2011/12 budget.

2.21 Refuse collection – Trade Waste

There is a projected shortfall in income of £108,200 for 2011/12 due to a reduction in Trade Waste income which can be attributed to the current economic conditions. This has been incorporated into the revised 2011/12 budgets.

2.22 Town Hall and Pump Room income

There is a projected shortfall in net income at the Town Hall and Pump Rooms entertainments venues of £49,700 for the year due to the current economic climate. Local businesses that have previously booked the venues for away days, Annual General Meetings and Christmas parties are now looking at cheaper options or cancelling events now deemed inappropriate when making redundancies within their organisation. There is also a decline in weddings being held this year and a lack of private hire during the recession.

2.23 There is a projected increase of income of £10,000 in 2011/12 through the introduction of a transaction fee with the new box office system. The Entertainments team is currently undertaking work to increase future hall hire income through the promotion of the venues, a new wedding license for the Town Hall and enhanced facilities at the Pump Rooms.

- 2.24** Through prudent management of salaries and wages there is a projected underspend of £39,700 for employee costs which should reduce the shortfall in income targets. This has been used towards the achievement of the central budget for salary savings included in paragraph 2.3 above.
- 2.25** It is therefore anticipated that the overall Entertainments service will be in line with original budgets for 2011/12.
- 2.26 MRP / Leasing costs**
There is a one-off net saving of £364,100 in 2011/12 in respect of MRP and leasing costs, as follows:
- 2.27** The adoption of International Financial Reporting Standards (IFRS) necessitated the need to review all council leases to determine whether they should be classified as operational or finance leases. The review concluded that leases drawn for the purchase of vehicles and recycling bins are deemed to be finance leases and as such must be represented on the council's balance sheet as external borrowing.
- 2.28** As a consequence of the above, officers reviewed and compared the costs associated with leasing against prudential borrowing and concluded that whilst the gains from prudential borrowing were marginal in the early years, it gave the council more flexibility in terms of ownership. Council, at its meeting on the 11th February 2011, agreed to fund the replacement of vehicles and recycling bins through prudential borrowing where it was deemed appropriate.
- 2.29** The decision to fund the replacement of vehicles and recycling bins through prudential borrowing has resulted in a one-off saving of £364k in leasing costs. This is due to the accounting entries surrounding the financing of assets from prudential borrowing in so much that they equate to the depreciation charge levied on that asset. The depreciation policy for CBC is that newly acquired assets are depreciated from the year following that in which they are acquired. Consequently the financing costs via Minimum Revenue Provision (MRP) are also deferred by one year which results in a one-off saving.

3. Treasury Management

3.1 Icelandic

3.2 Recently the Icelandic Supreme Court has upheld the District Court decision that the test cases involving Local Authority deposits with Landsbanki and Glitnir banks as having priority creditor status. This means that local authority deposits will be at the front of the queue when the Winding Up Boards (WUB's) of the two banks start to make the repayments. Although we are still awaiting ratification from the court involving our case, it is expected that we will receive back 98% of the Landsbanki deposits and 100% of the Glitnir deposits.

3.3 The council to date has received 63p in the pound for deposits held with Kaupthing Singer & Friedlander. The administrators currently estimate that total distributions should be in the range of 79p to 86p in the pound.

3.4 Treasury Management

3.5 There is a predicted shortfall of interest of £75,400 to report on Treasury Management within the General Fund for 2011/12. The 2011/12 revised budget will now be adjusted to reflect these likely outcomes.

3.6 The cost of borrowing is expected to be £4,100 adverse to the original 2011/12 budget as the average rate on temporary borrowing to meet temporary cash flow is expected to be 0.40% against a forecast of 0.38% for the year.

- 3.7** Security of capital has remained the Council's main investment objective. Since the last report in August 2011 the council has suspended a number of UK banks from its lending list as banks have had their credit rating downgraded below the Council's minimum criteria of A+ or equivalent in October 2011. The Council's strategy is now to repay temporary debt with maturing investments. This will assist in keeping borrowing costs down but investment income is forecast to be £3,800 adverse to the Original 2011/12 budget.
- 3.8** The calculation for the HRA Item 8 Debit last February estimated the consolidated rate of interest to be 3.08% on all borrowing for this financial year. However due to the council's weighted average borrowing estimated to be lower than the Capital Financing Requirement (CFR), which is a measure of the authorities underlying need to borrow for capital purposes, a different formula is required to calculate the HRA Item 8 Debit than what was used previously. This has reduced the consolidated rate of interest to around 2.80%. This could result in £48,200 less interest being payable by the HRA to the General Fund for 2011/12. Also HRA revenue balances are expected to be higher than first estimated in February 2011 due to slippage in capital expenditure. This will result in a further £19,300 being paid to the HRA for investment income.

4. Capital expenditure

- 4.1** Significant variances to the 2011/12 original capital budgets are as reported in the previous budget monitoring report. Although it is likely that the timing of payments for the replacement of the cremators will see around £131k of the £655k budget paid at the beginning of 2012/13. These revisions are reflected in the revised capital programme for 2011/12 which is included within the separate report on the interim budget proposals for 2012/13.

5. Programme maintenance expenditure

- 5.1** All the work that has been planned for completion in 2011/12 remains as scheduled, except resurfacing work to the running track at the Prince of Wales Stadium which has been deferred to 2012/13. The revised programme maintenance budgets include some additional works that have been identified in year as required. These are included in the separate report on the interim budget proposals for 2012/13 and will be scrutinised by the Asset Management Working Group.

6. Housing Revenue Account (HRA)

- 6.1** The HRA budget for 2011/12, approved in February 2011, estimated a deficit of £1,092,300 for the year resulting in a balance of £1,896,700 to be carried forward in revenue reserves at 31st March 2012.
- 6.2** The outturn position for 2010/11 showed an increase in all reserves at 31st March 2011 of £965,300 primarily resulting from delays to projects within the capital programme.
- 6.3** Variations identified in the year to date are:-

Changes to the calculation of interest payable by the HRA will reduce the charge in 2011/12 by £48,200 compared to the original estimate. In addition higher revenue balances held in the HRA will increase interest receivable by £19,300.

Revenue contributions to capital expenditure will reduce by £120,100 to £1,467,000 following changes to the capital programme detailed below.

These variations will reduce the deficit for the year to £904,700 and increase revenue reserves held at 31st March 2012 to £2,768,500.

HRA Capital Programme

- 6.4 Following slippage in 2010/11 budgets for the transformational improvements in St Pauls and neighbourhood works at Scott and Edward Wilson House were transferred to the current year (total £772,000)
- 6.5 The transformational improvements are now expected to complete in the early part of 2012/13 with £290,000 being transferred to next year. The neighbourhood works scheme at Hobart House will also transfer to 2012/13 to allow time for a more effective procurement process.
- 6.6 These changes will produce a net increase of £161,000 in 2011/12 expenditure giving a revised net total of £4,989,000 (original estimate £4,828,000).

7. Council tax and Business rates collection

- 7.1 The monitoring report for the collection of council tax and business rates (NNDR) income is shown in Appendix 2. This shows the position at the end of October 2011 and the projected outturn for 2011/12.

8. Sundry debt collection

- 8.1 In preparation for the GO shared service and the implementation of the council's new financial management system, additional resource within the Debtors function has been utilised to review the council's outstanding debt. A fresh emphasis has been placed on debt recovery and new procedures have been put in place that allow for more active monitoring of debts and closer communication with debtors and service departments.
- 8.2 The impact of these changes has seen the % of current year invoices outstanding over one month drop from 12% at the end of August 2011 to 3.7% at the end of October. It is hoped this level of recovery will continue, if not be improved upon. The team have been retargeting their efforts over the last two months to reduce the level of outstanding "old" year debt. Their efforts have resulted in 12% of outstanding invoices being paid, which equates to 35% of the total value of 2010/11 debts outstanding at 31st August 2011.
- 8.3 The team has an aspiration to only migrate onto the new financial management system "good" collectable debts, and so extra effort is being made to "tidy up" the debts outstanding in preparation for this transfer.

9. Conclusion

- 9.1 The net effect on the general fund of the variances reported above is neutral and it is encouraging to report that the immediate response to the last monitoring report by Cabinet and SLT and the actions put in place result in the council still being on track to deliver services within budget.
- 9.2 The continued impact of the economic recession and the uncertainty in the banking system present particular concerns for the council's budgets. It is clearly important to ensure that budgets continue to be monitored over the coming months with a view to taking action at a future date, if necessary, in order to ensure that the council delivers services within budget.

10. Consultation

10.1 The work undertaken to produce this report has involved consultation with a wide number of services and cost centre managers.

Report author	Contact officer: Sarah Didcote, Group Accountant sarah.didcote@cheltenham.gov.uk, 01242 264125
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Council Tax and NNDR collection 3. Sundry Debt collection
Background information	<ol style="list-style-type: none"> 1. Section 25 Report – Council 8th February 2011 2. Final Budget Proposals for 2011/12 – Council 8th February 2011 3. Budget Monitoring Report to August 2011 – Cabinet 18th October 2011

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.	Unable to take corrective action in respect of reduced income streams.	Cabinet	June 2010	3	6	18	Reduce	In preparing the revised budget for 2011/12, SLT to consider the options for offsetting reduced income streams by analysing and reducing the level of expenditure across the Council.	December 2011	SLT	Corporate Risk Register
2.	Requirement to fund projected overspend from General Balances would result in General Balances falling below the minimum range of £1.5m to £2m set by the Chief Finance Officer.	Cabinet	June 2010	3	2	6	Reduce	In preparing the revised budget for 2011/12 a balanced budget has been delivered, which does not require a contribution from general balances.	December 2011	Chief Finance Officer	Corporate Risk Register

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

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Council Tax and Business Rates Collection Rates 2011 - 2012

Business Rates 2011/2012

Current Year Charges - 2011/2012			
Period	% Collected As at 31.10.11	October 2011 Target As at 31.10.11	2011/2012 Target As at 31.03.12
	73.14%	73.00%	98.80%
Comparison with 2010/2011	As at 31.10.10		% Collected 31.03.11
	72.98%		98.71%
			Revised 2011/2012 Target As at 31.03.12
			N/A
			Top Quartile
			N/A

The current year collection rate is higher than the target for the end of October and higher than at the same time last year. This is a good achievement in the current economic climate and although the position can fluctuate through the year we are optimistic that we can achieve the year end target of 98.80%

Previous Years Charges Outstanding in Current Year (2011/2012)

Period	Previous Year Debts Outstanding As at 31.10.11	October 2011 Target As at 31.10.11	2011/2012 Target As at 31.03.12
	£381,087	£410,000	£260,000
Comparison with 2010/2011	As at 31.10.10		Amount o/s 31.03.11
	£439,402		£282,559
			Revised 2011/2012 Target As at 31.03.12
			N/A
			Top Quartile
			N/A

The arrears outstanding are less than the target and less than at the same time last year. We are monitoring the position closely and working with any businesses having difficulty in paying but at the moment we are optimistic that we can achieve the year end target of £260,000.

Council Tax 2011/2012

Current Year Charges - 2011/2012			
Period	% Collected As at 31.10.11	October 2011 Target As at 31.10.11	2011/2012 Target As at 31.03.12
	67.19%	67.15%	98.21%
Comparison with 2010/2010	As at 31.10.10		% Collected 31.03.11
	67.12%		98.19%
			Revised 2011/2012 Target As at 31.03.12
			N/A
			Top Quartile
			N/A

The current year collection rate is slightly higher than the target and higher than at the same time last year. This is a good achievement in the current economic climate. We are continuing to monitor collection levels and are working closely with tax payers having difficulty in paying but we are optimistic that we will achieve our year end target which is 98.21%

Previous Years Charges Outstanding in Current Year (2011/2012)

Period	Previous Year Debts Outstanding As at 31.10.11	October 2011 Target As at 31.10.11	2011/2012 Target As at 31.03.12
	£1,078,772	£1,050,000	£755,000
Comparison with 2010/2010	As at 31.10.10		Amount o/s 31.03.11
	£1,028,959		£751,099
			Revised 2011/2012 Target As at 31.03.12
			N/A
			Top Quartile
			N/A

The arrears are slightly higher than the target and also higher than at the same time last year. Again, we are monitoring the position closely and are working with council tax payers who are struggling to pay, but at the moment remain optimistic that we can achieve the year end target of £755,000.

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Sundry Debtor Invoices Outstanding 2011-12

APPENDIX 3

Sundry Debt 2011/12

Current Year Invoices - 2011/2012									
	Current Year Invoices Raised		Current Year Invoices Outstanding		Invoices outstanding more than a month (Exc Instalment Invoices)	% of invoices outstanding more than one month	Target	Comments	
Period	As at 31.10.11	As at 31.10.11	As at 31.10.11	As at 31.10.11	As at 31.10.11	As at 31.10.11	As at 31.10.11		
General Fund Invoices	5,937	£5,847,257	1,777	£1,494,805	65	£130,389	3.7%	Less than 15%	Performance has improved from 12% at the end of August 2011.
HRA Invoices	1,272	£275,898	439	£134,270	301	£95,213	68.5%	Less than 50%	Work is ongoing to try to reduce the number of invoices outstanding for more than one month.

Previous Year Invoices Outstanding in 2011/12				
	Previous Year Invoices Outstanding	October 2011 Target	2011/2012 Yearend Target	Comments
Period	As at 31.10.11	As at 31.10.11	As at 31.10.11	
General Fund Invoices	171	£163,195	£200,000	The team are on track to achieve the year end target.
HRA Invoices	1,052	£272,938	£250,000	Additional work is needed to target o/s old year debts within the HRA.

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Cheltenham Borough Council

Cabinet – 13th December 2011

General Fund Revenue and Capital - Revised Budget 2011/12 and Interim Budget Proposals 2012/13 for Consultation

Accountable member	Cabinet Member for Community Development and Finance, John Webster
Accountable officer	Director of Resources (Section 151 Officer), Mark Sheldon
Accountable scrutiny committee	All scrutiny committees
Ward(s) affected	All
Key Decision	Yes
Executive summary	This report summarises the revised budget for 2011/12 and the Cabinet’s interim budget proposals for 2012/13 for consultation.
Recommendations	<ol style="list-style-type: none"> 1. Note the revised budget for 2011/12. 2. Approve the interim budget proposals for consultation including a proposed council tax for the services provided by Cheltenham Borough Council of £187.12 for the year 2012/13 (a 0% increase based on a Band D property). 3. Approve the growth proposals, including one off initiatives at Appendix 3 and use of New Homes Bonus as indicated in paragraph 5.3. 4. Approve the proposed capital programme at Appendix 6, as outlined in Section 9. 5. Delegate authority to the Director Resources, in consultation with the Cabinet Member for Community Development and Finance, to determine and approve any additional material that may be needed to support the presentation of the interim budget proposals for consultation. 6. Seek consultation responses by 14th January 2012.
Financial implications	<p>As contained in the report and appendices.</p> <p>Contact officer: Mark Sheldon.</p> <p>E-mail: mark.sheldon@cheltenham.gov.uk</p> <p>Tel no: 01242 264123</p>

Legal implications	<p>As this report proposes an interim budget for consultation purposes, there are no specific legal implications at this stage.</p> <p>Contact officer: Peter Lewis</p> <p>E-mail: peter.lewis@teWKesbury.gov.uk</p> <p>Tel no: 01684 272012</p>
HR implications (including learning and organisational development)	<p>In the spirit of building on our positive industrial relations environment, the recognised trade unions received a budget briefing at a Joint Consultative Committee on 24 November 2011. The interim budget proposals (Appendix 4) details the savings generated from a number of restructures that have already taken place this year. Dialogue with the recognised trade unions will continue in order to ensure that the potential impact on employees are kept to a minimum and in doing so help to avoid the need for any compulsory redundancies. The Council's policies on managing change and consultation regarding any redundancies will be followed.</p> <p>On going, it is important that capacity is carefully monitored and managed in respect of any reductions on FTE and reduced income streams.</p> <p>Contact officer: Julie McCarthy</p> <p>E-mail: julie.mccarthy@cheltenham.gov.uk</p> <p>Tel no: 01242 264355</p>
Key risks	As outlined in Appendix 1
Corporate and community plan Implications	The aim of the interim budget proposals is to direct resources towards the key priorities identified in the Council's Corporate Business Plan whilst recognising the reduction in government funding.
Environmental and climate change implications	The draft budget contains a number of proposals for improving the local environment, as set out in this report.

1. Background

- 1.1 In accordance with the Council's Budget and Policy Framework Rules, which is part of the Council's constitution, the Cabinet is required to prepare interim budget proposals for the financial year ahead and consult on its proposals for no less than four weeks prior to finalising recommendations for the Council to consider in February 2012. This report sets out the interim proposals for 2012/13.

2. 2011/12 Revised Budget

- 2.1 The budget monitoring report to the end of August 2011, considered by Cabinet on 18th October 2011, identified a potential projected overspend of £476k for the current year, 2011/12. In response, the Senior Leadership Team implemented a freeze on all unspent supplies and services budgets which included leasing costs for the purchase of new vehicles and equipment. As a result of the action taken, the revised budget for 2011/12, which includes projected savings in employee related and supplies and services budgets, is now projected to have managed the projected overspend to zero.

3. Finance Settlement

- 3.1 The Government's comprehensive spending review (CSR10) in 2010 determined the level of funding for the whole of the public sector for the period 2011/12 to 2012/13. The following table summarises the updated headline figures for the level of Government support to the Council released on 7th February 2011.

	2010/11 £m	2011/12 £m	2011/12 £m adjusted	2012/13 £m
Revenue Support Grant	1.118	1.440	1.440	
Cheltenham's share of Redistributed Business Rates	7.701	4.658	4.658	
Formula Grant	8.819	6.098	6.098	5.518
less formula grant adjustment e.g. concessionary fares	(1.631)	-	(0.046)	
Adjusted formula grant	7.188	6.098	6.052	5.518
Actual cash (decrease) over previous year		(1.090)		(0.534)
% cash cut		(15.16%)		(8.82%)

- 3.2 In the coalition Government's comprehensive spending review in October 2010, the Chancellor of the Exchequer announced that councils would receive a cut in government support of 7.1% in each of the next 4 years, a total of 28.4%. This was broadly in line with the assumptions for a reduction in government support modelled in the council's Medium Term Financial Strategy (MTFS) although the council anticipated some front loading and planned for a 10.7% cut in 2011/12.
- 3.3 The actual settlement was very different. The council received a cash reduction in government

support (revenue support grant plus share of redistributed non domestic rates) of £1.090m, a cut of 15.16% in 2011/12 followed by a further projected cash cut of £534k (8.82%) in 2012/13. Cumulatively, this equates to a 23.23% cut over 2 years. Funding levels for the following 2 years i.e. 2014/15 and 2015/16, have yet to be announced but it is likely that they will continue to impact on the council's finances detrimentally.

4. The Cabinet's general approach to the 2012/13 budget

- 4.1** The Cabinet's budget strategy for 2012/13, approved at a meeting on 18th October 2011, included an estimate of £824k for the 2012/13 budget gap i.e. the financial gap between what the Council needs to spend to maintain services (including pay and price inflation) and the funding available assuming a 9.57% cut in government support. A technical change to the provisional 2012/13 settlement was made on 7th February 2011, which provided an additional £45k in government support which represents a revised cash reduction of 8.82%.
- 4.2** The final assessment of the budget gap for 2012/13, based on the detailed budget preparation undertaken over recent months and the provisional financial settlement is £972k which takes into account, structural shortfalls within the 2011/12 base budget such as car parking income and green waste sales.
- 4.3** In November 2011, the Chancellor of the Exchequer announced that the Government intends to make funding available to help councils freeze their council tax in 2012/13. Unlike for 2011/12, the council tax freeze grant for 2012/13 will involve a single one-off payment and this will not be built into the baseline (i.e. no further grant payments will be made over the Spending Review period). Whilst the Cabinet are proposing to take up the Governments offer to freeze council tax at 2011/12 levels it recognises that this will put additional pressure on the 2013/14 budget as this decision will add circa £200k to the funding gap.
- 4.4** In preparing the interim budget proposals, the Cabinet and officers have made the following assumptions:
- Prepared a standstill budget projection under a general philosophy of no growth in levels of service with the exception of Taxi Marshall's, tree maintenance and license costs for 'Huddle', costing £44k annually, which have now been built into the base budget. The Taxi Marshall's service had previously been funded from the Licensing Equalisation Reserve which is no longer sustainable.
 - Provided for inflation for contractual, statutory, and health and safety purposes at an appropriate inflation rate where proven.
 - Not budgeted for pay inflation for 2012/13.
 - Increased income budgets based on an average increase in fees and charges of 2.5% with the exception of property rents which have not been inflated but are now set in line with rent projections based on property leases. The Cabinet intend to freeze car park charges and hire charges for its entertainment's venues at current year's levels which have been shown as growth within the interim budget proposals.
 - Assessed the impact of prevailing interest rates on the investment portfolio, the position in respect of Icelandic banks and the impact of HRA self-financing, the implications of which have been considered by the Treasury Management Panel.
 - Allowed for a council tax freeze, in line with the coalition Government's request, on the basis that it will be funded through a specific grant for one year only.

4.5 The key aims in developing the approach to the budget were to:

- Protect frontline services, as far as possible
- Continue to develop longer term plans for efficiencies over the period of the MTFS including increasing emphasis on shared services and commissioning services.

4.6 Once again, there has been considerable activity during the course of the year to develop this longer term strategy for closing the funding gap. The Cabinet have worked with officers to develop the 'Bridging the Gap (BtG)' programme using the BtG group supported by the Senior Leadership team. The Cabinet's interim budget proposals for closing the budget gap in 2012/13, the result of this work, are detailed in Appendix 4, split into:

- Decisions already made by council and therefore built into the base budget, totalling £254k.
- Proposals yet to be agreed by council which are not built into the base budget, totalling £862k which includes a contribution from New Homes Bonus (NHB) of £250k.

4.7 The Cabinet and SLT have been anticipating having to make significant savings and have been actively managing vacancies and staffing levels in order to minimise the impact of service reviews, system's thinking and savings initiatives and cuts. As a result, the reduction in staffing numbers (4.9 full time equivalents) outlined in the budget proposals have been achieved at minimal cost to the taxpayer.

5. Service growth

5.1 The Cabinet's initial approach was that, given the difficult financial situation, there should be no growth in services which has an impact on revenue expenditure except where there is a statutory requirement or a compelling business case for an 'invest to save' scheme. The growth identified in the budget proposals supported by Cabinet meets these criteria and reflect the need to invest in business processes, infrastructure and schemes which support the BtG programme.

5.2 The New Homes Bonus (NHB) scheme was designed to address the disincentive within the local government finance system for local areas to welcome growth. The scheme is designed to provide local authorities with the means to mitigate the strain the increased population causes whilst promoting a more positive attitude to growth and creating an environment in which new housing is more readily accepted. Whilst funding is not ring-fenced for a specific purpose, it is designed to allow the 'benefits of growth to be returned to local communities'.

5.3 An assessment of projected allocations for NHB based on housing commitments to 2022/23 allows for £250k to be built into the 2012/13 base budget which is sustainable over the period of the MTFS. This leaves a further £324k allocation of NHB in 2012/13 which the Cabinet aspires to fund the following one-off investment and an aspiration to take a similar approach in future years.

- A further £50k towards addressing youth work issues that the County can no longer fund in the way that it traditionally did.
- £142k for small environmental works to tackle environmental issues costing up to a maximum of £15k.
- £142k towards a Promoting Cheltenham fund to support events, projects and initiatives that will stimulate economic and business growth in Cheltenham.

5.4 The full list of proposals for growth, including one off initiatives, is included in Appendix 3.

6. Treasury Management

- 6.1** Appendix 2 summarises the budget estimates for interest and investment income activity taking into account the following changes, considered by the Treasury Management Panel, at its meeting on 21st November 2011.
- 6.2** Security of capital remains the Council's main investment objective. The solvency issues surrounding Europe in addition to the downgrades of some UK banks has meant the Council has scaled back its lending list, and will start to repay temporary debt with maturing investments rather than re-invest. For 2012/13 interest payable will reduce by £10,600 and interest receivable will reduce by £127,400. Interest rates are expected to remain at low levels for the foreseeable future. Interest payable to the HRA for reserves and balances held within the Council's overall balances will reduce by £32,500.
- 6.3** The government are going ahead with changes which will have a major impact on the way the Housing Revenue Account (HRA) is financed from April 2012. One of the changes is the methodology for splitting the current loans the council has and charging the coupon rate of a loan instead of a weighted average rate to the HRA loans. This has resulted in an additional £232,200 of borrowing costs being transferred to the HRA.
- 6.4** As a result, the net impact on the 2012/13 budget is an increase in net treasury income of £147,900.
- 6.5** The council has been actively pursuing the deposits from the three Icelandic owned banks, Glitnir, Landsbanki and Kaupthing Singer and Friedlander (KSF). Recently the Icelandic Supreme Court upheld the District Court decision that the test cases involving Local Authority deposits with Landsbanki and Glitnir banks as having priority creditor status. This means that local authority deposits will be at the front of the queue in getting the deposits back. Although the council is awaiting ratification of the court decision on non-test cases, it is expected that the council will receive back 98% of the Landsbanki deposits and 100% of the Glitnir deposits. So far 63p in the pound has been received from KSF and future total distributions should be in the range of 79p to 86p in the pound.
- 6.6** This has enabled the council to reduce its Minimum Revenue Provision (MRP), as an element of the capital direction received in 2009 is no longer required, which will save the council £155,000. This has been built into the base budget projection for 2012/13.

7. Medium Term Financial Strategy (MTFS)

- 7.1** The MTFS identified a funding gap for the period 2012/13 – 2016/17 of £2.5m. The MTFS projection will be reassessed to include the latest view of financial implications of more recent developments including any information in respect of future funding levels for the Cabinet's final budget proposals in February 2012.

8. Reserves

- 8.1** Further work on reserves will be undertaken prior to the presentation of the final budget in February 2012, including the Civic Pride, ICT and Property Maintenance reserves.

9. Capital Programme

- 9.1** The proposed capital programme for the period 2012/13 to 2016/17 is at Appendix 6.

- 9.2 The programme includes provisional sums for infrastructure investment to be funded from the Civic Pride reserve. The council may well be concluding the sale of the Midwinter site, North Place and Portland Street car parks during 2012/13. A shopping list of infrastructure investment across the town is being developed for approval.

10. Property Maintenance Programmes

- 10.1 The budget proposals include a proposal to defer the increase in annual contribution of £200k to the planned maintenance reserve by a further year, in response to the severe settlement position. In line with the budget working group's suggestions to Cabinet, the planned maintenance programme will be reviewed by the Asset Management Working Group prior to the final budget preparation in February 2012.

11. Reasons for recommendations

- 11.1 As outlined in the report.

12. Alternative options considered

- 12.1 The Cabinet have considered many alternatives in arriving at the interim budget proposals. Opposition groups will be able to suggest alternative budget proposals for consideration by council in February 2012.

13. Consultation and feedback

- 13.1 The formal budget consultation on the detailed interim budget proposals will be over the period **14th December 2011 to 13th January 2012**. The Cabinet will seek to ensure that the opportunity to have input into the budget consultation process is publicised to the widest possible audience. During the consultation period, interested parties including businesses, tenants, residents, staff and trade unions will be encouraged to comment on the initial budget proposals. They will be asked to identify, as far as possible, how alternative proposals complement the Council's Business Plan and Community Plan and how they can be financed. The Overview and Scrutiny Committees will be invited to review the interim budget proposals in the meetings scheduled for January 2012 and any comments will be fed back to the Cabinet.
- 13.2 Whilst the Cabinet will be as flexible as possible, it is unlikely that any comments received after the consultation period can be properly assessed to consider their full implications and to be built into the budget. Accordingly, if alternative budget proposals are to come forward, this should happen as early as possible.
- 13.3 All comments relating to the initial budget proposals should be returned to the Head of Financial Services by the end of the consultation period for consideration by the Cabinet in preparing their final budget proposals. Consultation questionnaires will be available in key locations and for completion on line via the council's website. Comments can be e-mailed to moneymatters@cheltenham.gov.uk.

14. Performance management – monitoring and review

- 14.1 The scale of budget cuts will require significant work to deliver within the agreed timescales and there is a danger that it diverts management time from delivery of services to delivery of cuts. There are regular progress meetings to monitor the delivery of savings and this will need to be

matched with performance against the corporate strategy action plan to ensure that resources are used to best effect and prioritised.

- 14.2** The delivery of the savings workstreams included in the interim budget proposals, if approved by full council will be monitored via the BtG group.

Report author	<p>Paul Jones, Head of Financial Services</p> <p>Tel. 01242 775154;</p> <p><i>e-mail address paul.jones@cheltenham.gov.uk</i></p>
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Summary net budget requirement 3. Growth 4. Savings / additional income 5. Projection of reserves 6. Capital programme
Background information	<ol style="list-style-type: none"> 1. Provisional Finance settlement 2012/13 2. MTFS 2011/12 – 2016/17

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
1.01	If the council is unable to come up with long term solutions which bridge the gap in the medium term financial strategy then it will find it increasingly difficult to prepare budgets year on year without making unplanned cuts in service provision.	Mark Sheldon	15 December 2010	3	3	9	R	The council has agreed a commissioning approach and the MTFS identifies a number of longer term solutions. The council will need to be mindful of capacity to deliver the savings programme	Dec 2012	Mark Sheldon	
1.02	If the robustness of the income proposals is not sound then there is a risk that the income identified within the budget will not materialise during the course of the year.	Mark Sheldon	15 December 2010	3	3	9	R	Robust forecasting is used to prepare the budget looking back on previous income targets and collection, and forecasts take into account the current economic situation. Professional judgement used on the deliverability of income targets. Once budget approved, regular monitoring of income targets will identify any issues and any corrective action which need to be taken and will be reported through the budget monitoring reports.	Ongoing during course of year	Mark Sheldon	
1.03	If when developing a longer term strategy to meet the MTFS, the council does not make the public aware of its financial position and clearly articulates why it is	Jane Griffiths	15 December 2010	3	3	9	R	As part of the development of BtG programme there will need to be a clear communication strategy. In adopting a	Dec 2012	Communications team to support the BTG programme	

	making changes to service delivery then there may be confusion as to what services are being provided and customer satisfaction may decrease.							commissioning culture then it will be basing its decisions on customer needs and requirements and this should help address satisfaction levels.			
1.04	There is a reliance on shared services delivering savings. If these savings do not materialise or shared service projects do not proceed as anticipated then other savings will need to be found to meet the MTFS projections.	Pat Pratley	15 December 2010	3	3	9	R	All shared services are operated under prince 2 principles, with clear business case and risk logs are maintained for the shared service projects and regularly reviewed	Ongoing during course of year	Pat Pratley	
1.05	In the past the council has used in year savings to support one off growth to fund new initiatives or unpredicted expenditure. It is unlikely that moving forward over the life of the MTFS there will be such savings and if new initiatives or unpredicted expenditure arises then the dependency on the General Reserve will intensify.	Mark Sheldon	15 December 2010	3	3	9	R	Future realignment of reserves may be required in order to increase the General Reserve.	Dec 2012	Mark Sheldon (working with SLT and Cabinet)	
1.06	If the council does not carefully manage its commissioning of services then it may not have the flexibility to make additional savings required by the MTFS in future years and a greater burden of savings may fall on the retained organisation	Mark Sheldon	15 December 2010	3	3	9	R	Contracts, SLAs and other shared service agreements will need to be drafted and negotiated to ensure that there is sufficient flexibility with regards to budget requirements	Ongoing	AD Commissioning	

NET GENERAL FUND BUDGET 2011/12 REVISED AND 2012/13

GROUP	2011/12 ORIGINAL	2011/12 REVISED	2012/13 ORIGINAL
	£	£	£
Projected cost of 'standstill' level of service			
Commissioning	2,942,800	2,853,300	2,864,200
Built Environment	1,166,850	1,262,166	839,700
Wellbeing & Culture	4,672,200	4,550,250	4,607,850
Resources	1,340,650	1,558,950	1,708,350
Operations	4,793,500	4,740,800	4,820,400
Strategic Directors	(16,450)	(1,450)	(8,550)
Programmed Maintenance (Revenue)	482,100	588,400	770,000
Business Change	734,800	1,016,900	591,325
Savings from vacancies	(480,000)	(69,650)	(480,000)
Bad debt provision	40,000	40,000	40,000
	15,676,450	16,539,666	15,753,275
Capital Charges	(2,097,600)	534,600	(1,913,300)
Interest and Investment Income	521,800	597,200	373,900
Use of balances and reserves	173,643	(2,925,674)	408,498
Proposed Growth recurring - Appendix 3			149,600
Savings / Additional income identified - Appendix 4			(861,600)
LAA Performance Reward Grant		(180,424)	
New Homes Bonus		(290,275)	
Specific Grant in lieu of council tax freeze 2011/12	(197,000)	(197,800)	(197,800)
Specific Grant in lieu of council tax freeze 2012/13			(199,000)
NET BUDGET	14,077,293	14,077,293	13,513,573
Deduct:			
Revenue Support Grant	(1,439,927)	(1,439,927)	(5,518,459)
National Non-Domestic Rate	(4,658,405)	(4,658,405)	0
Collection Fund Contribution	(59,500)	(59,500)	(34,000)
	(6,157,832)	(6,157,832)	(5,552,459)
NET SPEND FUNDED BY TAX	7,919,461	7,919,461	7,961,114
Band 'D' Tax	£187.12	£187.12	£187.12
Increase per annum			£0.00
Increase per week			£0.00
% Rise			0.0%

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Ref	Division	Project Name	Description	Revenue Costs			Capital Costs		
				2012/13 £	2013/14 £	2014/15 £	2012/13 £	2013/14 £	2014/15 £
SUPPORTED GROWTH (RECURRING)									
1	Wellbeing & Culture	Public Protection - Taxi Marshalls	To continue the service of providing taxi marshalls in the town centre to maintain safety in the nighttime economy.	17,000	17,000	17,000			
2	Resources	IT Infrastructure	Huddle is a "cloud" based application that enables team members within partnership projects to work collaboratively and share documents. Funding is required to establish a base budget for licence costs.	7,000	7,000	7,000			
3	Built Environment	Trees Budget	Additional annual tree maintenance budget.	20,000	20,000	20,000			
4	Wellbeing & Culture	Town Hall and Pump Room Lettings income	To not increase the lettings fee income in line with inflation, to keep the fees and charges competitive and reflective of the current economic climate.	11,700	11,700	11,700			
5	Built Environment	Car Parking income	To not increase car parking income charges in line with inflation, to reflect the current downturn in car parking income levels.	93,900	93,900	93,900			
				149,600	149,600	149,600			
SUPPORTED GROWTH (FUNDED FROM CIVIC PRIDE RESERVE)									
6	Built Environment	Civic Pride	CBC contribution to East Promenade repaving by GCC, plus street furniture costs.				145,000		
7	Built Environment	Civic Pride	CBC contribution to West Promenade repaving by GCC.					100,000	
8	Built Environment	Civic Pride	Upgrade of Promenade pedestrianised area including remodelling of tree pits, providing seating, re-pointing existing Yorkstone.				100,000		
9	Built Environment	Civic Pride	Remodelling of Sherborne Place Car Park into a Green car park for short stay bus use.				100,000		
10	Built Environment	Civic Pride	Scheme for St.Mary's churchyard					50,000	
11	Built Environment	Civic Pride	Public Space Designer	35,000	35,000	35,000			
				35,000	35,000	35,000	395,000	100,000	-

Ref	Division	Project Name	Description	Revenue Costs		Capital Costs	
				2012/13 £	2013/14 £	2012/13 £	2013/14 £
SUPPORTED GROWTH (FUNDED FROM CAPITAL RESERVE)							
12	Resources	IT Infrastructure	Upgrade of Microsoft Office required as version currently used is an end of life product and no longer supported by Microsoft.			120,000	
13	Resources	IT Infrastructure	Upgrade of Civica system to ensure PCI compliance.				56,200
14	Built Environment	Civic Pride	Improvements to Grosvenor Terrace Car Park including making a Green car park, improving linkages to the High Street, improved sustainability - rainwater harvesting, PV cells etc.			150,000	
				-	-	270,000	56,200
SUPPORTED GROWTH (FUNDED FROM PROPERTY R&R RESERVE)							
15	Programme Maintenance	Carbon Reduction	Evaporation system in ICT Server Room	13,000			
16	Programme Maintenance	Carbon Reduction	New LED pool lights at Leisure@	10,000			
				23,000	-	-	-

	2012-13 Savings / Addnl Income £	Built into Base Budget 2012/13 £	Not built into Base Budget 2012/13 £	FTE Losses 2011/12	FTE Losses 2012/13	Service / Risk Implications	Indicative equality / diversity impact at draft budget stage
CORPORATE							
1	15,000	0	15,000	1.0		There may be additional pressure on SLT to undertake more administration, diverting valuable time from more critical work.	No specific equality impacts identified as part of this proposal - any staffing reorganisation will follow agreed procedures, including consultation with affected staff and Trade Unions to ensure fairness throughout the process.
COMMISSIONING							
2	20,000		20,000	1.0		It will be important to ensure that the public have the right level of information to access services.	No specific equality impacts identified as part of this proposal - any staffing reorganisation will follow agreed procedures, including consultation with affected staff and Trade Unions to ensure fairness throughout the process.
3	20,000	0	20,000			None identified.	No specific equality impacts identified as part of this proposal - any staffing reorganisation will follow agreed procedures, including consultation with affected staff and Trade Unions to ensure fairness throughout the process.
HUMAN RESOURCES							
4	2,000	0	2,000			Will need to watch capacity if developing bespoke e-learning.	None identified.
5	62,100	0	62,100			Have not been able to reach agreement with TUs at present, may need to introduce new arrangement separately (individual sign up to new approach). Preparing briefing note for SLT, intranet update, will offer 12 Is. May be reduced performance from reduced allowance.	None identified.
OPERATIONS							
6	83,000	0	83,000				None identified.
7	-30,000	0	-30,000				None identified.
HEALTH AND WELLBEING							
8	5,000	5,000	0				None identified.
9	5,000	5,000	0				The grant reduction may impact on the Everyman's ability to provide outreach work which is particularly valued by community groups; the everyman has focused recently on work with BME communities. Director of Wellbeing & Culture to keep an overview of equality impacts.
10	10,800	10,800	0				The grant reduction may impact on the financial sustainability of the Festival of Performing Arts which provides performance opportunities for children and young people. Director of Wellbeing & Culture to keep an overview of equality impacts.
11	25,000	0	25,000				The increase in charges for allotments may impact on the ability of some individuals to afford their allotments. Director of Wellbeing & Culture to keep an overview on the equality impact of this proposal.
12	7,000	0	7,000				As above.
13	14,000	0	14,000				The price increases may impact on the ability of some customers to access leisure@. Director of Wellbeing & Culture to keep an overview on the equality impact of this proposal.
13a	15,000	0	15,000				None identified.
13b	45,000	45,000	0				None identified.
13c	3,000	0	3,000				This is a proposal for additional facilities for children and young people.
13d	3,000	0	3,000				None identified.
13e							Full value offset against possible loss of other business in the hall hires area in particular.

	2012-13 Savings / Addnl Income £	Built into Base Budget 2012/13 £	Not built into Base Budget 2012/13 £	FTE Losses 2011/12	FTE Losses 2012/13	Indicative equality / diversity impact at draft budget stage	Service / Risk Implications
14 BOX OFFICE BOOKING FEE INCREASE & RESTRUCTURE	48,000	0	48,000		2.0	The proposal will lead to a small increase in the cost of purchasing tickets from the Town Hall booking office therefore no detrimental equality impacts have been identified at this stage. Any staffing reorganisation will follow agreed procedures, including consultation with affected staff and Trade Unions to ensure fairness throughout the process.	
RESOURCES							
15 SOURCING STRATEGY - REVENUES & BENEFITS Savings from Systems Thinking	109,100	109,100	0	2.9		This is a large project which will have significant impacts on staff which needs to be subject to a stand alone equality impact assessment.	There is less resource to deal with any future additional demands on the service resulting from the move to universal credit.
16 FLEXIBLE RETIREMENT OF CUSTODIAN	5,000	0	5,000	0.4		No specific equality impacts identified as part of this proposal - any staffing reorganisation will follow agreed procedures, including consultation with affected staff and Trade Unions to ensure fairness throughout the process.	There will be a reduced pool of staff to call on to maintain the out of hours opening times for the Municipal Offices.
17 RENEGOTIATION OF REGENT ARCADE LEASE (Cabinet approved on 26th July 2011)	75,000	75,000	0			None identified.	None
18 BUILD NEW HOMES BONUS INCOME INTO BASE BUDGET	250,000	0	250,000			None identified.	There may be less money available to fund one off projects previously funded from this income stream.
19 DEFERRED INCREASED CONTRIBUTION TO PROPERTY REPAIRS & RENEWALS RESERVE	200,000	0	200,000			None identified.	The annual programme of maintenance may have to be reduced in line with a reduced budget which could lead to a deterioration in the upkeep of the councils buildings and the towns infrastructure .
20 RESTRUCTURE IN REVENUES DEPARTMENT (INCLUDING RETIREMENT)	15,000	0	15,000	0.5		No specific equality impacts identified as part of this proposal - any staffing reorganisation will follow agreed procedures, including consultation with affected staff and Trade Unions to ensure fairness throughout the process.	There is less resource to deal with any future additional demands on the service resulting from the move to universal credit.
BUILT ENVIRONMENT							
21 MERGING ON STREET AND OFF STREET PARKING TEAMS	10,000	0	10,000	1.0		No specific equality impacts identified as part of this proposal - any staffing reorganisation will follow agreed procedures, including consultation with affected staff and Trade Unions to ensure fairness throughout the process.	There is a risk that if the council were to lose the current civil parking enforcement service provided on street on behalf of GCC, there would be significant financial implications in terms of support service and accommodation costs which would need to be established.
22 MERGER OF STRATEGIC LAND USE AND HOUSING ENABLING FUNCTIONS	14,500	0	14,500	2.0		No specific equality impacts identified as part of this proposal - any staffing reorganisation will follow agreed procedures, including consultation with affected staff and Trade Unions to ensure fairness throughout the process.	A reduction in staffing capacity may make it difficult to deal with work volumes if there is an upturn in the number of applications. This situation will be kept under review.
23 REDUCE GRANTS TO REGENERATION PARTNERSHIPS (Oakley and Hesters Way Partnerships) Reduce both partnerships by £2k each per annum over 5 years.	4,000	4,000	0			None identified; the funding reduction was agreed last year and has been built into their current 3 year agreements.	Risks from reducing this funding support have been mitigated through dialogue with the affected organisations and phasing of the grant reductions over two years.
24 REORGANISATION OF ECONOMIC DEVELOPMENT	25,000	0	25,000	1.0		No specific equality impacts identified as part of this proposal - any staffing reorganisation will follow agreed procedures, including consultation with affected staff and Trade Unions to ensure fairness throughout the process.	Whilst there will be a reduction in initiatives providing direct financial support to individual businesses, the council's strategic approach will focus on activities aimed at fostering the conditions within which businesses have the best chance of success.
25 RESTRUCTURE OF BUILT ENVIRONMENT DIVISION	25,000	0	25,000	1.0		No specific equality impacts identified as part of this proposal - any staffing reorganisation will follow agreed procedures, including consultation with affected staff and Trade Unions to ensure fairness throughout the process.	There will be a reduction in strategic housing capacity which is likely to have some impact on the council's ability to contribute to partnership working in areas such as the supporting people programme.
26 SINGLE ADVICE CONTRACT RE-TENDER	25,000	0	25,000			This is a large procurement exercise which need to be subject to a stand alone equality impact assessment.	No significant risks to the authority have been identified.
27 CHARGE FOR DISCRETIONARY ADVICE IN RELATION TO LISTED BUILDINGS AND OTHER HERITAGE ASSETS	5,000	0	5,000			The price increases may impact on the ability of some customers to access this service.	If the council charges for this service, there is an increased risk that the owners of listed buildings and other heritage assets may undertake works without seeking the appropriate advice and consents.
TOTALS	1,115,500	253,900	861,600	7.9	4.9		

* As previously agreed by cabinet/council after discussion with the relevant organisations.

PROJECTION OF RESERVES TO 31ST MARCH 2013									
		Purpose of Reserve	31/3/11	2011/12	2011/12	31/3/12	2012/13	2012/13	2012/13
			£	Movement Revenue	Movement Capital	£	Movement Revenue	Movement Capital	budget and one off growth
			£	£	£	£	£	£	£
		EARMARKED RESERVES							
		Other							
BR01	Single Status Reserve	To fund implementation of Single Status	(14,247.00)	3,600.00		(10,647.00)			(10,647.00)
BR02	Pension Reserve	To fund future pension liability	(28,373.38)	(50,000.00)		(78,373.38)			(178,373.38)
BR04	Economic Development Reserve	To fund future economic studies	(14,200.00)			(14,200.00)			(14,200.00)
BR05	IBS License Reserve	To fund cost of IBS license paid up front	(148,700.00)			(148,700.00)			(148,700.00)
BR06	Keep Cheltenham Tidy Reserve	Keep Cheltenham Tidy campaign - scheme contributions	(626.27)			(626.27)			(626.27)
BR08	Grave Maintenance Reserve	Long-term grave maintenance	0.00			0.00			0.00
BR09	Cultural Development Reserve	To fund future arts facilities/activity	(22,361.00)			(22,361.00)			(7,361.00)
BR10	LABGI Reserve	To fund future economic / cultural development	(76,052.86)	45,000.00		(31,052.86)			(21,052.86)
BR12	House Survey Reserve	To fund cyclical housing stock condition surveys	(105,024.83)	24,500.00		(80,524.83)			(88,024.83)
BR13	Twinning Reserve	Twinning towns civic visits to Cheltenham	(17,400.00)			(17,400.00)			(17,400.00)
BR14	Flood Alleviation Reserve	To fund future flood resilience work, delegated to the Flood working group for allocation		133,910.00		(214,183.52)			(164,183.52)
BR15	Art Gallery & Museum Development Reserve	Insurance reserve for stolen jewellery	(348,093.52)	(122,000.00)	584,000.00	(1,538,000.00)		1,416,000.00	(122,000.00)
BR25	Pump Room Insurance Reserve	Accumulated profits held for Museum shop improvements	(28,066.11)	11,000.00		(17,066.11)			(17,066.11)
BR26	Museum Shop Reserve	Accumulated profits held for TIC shop improvements	0.00			0.00			0.00
BR27	TIC Shop Reserve	To fund risk management initiatives / excess / premium increases	(11,729.18)	11,700.00		(29.18)			(29.18)
BR30	GF Insurance Reserve	Purchase of vehicles and equipment	(159,871.44)	38,600.00		(121,371.44)			(121,371.44)
BR42	Vehicle Leasing Equalisation Reserve	To fund Joint Core Strategy	(116,085.24)			(116,085.24)			(116,085.24)
BR45	Joint Core Strategy Reserve	To fund set-up costs of One Legal	(234,580.36)			(234,580.36)			(234,580.36)
BR54	Legal Staff Reserve	To fund set-up costs of One Legal	(19,350.00)			(19,350.00)			(19,350.00)
BR58	Civic Pride	To fund prime civic pride initiative / match funding	(1,083,197.60)	258,100.00		(825,097.60)		430,000.00	(168,197.60)
			(4,428,058.79)			(3,489,648.79)			(1,449,248.79)
		Repairs & Renewals Reserves							
BR52	Commutated Maintenance Reserve	Developer contributions to fund maintenance	(263,629.37)	39,000.00		(224,629.37)			(185,629.37)
BR78	Highways Insurance Reserve	County highways - insurance excesses	(15,000.00)			(15,000.00)			(15,000.00)
BR83	Council Tax/Benefits IT Reserve	Replacement fund to cover software releases	(30,000.00)			(30,000.00)			(30,000.00)
BR88	I.T. Repairs & Renewals Reserve	Replacement fund	(133,064.70)	79,400.00		(53,664.70)			(47,364.70)
BR89	Planned Maintenance Reserve	20 year maintenance fund	(1,025,929.12)	(89,600.00)	524,000.00	(591,529.12)		131,000.00	(345,529.12)
			(1,467,623.19)			(914,623.19)			(623,523.19)

PROJECTION OF RESERVES TO 31ST MARCH 2013		Purpose of Reserve					
		31/3/11	2011/12	2011/12	2012/13	2012/13	31/3/13
		£	Movement Revenue	Movement Capital	Movement Revenue	Movement Capital	£
			£	£	£	£	£
<u>EARMARKED RESERVES</u>							
<u>Equalisation Reserves</u>							
BR63	Rent Allowances Equalisation	(119,655.60)	39,100.00		39,100.00		(41,455.60)
BR64	Planning Appeals Equalisation	(38,955.09)					(38,955.09)
BR65	Licensing Fees Equalisation	(28,355.00)	17,000.00				(11,355.00)
BR66	Interest Equalisation	(2,787,594.76)	2,500,000.00				(287,594.76)
BR72	Local Plan Equalisation	(55,030.00)	55,000.00				(30.00)
BR76	Elections/Electoral Reg. Equalisation	(11,500.00)	(61,200.00)		72,700.00		0.00
		(3,041,090.45)			(491,190.45)		(379,390.45)
		(351,200.00)	351,200.00		0.00		0.00
BR91	Old Year Creditor Rsvs - RR						
<u>CAPITAL</u>							
BR77	Capital Reserve - GF Housing	(902,476.15)	370,000.00				(532,476.15)
BR92	Capital Reserve - GF	(901,799.88)	(751,693.00)	928,300.00	(700,000.00)	620,000.00	(535,192.88)
		(1,804,275.83)			(1,257,668.83)		(1,067,668.83)
		(11,092,248.26)			(6,153,331.26)		(3,519,831.26)
TOTAL EARMARKED RESERVES							
<u>GENERAL FUND BALANCE</u>							
BS01	General Balance - RR	(2,619,507.03)	393,057.00	109,400.00	48,002.00		(2,069,048.03)
		(2,619,507.03)			(408,498.00)		(2,069,048.03)
TOTAL GENERAL FUND RESERVES AND BALANCES		(13,711,755.29)	2,925,674.00	2,515,700.00	(408,498.00)	2,167,000.00	(5,588,879.29)
Projected Annual Reduction							2,681,502.00

GENERAL FUND CAPITAL PROGRAMME

Code	Fund	Scheme	Scheme Description	Original Scheme Cost	Payments to 31/03/11	Budget 2011/12 agreed 27/06/11	Revised Budget 2011/12	Budget 2012/13	Budget 2013/14	Budget 2014/15	Budget 2015/16	Budget 2016/17
				£	£	£	£	£	£	£	£	£
		RESOURCES										
		Property Services										
Various	C/R	Programmed Maintenance	New cremators			655,000	524,000	131,000				
		Financial Services										
GCERP	C	GO ERP	Development of ERP system within the GO Partnership	421,700	212,309	209,400	209,400					
DC4002	C	Gloucestershire Airport	Contribution towards the redevelopment project - £1.2m loan			1,200,000	0	1,200,000				
		ICT										
DC3211	C	Working Flexibly	Deliver council services at a time and place which suit the customer. Implementation of Citrix environment to deliver business applications to the home / remote users desktop			35,300	35,300					
DC3213	C	Storage Area Network	Storage for the council's data in a secure, expandable and robust environment	155,000	142,297	12,700	12,700					
DC4003	C	Telephony switch upgrade	Upgrade of operating system, voice system and contacts centre with the benefit of future-proofing the council's system and adding flexibility.	70,300		70,300	70,300					
		WELLBEING & CULTURE										
		Parks & Gardens										
LC6001	S	S.106 Play area refurbishment	Developer Contributions			76,500	54,000	50,000	50,000	50,000	50,000	50,000
LC6006	C	Play Area Enhancement	Ongoing programme of maintenance and refurbishment of play areas to ensure they improve and meet safety standards			80,000	80,000	80,000	80,000	80,000	80,000	80,000
LC6011	P	Pitville Park Boathouse	Enhancements to Pitville Park including the Boathouse bridge funded from Severn Trent Water Community Fund awarded following the floods in 2007.			72,000	72,000					
LC6015	P	Leckhampton Hill dry stone wall	Match funded with Natural England to construct dry stone walling on Leckhampton Hill sit of special scientific interest (SSSI)	620,000	677,363	0	0					
		Cemetary & Crematorium										
LC6022		Burial Chapel	Invest to save scheme to convert burial chapel to handle cremations.	110,000	99,829	10,100	10,100					
		Cultural Services										
LC4006	R/P	Art Gallery & Museum Development Scheme	Council's commitment to new scheme as agreed by Council 20th July 2008			1,000,000	2,030,000	4,270,000				
LC4007	C	Everyman Theatre	Contribution towards the redevelopment project - £1m loan and £250k grant	1,250,000		1,250,000	1,250,000					
		Community Safety										
EC0006	C	CCTV/Town Centre initiative	Expansion of on street CCTV in the town centre to increase safety and secure the environment			50,000	50,000	50,000	50,000	50,000	50,000	50,000

GENERAL FUND CAPITAL PROGRAMME

Code	Fund	Scheme	Scheme Description	Original Scheme Cost	Payments to 31/03/11	Budget 2011/12 agreed 27/06/11	Revised Budget 2011/12	Budget 2012/13	Budget 2013/14	Budget 2014/15	Budget 2015/16	Budget 2016/17
				£	£	£	£	£	£	£	£	£
		BUILT ENVIRONMENT										
		Integrated Transport										
EC0033	C	CCTV in Car Parks	Additional CCTV in order to improve shopping areas and reduce fear of crime			104,800	14,800	50,000	50,000	50,000	50,000	50,000
EC0060	C	Car park management technology	The upgrade of the car park management technology at selected sites such as Regent Arcade is essential as the existing management systems and hardware have now reached the end of their life cycle.			250,000	130,000	120,000				
EC0051	C	Re-joining High Street/Promenade pedestrianised area	Re-joining works required to improve safety and appearance of the core commercial area	60,000	51,993	7,700	7,700					
		Housing										
HC7440	C/SCG	Disabled Facilities Grants	Mandatory Grant for the provision of building work, equipment or modifying a dwelling to restore or enable independent living, privacy, confidence and dignity for individuals and their families.			600,000	600,000	600,000	600,000	600,000	600,000	600,000
HC7445	C	Adaptation Support Grant	Used mostly where essential repairs (health and safety) are identified to enable the DFG work to proceed (e.g. electrical works).			26,000	26,000	26,000	26,000	26,000	26,000	26,000
HC7400	PSDH	Health & Safety Grant / Loans	A new form of assistance available under the council's Housing Renewal Policy 2003-06			324,400	324,400					
HC7405	PSDH	Vacant Property Grant	A new form of assistance available under the council's Housing Renewal Policy 2003-06									
HC7410	PSDH	Renovation Grants	Grants provided under the Housing Grants, Construction and Regeneration Act 1996									
HC7455	LAA / C	Warm & Well	A Gloucestershire-wide project to promote home energy efficiency, particularly targeted at those with health problems			60,000	60,000	60,000	60,000	60,000	60,000	60,000
HC9200	C/S	Housing Enabling	Expenditure in support of enabling the provision of new affordable housing in partnership with registered Social Landlords and the Housing Corporation			345,000	270,000					
HC9200	C/S	Housing Enabling	Transformational improvements to private households in St. Paul's to assist them in raising the standard of their dwellings in line with new build council housing stock.			55,000	130,000					
HC9200	C/S	Housing Enabling	Expenditure in support of enabling the provision of new affordable housing in partnership with Cheltenham Borough Homes			1,790,000	1,790,000	2,900,000				
		INTERIM BUDGET PROPOSALS FUTURE CAPITAL PROGRAMME:										
								270,000	200,000	200,000	200,000	200,000

GENERAL FUND CAPITAL PROGRAMME

Code	Fund	Scheme	Scheme Description	Original Scheme Cost	Payments to 31/03/11	Budget 2011/12 agreed 27/06/11	Revised Budget 2011/12	Budget 2012/13	Budget 2013/14	Budget 2014/15	Budget 2015/16	Budget 2016/17
				£	£	£	£	£	£	£	£	£
		CAPITAL SCHEMES - RECLASSIFIED AS REVENUE										
DC1066	C	Land & Property presale costs	Property & Legal costs associated with the proposed Midwinter Development and									
LC6005	C	Allotments	Allotment Enhancements - new toilets, path surfacing, fencing, signage, and other improvements to infra-structure.	353,100	342,843	10,200	10,200					
EC0064	C	Depot Rationalisation	Costs associated with incorporating Tewkesbury Borough Council within the Depot site at Swindon Road	300,000	272,780	27,200	27,200					
		TOTAL CAPITAL PROGRAMME				8,321,600	7,788,100	9,807,000	1,116,000	1,056,000	1,056,000	1,056,000
		Funded by:										
		G Government Grants										
		SCG Specified Capital Grant (DFG)										
		LAA LAA Performance Reward Grant										
		P Partnership Funding										
		PSDH Private Sector Decent Homes Grant										
		HLF Heritage Lottery Funding										
		HRA Housing Revenue Account Contribution										
		R Property Planned Maintenance Reserve										
		S Developer Contributions S106										
		C General Balances										
		C HRA Capital Receipts										
		C GF Capital Receipts										
		C HIP Capital Reserve										
		C Prudential Borrowing										
		C GF Capital Reserve										
						306,000	306,000	306,000	306,000	306,000	306,000	306,000
						60,000	60,000	60,000	60,000	60,000	60,000	60,000
						324,400	768,000	2,854,000				
						100,000	750,000					
						655,000	524,000	131,000				
						1,000,000	584,000	1,416,000				
						76,500	54,000	50,000				
						109,400	109,400					
						390,000	390,000					
						370,000	370,000					
						3,600,000	2,400,000	4,100,000				
						1,330,300	928,300	880,000				
						8,321,600	7,788,100	9,807,000	1,116,000	1,056,000	1,056,000	1,056,000

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Cheltenham Borough Council

Cabinet – 13th December 2011

Housing Revenue Account - Revised Budget 2011/12 and Interim Budget Proposals 2012/13 for Consultation

Accountable member	Cabinet Member for Community Development and Finance, John Webster
Accountable officer	Director of Resources (Section 151 Officer), Mark Sheldon
Accountable scrutiny committee	Social and Community
Ward(s) affected	All
Key Decision	Yes
Executive summary	This report summarises the Housing Revenue Account (HRA) revised budget for 2011/12 and the Cabinet's interim budget proposals for 2012/13 for consultation.
Recommendations	<ol style="list-style-type: none"> 1. Note the revised HRA budget for 2011/12. 2. Approve the interim HRA budget proposals for consultation including a proposed average rent increase of 6.43% (applied in accordance with rent restructuring guidelines) and increases in other rents and charges as detailed at Appendix 5. 3. Approve the proposed HRA capital programme at Appendix 6. 4. Delegate authority to the Director Resources, in consultation with the Cabinet Member for Community Development and Finance, to determine and approve any additional material that may be needed to support the presentation of the interim budget proposals for consultation. 5. Seek consultation responses by 26th January 2012.
Financial implications	<p>As contained in the report and appendices.</p> <p>Contact officer: Mark Sheldon.</p> <p>E-mail: mark.sheldon@cheltenham.gov.uk</p> <p>Tel no: 01242 264123</p>

Legal implications	As this report proposes an interim budget for consultation purposes, there are no specific legal implications at this stage. Contact officer: Peter Lewis E-mail: peter.lewis@teWKesbury.gov.uk Tel no: 01684 272012
HR implications (including learning and organisational development)	No direct HR implications arising from this report. Contact officer: Julie McCarthy E-mail: julie.mccarthy@cheltenham.gov.uk Tel no: 01242 264355
Key risks	As outlined in Appendix 1
Corporate and community plan Implications	The aim of the interim budget proposals is to direct resources towards the key priorities identified in the Council's Corporate Business Plan.
Environmental and climate change implications	The draft budget contains proposals for improving the local environment particularly in addressing the issue of energy reduction in Council owned dwellings

1 Background

- 1.1** The Council's Constitution requires that the Cabinet prepare an interim budget for consultation before it makes recommendations to full Council in February 2012. The Cabinet is then required to draw up its firm budget proposals having regard to the responses it has received during the consultation period, and its report to Council in February 2012 should reflect the Cabinet's response to such comments.
- 1.2** It should be noted that the draft budget proposals are based on draft determinations from the Department for Communities and Local Government (DCLG) which will not be finalised until January 2012.
- 1.3** The budget proposals for 2012/13 recognise the scrapping of the current HRA subsidy system and the introduction of a new self financing regime for local authority housing. The Cabinet have approved for consultation the first draft of a new 30 year HRA business plan which identifies the impact of this fundamental change. The plan anticipates significant additional resources arising from the implementation of self financing. The Cabinet have approved a strategy to use these resources to finance a programme of new build, further improvements to existing stock and additional support services for tenants. A final draft of the plan will be presented for approval in February following the completion of consultation and the confirmation of DCLG proposals.

2. 2011/12 Revised Budget

- 2.1** The revised budget at Appendix 2 shows a reduction in deficit of £130,900 compared to the original estimate. Balances held in reserve were increased by an additional £684,200 following the 2010/11 outturn and the revised deficit for the year of £961,400 will leave a figure of £2,711,800 at 31st March 2012 (previously £1,896,700). This increase in reserves reflects

£325,100 of additional resources and a further £490,000 which arises from deferred capital expenditure which will be required in 2012/13.

2.2 Significant variations have been identified in budget monitoring reports and are summarised below:-

Budget Heading	Change in resources
	£'000
Reduction in revenue contributions required to fund capital programme	139
Reduction in interest payable (change in interest rates)	48
Increase in HRA subsidy payable (change in interest rates)	-66
Additional interest receivable (impact of higher reserves)	19
Other net	-9
Net Reduction in Deficit	131

3. 2012/13 Budget

3.1 The Government published a series of draft determinations on 21st November 2011 which will enable the introduction of self financing from 1st April 2012. These included:-

- a final review of notional rent and expenditure allowances to produce baseline figures for the valuation and debt settlement
- a revised valuation model which uses the baseline data as uplifted for self financing calculations
- a debt settlement for each authority to leave the subsidy system and the subsequent HRA borrowing cap

3.1.1 The draft HRA business plan anticipated a debt settlement of £38.4m for Cheltenham on the basis of previous DCLG projections, a higher than expected rent increase in April 2012 and a contingency for an adverse review of subsidy allowances. However, the draft determinations show that the south west region has again been treated favourably in the annual review and the settlement figure is reduced to £27.9m. This is very welcome news which will increase the level of additional resources arising from self financing.

3.1.2 The baseline determination for 2012/13 shows an increase in guideline rent of 7.5% for Cheltenham. Government social rent policy uses the retail price index in the preceding September plus 0.5% to uplift the formula rent for the following financial year. In September 2011 this was 5.6% so formula rents will be increased by 6.1% for 2012/13.

Rent restructuring, which will bring convergence between local authorities and housing associations, is still timetabled to complete in 2015/16. For Cheltenham tenants this will result in an average rent increase of 6.43% from April 2012 as illustrated by Appendices 4 and 5. This significant increase will be of concern to our tenants already facing other inflationary pressures in the economy but is effectively imposed on us by Government and has been assumed by them in both stock valuation and debt settlement calculations.

3.1.3 The draft determination also includes increases in the baseline management, maintenance and major repair allowances which partly offset the increase in guideline rent. The changes proposed to individual elements are shown below:-

Element of Subsidy	% change
Management Allowance	+1.9%
Maintenance Allowance	+5.8%
Major Repairs Allowance	+4.9%
Guideline Rent Income	+7.5%

3.1.3 The baseline figures for allowances are uplifted to reflect perceived under-funding before being used in a 30 year net present value model of notional income and expenditure. This produces a valuation of the stock for each authority which forms the basis of the debt settlement.

Cheltenham's allowances have been increased by an overall average of 17.94%, including a substantial increase in the major repairs allowance of 39%. The valuation is £53.3m which, after deducting the current notional debt of £25.4m, produces the debt settlement of £27.9m. The valuation figure of £53.3m will also be the HRA borrowing cap – this compares to actual HRA borrowing after settlement of £46.6m giving initial borrowing headroom of £6.7m.

3.2 Significant changes to the HRA in 2012/13 as compared to the revised estimates for 2011/12 are itemised in the table below. These reflect the saving of the annual subsidy payment partly offset by additional debt charges from the settlement. Although the charge for depreciation increases, this will in turn reduce the need for revenue contributions to finance capital expenditure. The net impact is an increase in resources of £2,120,500 producing a surplus of £1,159,100 for the year and increasing revenue reserves to £3,870,900 at 31st March 2013.

Budget Heading	Change in resources
	£'000
HRA subsidy (system scrapped)	3,278
Revenue contributions to capital (now covered by MRA increase)	1,448
Increase in rents	1,058
Savings in reactive & cyclical repairs (service review by CBH)	108
Interest payable (additional costs of debt settlement)	-1,535
Depreciation of dwellings (based on uplifted major repairs allowance)	-1,886
Supporting people funding (end of contract)	-150
Increase in CBH management fee (including growth proposals)	-184
Interest receivable (lower interest rates)	-52
Other (net)	36
Net increase	2,121

3.3 Key assumptions used for the draft budget are:-

- Interest payable is based on an estimated rate of 4.5% on new borrowing for the settlement payment of £27.9m. The Government have confirmed that Councils will have access to a discounted Public Works Loan Board rate for these payments. Advice is being sought from Arling Close on the most effective debt management strategy.

- Current supporting people contracts expire on 31st March 2012. Options for the continuation of the service are being evaluated but at present the draft budget assumes loss of all income.
 - The Government has announced intent to stimulate Right to Buy sales by increasing discounts available to tenants. The detailed proposals have not yet been published so it is not possible to forecast the potential impact. Stock estimates used in the budget assume 5 sales in 2012/13 based on existing trends.
 - Support service recharges to the HRA are kept at 2011/12 levels pending further review.
- 3.4** For some years the Council has maintained a Housing Repairs Account (Appendix 3) which aims to smooth out the peaks and troughs of demand related maintenance expenditure by keeping a separate earmarked reserve. The introduction of self financing reduces the need for such an account and it is recommended that it is closed at 31st March 2012. Maintenance expenditure will then be charged direct to the HRA.
- 3.5** The Government has confirmed that the depreciation charge in the HRA will continue to provide a resource to finance capital expenditure through the major repairs reserve (Appendix 3). Councils can use the uplifted major repairs allowance from the self financing valuation as a proxy for the level of depreciation for a period of up to five years, whilst preparing for the introduction of component accounting in accordance with accounting standards.
- 3.6** Appendix 4 gives details of the progress in rent restructuring to date and projects rent increases forward to the current convergence date of 2015/16 using an estimated RPI of 2.75% per annum.
- 3.7** Appendix 5 details the proposed average rent for 2012/13 with recommended charges for other services. Gas charges for communal heating schemes will be increased by 10% to reflect anticipated fuel increases and there will be a 20% increase towards the cost of the electric fuelled scheme at Cumming Court. This report contains proposals to reduce energy usage consumption in the stock which will help tenants facing rising fuel prices (see paragraph 4.2 below). Provision has been included for a 3% increase in garage rents to reflect both inflation and fund a significant improvement programme in garage sites.
- 3.8** Estimates of service charge income assume an increase of 7.7% for communal power and 2.1% for grounds maintenance. Cleaning costs will be reduced by 5% following service efficiencies offered by CBH.

4. Cheltenham Borough Homes (CBH)

- 4.1** The draft budget includes provision for the management fees and other charges payable to CBH. The company has submitted its own detailed budget and fee proposal for 2012/13.
- 4.2** CBH has identified three areas of service development for 2012/13 which align with the draft HRA business plan strategy. The growth bids are:-
- Enhanced safer estates service (£80,000)
 - Project to identify and evaluate fuel reduction proposals (£40,000)
 - Improvements in health and safety management, particularly fire, asbestos and legionella (£40,000)
 - Additional arrears officer to help with financial exclusion and debt management thus mitigating anticipated increases in arrears from benefit reform (£30,000)

Total bids amount to £190,000 but are largely offset within the HRA by net CBH savings of £134,700 in base fee proposals.

- 4.3** CBH draft budgets for 2012/13 show a breakeven position whilst reducing base fees and charges to the Council from 2011/12 levels. The HRA management fee for 2012/13 shows a saving of

£18,800 when compared to the planning estimate for the year and the fee for managing the capital programme is kept cash frozen. The overall cost of reactive repairs to the stock is reduced by £81,600 following a comprehensive review of the maintenance operation. This has produced savings of £167,600 which have been partly offset by the increased price and usage of materials. The cost of delivering the estate cleaning contract has also been reduced by £34,300 through service efficiencies.

4.4 The fee submission for the main areas of activity is shown below and compared with 2011/12.

	2011/12 (Revised)	2012/13
	£	£
Management Fee		
-base	4,330,200	4,324,500
-growth bids		190,000
Revenue & Capital Repairs	2,414,200	2,332,600
Management of Capital Programme	405,000	405,000
Block Cleaning Service	310,700	276,400
Total	7,460,100	7,528,500

5. HRA Capital Programme

- 5.1 The revised programme for 2011/12 and proposals for 2012/13 are shown at Appendix 6, together with a more detailed schedule of improvement and repair works at Appendix 7.
- 5.2 The revised estimates for the current year reflect changes identified in budget monitoring reports. Estimated spend in year will increase from £4,828,000 to £4,989,000 primarily due to rescheduling of works on the transformational improvements in St Pauls and the neighbourhood scheme for Hobart House.
- 5.3 The strategy in the HRA business plan seeks a balance of future expenditure on both new build and further improvements to existing stock. CBH is currently evaluating options for a new build programme and a report will be produced early next year. A project to evaluate fuel reduction proposals will also enable targeted capital expenditure plans. Both the increased level of HRA reserves and the availability of borrowing headroom will give the Council significant scope to finance these initiatives.
- 5.4 The 2012/13 programme reflects the need to spend identified in the stock condition database and includes provision for works delayed in the current year. This will retain all stock to decency standard and provide further neighbourhood improvements through external works.

6. Areas of Further Work

- 6.1 This provisional budget is based on draft Government determinations which are subject to consultation.
- 6.2 There may also be further adjustments to support service and accommodation recharges to both CBH and the Housing Revenue Account (HRA).

7. Consultation process

- 7.1** The Council is proposing to consult on these budget proposals during the period to 26th January 2012. This extended period will allow the CBH to respond at their Board meeting on 25th January 2012. The results from this consultation will be fed back to the Cabinet and taken into account in the formulation of the final budget proposals.
- 7.2** As part of the interim consultation process the Cabinet’s proposals will be included on the Council’s web site, made available at the Municipal Offices, Area Offices and publicised through the local press. All interested parties will be encouraged to respond.
- 7.3** In preparing the consultation document it may be helpful to provide supplementary information, for instance relating to the main changes in the budget. It is therefore recommended that the Cabinet Member (Finance) be given delegated authority to approve any supplementary information for consultation.

Report author	<p>Bob Dagger, Strategic Financial Advisor, Cheltenham Borough Homes</p> <p>Tel. 01242 264225;</p> <p><i>e-mail address bob.dagger@cheltborohomes.org</i></p>
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. HRA Operating Account 3. Housing Repairs Account and Major Repairs Reserve 4. Rent Restructuring 5. HRA – Rents and Charges 6. HRA Capital programme (Summary) 7. HRA Capital Programme (Detail)
Background information	<ol style="list-style-type: none"> 1. Government determinations for HRA Self Financing published 21st November 2011

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
1.01	If the increases in rent are not fully explained to tenants (particular those who are not in receipt of full benefit) then there is a risk that + there will be an increase in tenant discontent	Jane Griffiths	December 2011	3	4	12	R	Need to explain to tenants that increases are in line with Government Policy. Need to make sure tenants are aware of benefit take-up rights. CBH have requested an additional arrears officer and already have a financial inclusion officer who will support tenants.	Mar 2012	CBH through Management Agreement	
1.02	The increase in rents and the current economic situation may result in an increase in the the level of rent arrears	Jane Griffiths	December 2011	3	4	12	R	Current economic conditions are placing additional pressures on tenants and the Government 's benefit reforms in 2013 will significantly increase this risk . CBH have requested additional resources to mitigate the impact through its financial inclusion policy	Mar 2013	CBH through management agreement	
1.03	If supporting people contracts due to end in March 2012 are not renewed this could impact on service delivery	Jane Griffiths	December 2011	2	5	10	R	An evaluation of alternative service and funding options is in progress. The draft budget currently assumes contract income of £150,000 is not replaced	Mar 2012	CBH through management agreement	
1.04	If void rent loss is higher than estimated this will impact on the budget	Jane Griffiths	December 2011	3	2	6	R	Demand for social housing remains high with significant	Mar 2013	CBH through management agreement	

								waiting list. Current void levels are low and CBH is achieving high performance on re-letting time. Quality of accommodation needs to be maintained and changes in tenancy termination rates monitored			
1.05	If the demand for reactive repairs increases this could impact on the budget and/or service delivery	Jane Griffiths	December 2011	4	3	12	R	Maintain robust stock condition data. Major peril to the stock is fire which is covered by appropriate insurance. HRA reserves are maintained at a level considered sufficient for uninsured stock damage	Mar 2013	CBH through management agreement	

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	2011/12		2012/13
	Original	Revised	Estimate
	£	£	£
<u>EXPENDITURE</u>			
General & Special Management	1,835,700	1,852,500	1,832,200
ALMO Management Fee	4,330,200	4,330,200	4,514,500
Rents, Rates, Taxes and Other Charges	39,900	32,900	34,400
Transfer to Housing Repairs Account	3,953,000	3,953,000	3,844,900
Provision for Bad Debts	200,000	200,000	225,000
Interest Payable	576,900	528,700	2,063,800
Depreciation of Dwellings	3,240,900	3,240,900	5,032,000
Depreciation of Other Assets	86,000	85,100	95,100
Debt Management Expenses	46,500	46,500	46,500
Rent Rebate Subsidy Limitation	82,600	86,700	64,200
Housing Revenue Account Subsidy	3,212,100	3,278,000	0
TOTAL	17,603,800	17,634,500	17,752,600
<u>INCOME</u>			
Dwelling Rents	16,678,000	16,658,000	17,716,000
Non Dwelling Rents	421,000	424,800	431,800
Charges for Services and Facilities	705,100	725,400	735,600
Supporting People Grant	150,000	150,000	0
TOTAL	17,954,100	17,958,200	18,883,400
NET INCOME FROM SERVICES	-350,300	-323,700	-1,130,800
Amortised Premiums / Discounts	8,900	8,900	6,200
Interest Receivable	-67,400	-86,500	-34,500
NET OPERATING INCOME	-408,800	-401,300	-1,159,100
<u>Appropriations</u>			
Revenue Contributions to Capital	1,587,100	1,447,800	0
Transfer from Major Repairs Reserve	-86,000	-85,100	0
HRA Surplus / (Deficit) carried to reserve	-1,092,300	-961,400	1,159,100
Revenue Reserve brought forward	2,989,000	3,673,200	2,711,800
Revenue Reserve carried forward	1,896,700	2,711,800	3,870,900
Average Rent:-			
Increase 1st April 2012			6.43%
48 wk	76.39	76.36	81.27
52 wk	70.51	70.49	75.02
Average Stock	4,592	4,589	4,582

HOUSING REPAIRS ACCOUNT

	2011/12	
	Original	Revised
	£	£
<u>EXPENDITURE</u>		
Repairs & Maintenance :-		
Reactive Repairs	2,559,000	2,559,000
Annual & Cyclical Maintenance	1,394,000	1,394,000
	<u>3,953,000</u>	<u>3,953,000</u>
<u>INCOME</u>		
Contribution from Housing Revenue Account	<u>3,953,000</u>	<u>3,953,000</u>
Surplus/Deficit for the Year	0	0
Balance brought forward	0	0
Balance carried forward	<u>0</u>	<u>0</u>

MAJOR REPAIRS RESERVE

	2011/12		2012/13
	Original	Revised	Estimate
	£	£	£
Balance brought forward	0	300,300	0
Depreciation of Dwellings	3,240,900	3,240,900	5,032,000
Depreciation of Other Assets	86,000	85,100	95,100
	<u>3,326,900</u>	<u>3,626,300</u>	<u>5,127,100</u>
Utilised in Year (Funding Capital Programme App E)	-3,240,900	-3,541,200	-5,092,000
Transfer to HRA re Other Assets	-86,000	-85,100	0
Balance carried forward	<u>0</u>	<u>0</u>	<u>35,100</u>

RENT RESTRUCTURING

This shows Cheltenham's progression towards rent restructuring. The Government currently estimates this will be completed by 2015/16. However this will be subject to future rates of inflation and government rent policy.

Definitions:-

Formula Rent = the target for Cheltenham as calculated by the government's formula

Limit Rent = the maximum rent that the government will pay for rent rebates

Guideline Rent = the rent the government has used for subsidy purposes

By the end of rent restructuring formula rent, limit rent, guideline rent and the actual rent paid by tenants are required to be the same.

	Formula Rent		Limit Rent	Guideline Rent	Actual Rent	
	£	% Inc	£	£	£	% Inc
2011-2012	71.39		69.95	67.76	70.49	
2012-2013	75.74	6.10	74.61	72.87	75.02	
2013-2014	78.20	3.25	77.42		77.71	3.58
2014-2015	80.74	3.25	80.34		80.49	3.58
2015-2016	83.36	3.25	83.36		83.36	3.57

HOUSING REVENUE ACCOUNT - RENTS & CHARGES

	2011/12	2012/13
	£	£
Dwelling Rents (average)		
48 wk basis	76.36	81.27
52 wk basis	70.49	75.02
Garages (per month)	25.24	26.00
Communal Heating Schemes (52 wk basis)		
Gas		
1 person flat	7.18	7.90
2 person flat	9.68	10.65
Cumming Court		
1 person flat	3.78	4.54
2 person flat	5.20	6.24
Guest Bedrooms (per night)	10.00	10.00

HRA CAPITAL PROGRAMME

	2011/12		2012/13
	Original	Revised	Estimate
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
<u>EXPENDITURE</u>			
Property Improvements & Major Repairs (incl fees)	4,368	4,529	4,732
Adaptations for the Disabled	350	350	350
Environmental Works (Tenant Selection)	60	60	60
Repurchase of Shared Ownership Dwellings	50	50	50
	<u>4,828</u>	<u>4,989</u>	<u>5,192</u>
<u>FINANCING</u>			
Capital Receipts			100
HRA Revenue Contribution	1,587	1,448	
Major Repairs Reserve	3,241	3,541	5,092
	<u>4,828</u>	<u>4,989</u>	<u>5,192</u>

PROPERTY IMPROVEMENTS & MAJOR WORKS	
COST HEADING	2012/13 BUDGET
	£
INTERNAL IMPROVEMENTS	1,110,000
PATHS, FENCES & WALLS	150,000
WORKS TO BUILDING FABRIC	438,600
RENEWAL OF WATER MAINS	20,000
RENEWAL OF HEATING SYSTEMS	233,000
MAJOR REFURBISHMENTS TO VOID PROPERTIES	330,000
WINDOWS & DOORS	200,000
ASBESTOS	77,500
SHELTERED ACCOMMODATION	50,000
NEIGHBOURHOOD WORKS	600,000
DOOR ENTRY SCHEMES	342,500
STRUCTURAL WORKS	120,000
CARBON MONOXIDE DETECTORS	50,000
FIRE PROTECTION	50,000
LIFTS	97,500
SOIL STACKS	50,000
ST PAULS TRANSFORMATIONAL IMPS	290,000
GARAGE IMPROVEMENTS	100,000
ELECTRIC SUB MAINS	17,500
FEE FOR MANAGING PROGRAMME	405,000
TOTAL BUDGET	4,731,600

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EBI O&S Committee 2012 work plan

Item	Purpose	Outcome	What is required?	Lead Officer
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Meeting Date: Monday 23 January 2012 Deadline for papers: Wed 11 January 2012				
Chair's Briefing: Tuesday 3 January 2012 5 pm				
Corporate Risk Register (20 mins)	Standard item	Regular review before going to Cabinet 8 February	Report	Bryan Parsons, Policy and Performance Officer
Absence Management	Scrutiny	Update requested at the May meeting - report of position at the end of 3Q	Report	Julie McCarthy, HR operations Manager
Quarterly budget report (as at end of December)	Standard item	Quarterly review requested by the committee	Report	Paul Jones, Head of Financial Services
GO Programme	Scrutiny	Update on implementation	Report	Amanda Attfield, Director People, Organisational Development and Change
Budget proposals 2012-13	Scrutiny	Review final budget proposals 2012-13 prior to Council (10 February)	Discussion paper	Mark Sheldon, Director Resources
Meeting Date: Monday 5 March 2012 Deadline for papers: Wed 22 February 2012				
Chairs Briefing: Tuesday 14 February 5 pm 2012				
DRAFT Corporate Strategy 2012-13	Scrutiny	Review DRAFT strategy for 2012-13 prior to Cabinet (13 March)		Richard Gibson, Strategy and Engagement Manager
Feedback on Pittville Park Bridge post implementation review	Scrutiny	Agreed at the November meeting following a request from Cllr Cooper	Report	Adam Reynolds, Green Space Development Manager
RIPA guidance review and update report.	Scrutiny	Review guidance and any reports on usage of the powers	Report	Bryan Parsons, Governance Officer
Meeting Date: Monday 11 June 2012 Deadline for papers: Tuesday 29 May 2012				
Chairs Briefing: Tuesday 15 May 2012 5 pm				
Mobile Communications	Scrutiny	An update requested at the November meeting	Report	Bryan Parsons, Governance Officer

EBI O&S Committee 2012 work plan

Item	Purpose	Outcome	What is required?	Lead Officer
		to include consideration being given to staff using their own personal phones, figures on turnover of phones, multi-phone contracts and updates on all the issues that had been raised during this meeting.		
Strategic Commissioning	Scrutiny	An update requested at the November meeting and members to advise what specific areas they would like to be covered	Report	Jane Griffiths, Director Commissioning
Corporate Risk Register (20 mins)	Standard Item	Regular review before going to Cabinet	Report	Bryan Parsons, Governance Officer
Performance Report	Standard item	End of year review	Report	Richard Gibson, Strategy and Engagement Manager
Gloucestershire Airport Business Plan	Scrutiny	Review the business plan 12 months after the start of the drawdown of the loan	Report	Mark Sheldon, Director Resources
Meeting Date: Monday 16 July 2012				
Deadline for papers: Wed 4 July 2012				
Chair's Briefing: Tuesday 26 June 2012				
Quarterly budget report	Standard item	Quarterly review requested by the committee	Report	Paul Jones, Head of Financial Services
Annual Performance Report	Standard item	Six monthly review	Report	Richard Gibson, Policy and Performance Manager
Items to be added at a future date				

EBI O&S Committee 2012 work plan

Item	Purpose	Outcome	What is required?	Lead Officer
Localism Bill	Scrutiny	To understand the potential impact of the Bill on Economic Development and local development strategy	Discussion paper	Economic Development Strategic Land Use
Glos Integrated Economic Strategy	Scrutiny	David Owen from GFirst be invited to explain their restructure, update on LEP and progress in the implementation of the action plan	Awaiting discussion by Glos Leadership on district scrutiny	Wilf Tomaney, Acting Economic Development Manager

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