



CHEL TENHAM

BOROUGH COUNCIL

Notice of a meeting of Cabinet

Tuesday, 19 June 2012
6.00 pm

Municipal Offices, Promenade, Cheltenham, GL50 9SA

Membership	
Councillors:	Steve Jordan, John Rawson, Rowena Hay, Peter Jeffries, Andrew McKinlay, Jon Walklett and Roger Whyborn

Agenda

	SECTION 1 : PROCEDURAL MATTERS	
1.	APOLOGIES	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES OF THE LAST MEETING	(Pages 1 - 4)
4.	PUBLIC QUESTIONS AND PETITIONS	
	SECTION 2 :THE COUNCIL <i>There are no matters referred to the Cabinet by the Council on this occasion</i>	
	SECTION 3 : OVERVIEW AND SCRUTINY COMMITTEES <i>There are no matters referred to the Cabinet by Scrutiny Committees on this occasion</i>	
	SECTION 4 : OTHER COMMITTEES <i>There are no matters referred to the Cabinet by other Committees on this occasion</i>	
	SECTION 5 : REPORTS FROM CABINET MEMBERS AND/OR OFFICERS	
5.	FINANCIAL OUTTURN 2011/12 AND QUARTERLY BUDGET MONITORING TO MAY 2012- Report of the Cabinet Member Finance (to follow – please note hard copies of the report will be circulated with the	(Pages 5 - 78)

		Council papers so please bring those to the meeting)	
6.		ANNUAL PERFORMANCE REPORT Report of the Cabinet Member Corporate Services	(Pages 79 - 102)
7.		RIGHT TO BUY - SCHEME CHANGES AND AGREEMENT TO RETAIN RECEIPTS Report of the Cabinet Member Housing and Safety	(Pages 103 - 118)
8.		APPOINTMENTS TO OUTSIDE BODIES Report of the Leader	(Pages 119 - 128)
9.		GAMBLING ACT 2005 – REVIEW OF LICENSING POLICY STATEMENT OF PRINCIPLES Report of the Cabinet Member Housing and Safety	(Pages 129 - 168)
10.		REGULATING DIRECT DEBIT “FACE TO FACE” FUNDRAISING IN CHELTENHAM Report of the Cabinet Member Housing and Safety	(Pages 169 - 206)
11.		LICENSING OF RICKSHAWS IN CHELTENHAM Report of the Cabinet Member Housing and Safety	(Pages 207 - 234)
		SECTION 6 : BRIEFING SESSION • Leader and Cabinet Members	
12.		BRIEFING FROM CABINET MEMBERS	
		SECTION 7 : DECISIONS OF CABINET MEMBERS AND OFFICERS Member decisions taken since the last Cabinet meeting	
		SECTION 8 : ANY OTHER ITEM(S) THAT THE LEADER DETERMINES TO BE URGENT AND REQUIRES A DECISION	
		Section 10: BRIEFING NOTES Briefing notes are circulated for information with the Cabinet papers but are not on the agenda	

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Cabinet

**Tuesday, 29th May, 2012
6.00 - 6.20 pm**

Attendees	
Councillors:	Steve Jordan (Leader of the Council), John Rawson (Cabinet Member Finance), Rowena Hay (Cabinet Member Sport and Culture), Peter Jeffries (Cabinet Member Housing and Safety), Andrew McKinlay (Cabinet Member Built Environment), Jon Walklett (Cabinet Member Corporate Services) and Roger Whyborn (Cabinet Member Sustainability)

Minutes

1. APOLOGIES

There were no apologies.

2. DECLARATIONS OF INTEREST

No interests were declared.

3. MINUTES OF THE LAST MEETING

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

Upon a vote, those that had been present at the last meeting unanimously

RESOLVED that the minutes of the meeting held on the 17 April 2012 be approved and signed as an accurate record.

4. PUBLIC QUESTIONS AND PETITIONS

No public questions or petitions had been received.

5. FOOD SAFETY DELIVERY PLAN 2012-13

The Cabinet Member Housing and Safety introduced the annual plan which provided details of how Cheltenham Borough Council would execute its statutory food safety functions.

In response to a question from another member, the Cabinet Member Housing and Safety confirmed that a risk based approach was taken which measured risk based on type of food and number of users.

Upon a vote it was unanimously

RESOLVED that the Food Service Delivery Plan for 2012-2013 be approved.

6. HEALTH AND SAFETY DELIVERY PLAN 2012-13

The Cabinet Member Housing and Safety introduced the statutory annual health and safety delivery plan which focussed resources on high risk services.

Upon a vote it was unanimously

RESOLVED that Cabinet approve the attached service plan for 2012-2013.

7. PROPOSED LEASE OF THE STANTON ROOMS AND CHURCH PIECE PUBLIC TOILETS TO CHARLTON KINGS PARISH COUNCIL- CONSIDERATION OF REVISED TERMS

The Cabinet Member Finance introduced the report as circulated with the agenda. He explained that the matter of leasing the Stanton Rooms and Church Piece public toilets to Charlton Kings Parish Council had been previously considered by Cabinet on the 26 July 2011 and agreed. Since this time it had been established that the proposed extensions fell outside of the area as was previously reported and the terms had been amended slightly to provide CKPC with more flexibility with regard to use of the building. He considered that this was a good news story for Cheltenham Borough Council, enabling a budget saving whilst empowering the local community and CKPC.

Councillor McCloskey was invited to speak as a representative of the Charlton Kings. She confirmed that a planning application had been approved by officers and subject to the agreement of the recommendations set out in the report, CKPC would commence applications for funding.

The Leader concurred that this arrangement would collectively benefit everyone in the area.

Upon a vote it was unanimously

RESOLVED that;

- 1. The land and buildings as shown edged in red on the plan (Appendix 1) be let to the Charlton Kings Parish Council.**
- 2. Authority be delegated to the Head of Property and Asset Management in consultation with the Head of Legal Services to agree the terms of the new lease and the Head of Property Services and Asset Management to conclude the letting.**

8. BRIEFING FROM CABINET MEMBERS

The Cabinet Member Sustainability referred Cabinet members to copies of his letter dated the 4 May to the Gloucestershire County Council Planning department regarding the proposed residual waste incinerator at Javelin Park. Having discussed the issue with his Cabinet colleagues at the time he had considered it appropriate to apply his comments to two areas of objection, firstly the attempt to prematurely approve the application ahead of the Inspector's report and secondly the issues voiced in the debate at Council surrounding the motion passed on the 10 October 2011. He felt that it may be that other members of the Cabinet may like to endorse the letter and invited them to do so.

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Whilst the Leader appreciated that Councillor Whyborn had personally drafted the letter, he endorsed it as it echoed the comments made at Council on the 10 October 2011.

The Cabinet Member Finance suggested that all Members were supportive of the letter as it reflected the corporate view of environmental and waste matters generally.

Cabinet Member Built Environment noted that the Gloucestershire County Council Sustainable Transport Fund bid had been successful and would now allow for the development of Boots Corner to progress to the next stage. This formed part of a much bigger picture for the redevelopment of the town centre and the wider support that this accomplishment demonstrated should offer confidence that the plans could be delivered.

Cabinet Member Sport and Culture highlighted recent events. On Sunday people had lined the streets in support of Cheltenham Football Club on their journey to Wembley, though sadly they didn't win. The Cheltenham Torch Relay event had been a huge success with the Police estimating that 35,000 people had been at the racecourse, suggesting that the delayed arrival of the torch at the racecourse was due to the scale of the turn out along the route. She thanked all officers and volunteers that had made it possible, particularly Craig Mortiboys for his invaluable efforts. A taster session for the latest dance/exercise craze to hit the country, BOKWA, was held in Pittville Park over the weekend. Based on African dance, kick boxing and shadow boxing, BOKWA offered a cardio workout whilst being fun at the same time.

The Leader announced three decisions he had recently taken. Following his election as Leader of the Council on the 14 May he had formally allocated executive functions and this now formed part of the constitution. The attached summary set out the lead member and officer for each function, which he felt would be useful to members and officers as well as the public. The second decision related to the Cheltenham Borough Homes Board on which Councillors Driver, Smith, C. Hay, Lansley and Williams had been appointed as Councillor Board Members. The third decision, taken only today (29 May) had been the appointment of Cabinet Members to those outside bodies which formed part of the Cabinet Member portfolios. He noted the bodies on which more than one Member had been appointed: in order to maintain cross party participation, Councillor Garnham would replace Councillor Cooper on the Cheltenham Development Task Force. The relevant Cabinet Member had been appointed to the Cheltenham Parking Board and Gloucestershire Shadow Joint Waste Board, but with the addition of Councillor Jordan, the Leader of the Council. There had been no objections from the Group Leaders and the decision was subject to a 5 day call-in period.

Cabinet Member Finance, in his previous role as the Cabinet Member Built Environment, had authorised the installation of a notice board in the Norwood Triangle as part of the streetscape improvements.

Councillor Jordan
Chairman

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Cheltenham Borough Council

Cabinet – 19 June 2012

Council – 25 June 2012

Financial outturn 2011/12 and budget monitoring to May 2012

Accountable member	Councillor John Rawson, Cabinet Member for Finance
Accountable officer	Mark Sheldon, Director Resources
Accountable scrutiny committee	All
Ward(s) affected	All
Key Decision	No
Executive summary	<p>In accordance with financial rule A11.3, the Section 151 Officer is responsible for providing regular reports to the Cabinet on the Council's finances and financial performance. This report highlights the Council's financial performance for the previous year which sets out the General Fund and Housing Revenue Account (HRA) revenue and capital outturn position for 2011/12. The information contained within this report has been used to prepare the Council's Statement of Accounts for 2011/12.</p> <p>Financial rule B10.1 states that carry forward of planned underspend of revenue budgets into the following financial year will only be allowed with the agreement of the Section 151 Officer, in order to meet the needs of approved service delivery. Financial rule B10.3 states that all other carry forward requests, including budget underspends that have been carried forward in previous financial years, will be subject to full Council approval at the financial outturn meeting held after the year end.</p> <p>The Council's Treasury Management Policy requires the Section 151 Officer to report to members annually, by the 30th September, on the treasury management activities and prudential indicators for the previous financial year. This report also seeks to meet this requirement.</p>
Recommendations	<p>We therefore recommend that Cabinet approve the following recommendations to Council:</p> <ol style="list-style-type: none"> 1. Receive the financial outturn performance position for the General Fund, summarised at Appendix 2, and note that services have been delivered within the revised budget for 2011/12 resulting in a saving (after carry forward requests) of £149,777. 2. Recommend that Council approve the following: <ol style="list-style-type: none"> 2.1 £214,700 of carry forward requests (requiring member approval) at Appendix 7. 2.2 The budget saving of £149,777 be used as follows:

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- £43,600 to fund a grant to CHAC as outlined in para 3.3
 - £43,900 for providing recycling boxes and bins as outlined in para 3.6
 - £62,277 to strengthen the Planning Appeals reserve as outlined in para 3.7
3. Note the treasury management outturn at Appendix 9.
 4. Approve the allocation of the High Street Innovation Fund award grant as set out in section 6.
 5. Note the capital programme outturn position as detailed in Appendix 11 and approve the carry forward of unspent budgets into 2012/13 (section 8).
 6. Note the position in respect of section 106 agreements and partnership funding agreements at Appendix 12 (section 9).
 7. Note the outturn position in respect of collection rates for council tax and non domestic rates for 2011/12 in Appendix 13 (section 10).
 8. Note the outturn position in respect of collection rates for sundry debts for 2011/12 in Appendix 14 (section 11).
 9. Receive the financial outturn performance position for the Housing Revenue Account for 2011/12 in Appendices 15 to 17 (section 12).
 10. Note the outturn prudential indicators Appendix 18 and recommend that Council approve the revised prudential indicators for 2011/12, marked with an asterisk (section 13).
 11. Note the budget monitoring position to the end of May 2012 (section 14).

Financial implications	As detailed throughout this report. Contact officer: Paul Jones, paul.jones@cheltenham.gov.uk, 01242 775154
Legal implications	None directly arising from this report. Contact officer: Peter Lewis, Peter.Lewis@teWKesbury.gov.uk, 01684 272695
HR implications (including learning and organisational development)	None directly arising from this report. Contact officer: Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 264355

Key risks	As outlined in Appendix 1.
Corporate and community plan Implications	Key elements of the budget are aimed at delivering the corporate objectives in the Corporate Business Plan.
Environmental and climate change implications	None.

1. Background

- 1.1 This report draws together the financial outturn position for 2011/12 for the General Fund and Housing Revenue Account (HRA) revenue and capital budgets, details reserve movements, summarises requests for carry forward of budgets approved by the Section 151 Officer under delegated powers and those requiring member approval and makes recommendations in respect of the use of the underspend.
- 1.2 In accordance with financial rule A11.3, the Section 151 Officer is responsible for providing regular reports to the Cabinet on the Council's finances and financial performance.
- 1.3 A summary of the actual General Fund outturn position by service, including the business change and planned maintenance programmes, is contained in Appendix 2.
- 1.4 A summary of the outturn position by cost centre within each service is contained in Appendix 3. Information is presented both in the format normally used in cabinet and council papers and also in Service Reporting Code of Practice (SeRCOP) format used in the preparation of the final accounts which requires under / overspends on support services cost centres to be charged to end user cost centres.
- 1.5 Details of the transactions in respect of capital charges are contained in Appendix 4.

2. General Fund Revenue Outturn 2011/12

- 2.1 The 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 were instructed to reduce spend on supplies and services to essentials for the remainder of the financial year.
- 2.2 This measure enabled the Council to address the potential in year budget deficit and deliver a revised balanced budget which did not require a contribution from general balances.
- 2.3 At a meeting of Cabinet on 17th April 2012, members noted the provisional revenue outturn position for 2011/12 which highlighted a number of areas of potential budget savings. Projections at the time suggested that, after allowing for expected carry forwards, services were likely to be delivered within budget, resulting in a potential net budget saving of £302,700 against the revised budget for 2011/12.
- 2.4 It is pleasing to report that despite an exceptionally difficult economic climate, the Council has delivered services within the resources available, resulting in a budget saving, after carry forward request, of £149,777. This figure represents roughly quarter of one percent of the Council's total gross budget, showing how robust the Council's financial management is. The savings and under spends have been transferred to the 'Carry Forward' reserve pending decisions over its use in 2012/13.

2.5 A number of savings are the result of delays or slippage in carrying out particular tasks which are still necessary and will need to be completed in the 2012/13 financial year. Where this applies, requests for carry forwards are documented in Appendix 7 to this report

2.6 A full explanation of all variances that exceed £50,000 is contained within Appendix 6.

3. Making use of revenue budget savings

Combating homelessness

3.1 The Cabinet is asked to recommend to Council that some of the budget savings from 2011/12 should be directed to addressing the problems of rough sleepers, one of the most vulnerable categories of homeless people in the town.

3.2 In April 2012, the then Cabinet Member for Finance and Community Development made a decision to give a grant of £21,800 to Cheltenham Housing Aid Centre (CHAC) to fund an Assertive Outreach Service, through which trained workers would go out into the streets to find rough sleepers and give them the support they need. This was to fill a gap in our services identified in our Housing and Homelessness Strategy 2012-17.

3.3 The £21,800 grant was found from a budget saving which the Council had made when the advice and inclusion contract was tendered, and was enough to pay for the first year of what was envisaged as a three-year contract. The Cabinet is now asked to recommend Council to allocate a further £43,600 to this service from the 2011/12 revenue budget savings, so that the full three years can be funded without putting extra pressure on the revenue budget.

3.4 The number of people who are sleeping rough at any given time in Cheltenham is relatively small, but they tend to be people with very complex needs, frequently including mental health problems and drug and alcohol addictions. They need intensive support if they are to get back on their feet, but in many cases all previous attempts by the public services to help them have failed.

3.5 CHAC was chosen to provide the Assertive Outreach Service because they have a track record of helping rough sleepers and the right knowledge and experience to do this very challenging job.

Making recycling easier for residents

3.6 There has been a large increase in demand for recycling boxes since fortnightly residual waste collections were introduced. An increased level of demand is likely to continue, beyond the capacity of the existing revenue budget provision to meet it. It is therefore proposed that £43,900 of the 2011/12 budget savings should be invested in providing recycling boxes and bins. £37,600 of this will be allocated to buying additional recycling boxes. The remaining £6,300 will meet extra demand for bins from householders and may also be used to fund new communal bins.

Strengthening the Planning Appeals Reserve

3.7 The Council is likely to have to fight a number of potentially expensive appeals by developers who wish to challenge our planning policies at a time when the National Planning Policy Framework is still relatively new and our Joint Core Strategy is still taking shape. The Cabinet is therefore asked to recommend that Council contributes £62,277 from the 2011/12 budget savings, together with a further £15,000 from carry-forwards, to strengthen our Planning Appeals Reserve.

4. Budget carry forward requests

4.1 At the year end, a number of budget holders requested 'carry forward' of unspent budgets. Requests fall into two categories and have been dealt with as follows:

- 4.2** Some requests are in respect of goods and services ordered but not received by 31st March 2012 or relate to items of expenditure not yet incurred but still planned to be spent in line with the original intention of the budget resulting mainly from slippage in work programmes. In line with previous practice, these have been reviewed by the Senior Leadership Team (SLT) and approved by the Section 151 Officer, under delegated powers (financial rule B10.1). A list of the approved carry forward of budgets totalling £955,800, for which expenditure is in line with the original approved purpose, is contained in Appendix 7. In accordance with the Service Reporting Code of Practice (SeRCOP), a transfer was made to a 'carry forward' reserve in 2011/12 (Appendix 8) and transfers will be made from the 'carry forward' reserve in 2012/13 to the appropriate cost centres in order that members and officers have a clear indication of the total budget, including carry forwards, available for 2012/13.
- 4.3** Some requests have been made to carry forward an underspend to be used in a different way to that for which the budget was originally intended. Since this falls outside the budget set by Council in February 2011, their alternative use requires council approval (financial rule B10.3). The list contained in Appendix 7, totalling £214,700, has been reviewed and supported by the Senior Leadership Team and now requires council approval.

5. Treasury Management

- 5.1** Treasury Management in Local Government is governed by the CIPFA Code of Practice on Treasury Management in the Public Services and this Council has adopted the code and complies with its requirements, one of which is the receipt by Cabinet and Council of an Annual Review Report after the financial year end.
- 5.2** A summary of the financial implications of the transactions in respect of interest and investment income are contained in Appendix 5.
- 5.3** The detailed treasury report, including the current assessment of the implications of the Council's exposure to Icelandic banks, as approved by the Treasury Management Panel at its meeting on 13th June 2012, is attached at Appendix 9. The key points are highlighted below:
- 5.4 Icelandic Banks**
The Council has outstanding loans with the Icelandic owned banks Glitnir, Landsbanki and Kaupthing, Singer & Freidlander (KSF).
- 5.5** Since the decision was made by the Icelandic Supreme Court that Local Authority wholesale depositors are considered preferential creditors, both the Landsbanki and Glitnir Winding up Boards have made repayments to the Council, with further amounts expected in the future.
- 5.6** On the 17th February 2012 the Council received £1.508 million from Landsbanki as a first instalment, which was around 30% of the outstanding claim. A further 2% of the first instalment is being held in Icelandic Krona (ISK) in an escrow account. It had been expected that 98p in the pound would be recovered, although this has recently been upgraded to full recovery (ie.100%). A second distribution was recently made in May 2012 which was received in sterling. This amounted to 12p in the pound bringing the total to 42p in the pound returned to date. Future distribution payments are likely to occur over the coming years.
- 5.7** On the 15th March 2012 the Council received £2.633 million from the Winding up Board of Glitnir. This equated to 81% of the overall claim. The remaining 19%, which we also expect to recover, is being held in Icelandic Krona (ISK) in an escrow account. We are awaiting further information on the distribution of this amount.
- 5.8** Kaupthing Singer & Friedlander is estimated to repay between 81p to 86p in the pound. As at 31st March 2012, 63p in the pound had been recovered. In May 2012 a further 10p in the pound was distributed to authorities bringing the recovery rate to 73%.

- 5.9 As explained in previous budget monitoring reports, the receipt from Glitnir will be used to repay the borrowing taken out when the original losses were capitalised, using the Capitalisation Direction received in 2009/10. This will reduce borrowing repayments (Minimum Revenue Provision) by £120,000 per annum from 2012/13 and has been built into the base budget in 2012/13.
- 5.10 The Landsbanki repayment received does not have any budget implications as the Council had in this case already assumed priority status would be achieved, in line with the view taken by that bank's winding up board. For the 2010/11 accounts the Council had assumed a recovery rate of 94.85% for these deposits, based on the best available information at the time. If 100%, is ultimately received this would result in a further credit to revenue of £100-150,000. Used to repay the borrowing, this would reduce budgeted repayments by £5-7,000 per annum, from 2012/13.
- 5.11 **Treasury Management Activity**
There is a predicted surplus of interest of £10,454 to report on Treasury Management for 2011/12. The General Fund (GF) is £32,618 favourable against the 2011/12 revised budget while the Housing Revenue Account (HRA) is £22,164 adverse against the revised budget.
- 5.12 The Council's borrowing costs for 2011/12 amounted to £1,223,606 against the revised budget of £1,216,700, a deficit of £6,906. Exchange rate losses on Icelandic distributions received in 2011/2012 amounted to £9,303 was the major reason for this variance.
- 5.13 The Council's investment income for 2011/12 was £189,860 compared to a revised estimate of £172,500, a surplus of £17,360. Cash resources improved in 2011/12 due to the return of some Icelandic deposits, ensuring a higher return of interest from the Business Call Accounts, due to extending the length of time the deposits could remain in them.

6. High Street Innovation Fund grant

- 6.1 In March 2012, the Department of Communities and Local Government announced that £10 million had been earmarked as a High Street Innovation Fund to help revive high street retail across the country. £100,000 of this money was allocated to Cheltenham Borough Council.
- 6.2 The Department stated in its letter to the Council dated 30 March 2012 that: "The fund has two purposes – to support empty properties on our high streets, and those areas affected by the riots." Since the second of these aims is obviously not relevant to Cheltenham, it is clear that the Government expects us to spend this money on strategies and programmes that will help to fill empty properties.
- 6.3 The Council has discretion over how to spend its Innovation Fund grant. However, the Government states that it envisages the funding being used to support business rate discounts for new start-up businesses taking on empty properties. It also recommends that councils should encourage "innovative local approaches to managing and revitalizing high streets" including programmes to improve local skills.

This being the case, it is recommended that the money should be spent as follows:

£65,000 – roughly two thirds of the total – should be allocated to funding business rate discounts for new business start-ups taking on empty properties. Clearly, this is a relatively modest sum of money which, if it is to be effective, will need to be targeted at the areas where it can have the greatest impact. The Cabinet Member for Finance will therefore be bringing forward a detailed policy to allocate this money, so that potential businesses will know whether and to what extent they can benefit. We hope that the impact of the scheme will be increased by landlords offering to match-fund the discounts or help start-up businesses in other ways.

£20,000 should be allocated for skills training to help new and existing businesses, by providing Skillsmart retail workshops. Skillsmart is the National Skills Academy for retail who have previously delivered valuable training in the town. The training is likely to focus upon two key areas: (i) improving customer service skills amongst front line employees in small and medium sized retailers and (ii) supporting retailers with specific skills, knowledge and tools – specifically buying and visual merchandising; building sales through marketing; and retail business planning and finance. It is anticipated that a similar training programme will be offered in the City of Gloucester thereby securing economies of scale. The LEP (Local Enterprise Partnership) has been approached for additional support through their retail pathfinder status. Part of the wider picture will be stimulating retail apprenticeship opportunities through links with Gloucestershire College and Gloucestershire Media group who have run extremely successful apprenticeship campaigns.

- **£9,000 to provide cameras to measure footfall in different parts of the town centre.** Formerly this data was captured by a system funded by Gloucestershire County Council at a cost of approximately £8500pa but was withdrawn as part of budget savings. The proposal is to expand the system already deployed by key retail centres in the town and then with the addition of some extra counting points create a system for the whole town centre. Footfall cameras have a wide range of uses including calculating customer dwell times; monitoring the effectiveness of marketing campaigns; and measuring the impacts of festivals and other one-off events. In addition retailers can undertake more prescriptive studies such as individual store counting and analysis. The data gathered can help businesses monitor trends in visitor/customer behaviour so that they use their marketing budgets more effectively, and help the Council develop policies that will promote retail business in the town. The cost identified is a one-off installation cost which will require annual maintenance and software licence costs of £1500 pa. Retailers are keen to see this solution implemented.
- **£6,000 to fund the design stage of a project to renew and improve the signage for visitors in the town.** This was identified as a need in the Council's Tourism and Marketing Strategy, and could deliver significant benefit to the retail and hospitality industries in the town, especially those located outside the core town centre commercial zone. Representatives of the retail sector have welcomed this proposal.

In the course of internal discussions and consultations with the business community about ways of supporting high street businesses, a number of other ideas have been suggested, including:

- **Joint promotions by Cheltenham Borough Council and Gloucester City Councils.** The aim would be to identify three unique events every year in each town that do not clash and could be promoted jointly. Gloucester City Council is eager to explore this and it would provide a positive platform for further cross town initiatives.
- **Information packs for visitors arriving in the town by coach,** providing useful guidance to visitors and shoppers, possibly including incentives.
- **A window display competition,** aimed at raising that standard of shop window displays, possibly run jointly with local media.

It is possible that these proposals could be taken forward with funding from other budgets, or that funding could be sought from the Promoting Cheltenham Fund or other sources.

7. Reserves

- 7.1 The Section 151 Officer has, under delegated powers (financial rule B11.4), authority to make transfers to and from these operational reserves in accordance with the intention of the reserve as determined by the Council's Reserves Policy and Protocol. The transfers approved by the Section 151 Officer for 2011/12 are set out in the Use of Reserves and Balances schedule at Appendix 8.

- 7.2** Appendix 10 details the reserves held by the Council, states their purpose and indicates the balance at 31st March 2012. In setting the budget for 2012/13 a review of reserves was undertaken with a view to assessing whether the levels were appropriate, in line with the policy for reserves and balances, and taking into account the needs and risks of the organisation and the prevailing economic conditions. At the year end this process has been repeated.
- 7.3** An assessment of the Council's other earmarked reserves has been made in line with the fiduciary duty of the Section 151 Officer at the year end. Accepting that there are still some areas of uncertainty, the level of reserves appears adequate at this point in time and no other changes are currently recommended.
- 7.4** The level of maximum individual reserve balances were reviewed in February 2012, as part of the budget setting process. At 31st March 2012, most reserves are within these specific maximum levels.
- 7.5** It is important to understand and consider that there is an opportunity cost in maintaining reserves. Members will be aware that reserves exist for specific 'earmarked' and valid purposes which are regularly reviewed. Over time, it is anticipated that these reserves will be used for the purpose for which they were set aside. Hence the opportunity cost of holding these reserves at existing or slightly above existing levels is either justified or insignificant.
- 7.6** At the year end, the General Fund Balance stands at £2.253m and therefore remains above the minimum range of £1.5m to £2m recommended by the Section 151 Officer. Given the continued prevailing economic conditions and the pressure on the current and future year's revenue budgets, it is recommended that this should not be reduced.

8. Capital Outturn 2011/12

- 8.1** The outturn position in respect of General Fund capital is contained in Appendix 11. Members are asked to note the outturn position and, where there is slippage, approve the carry forwards into 2012/13 requested by officers.

9. Section 106 receipts

- 9.1** A position statement in respect of the activity of Section 106 receipts is contained in Appendix 12.
- 9.2** The following summarises the activity in respect of Section 106 for 2011/12, compared to 2010/11.

	31/3/11 £	31/3/12 £
Balance of unused Section 106 receipts	279,582	289,316
Net additional receipts in year	55,363	144,186
Receipts used to finance projects in year	(45,629)	(33,508)
Balance outstanding at year end	289,316	399,994

10. Council tax and business rates collection

- 10.1** The monitoring report for the collection of council tax and business rates (NNDR) income is shown in Appendix 13. This shows the position at the end of March 2012.

11. Sundry debt collection

- 11.1 The monitoring report for the collection of sundry debt income is shown in Appendix 14. This shows the position at the end of March 2012.

12. Housing Revenue Account (HRA)

12.1 HRA income and expenditure

The revised estimates for the Housing Revenue Account anticipated a deficit of £961,400 which would reduce revenue reserves to £2,711,800. The outturn statement, at Appendix 15, shows a deficit for the year of £570,433, an overall positive variance of £390,967 which will leave revenue reserves at year end at £3,102,799.

This positive variance arose primarily from:

- lower revenue funding of capital expenditure required (£320,968)
- reduction in the need to provide for bad debts (£44,310)
- increased income from service charges (£22,729)
- savings in management costs (£34,039)

Partially offset by the additional contributions to the housing repairs account (£21,246) as detailed in paragraph 12.2

12.2 Housing repairs account

The Council keeps a separate Housing Repairs Account (shown at Appendix 16) that assists in smoothing out peaks and troughs in the need for responsive repairs. Total costs on this account exceeded the budget of £3,953,000 by £21,246 which is not considered significant given the demand led nature of the expenditure.

12.3 HRA Capital Programme

As shown at Appendix 17, actual expenditure totalled £4.740m, a reduction of £249,000 when compared to the revised estimate of £4.989m. This variation was identified in the February 2012 monitoring report and arises from savings in two projects namely:

- The transformational improvement programme at St Paul's
- Water mains renewal

13. Prudential Indicators

- 13.1 At its meeting in February 2011, the Council set the prudential indicators for 2011/12 to comply with the prudential code. A summary of the prudential indicators for the year is contained in Appendix 18.
- 13.2 The prudential indicators have been monitored regularly and there were no material departures from the indicators arising during the year. The outturn indicators are reported to Cabinet and Council as part of the capital and treasury management outturn in accordance with the arrangements determined at the February 2011 council meeting.
- 13.3 The outturn position for 2011/12 has, in some cases, had an impact on prudential indicators for 2012/13 where there is slippage and carry forward of spend. As a result some revisions to the

prudential indicators for 2012/13, approved by Council in February 2012, have been made. These are marked with an asterisk in Appendix 18 and require member approval.

14. 2012/13 Revenue and Capital budget monitoring to May 2012

14.1 Due to the pressures of the year end process and the rollout of a new Enterprise Resource Planning (ERP) system, a detailed monitoring exercise has not been undertaken at this point in the year. However, no significant variances have been identified by service managers at this stage.

15. Section 151 Officer advice

15.1 The Government expects councils to make a significant contribution to reducing the level of public debt and the Council can expect to continue to face a significant public sector funding squeeze over the next few years. Future budgets are likely to contain some difficult decisions and may require some sources of 'one off' finance to enable savings to be delivered through cost / staffing reductions. In this situation, any opportunity to fund future investment requirements from one off sources rather than impacting on future year's budgets should be taken.

15.2 In agreeing the recommendations, members need to be mindful of the prevailing challenging financial climate and in view of the budget pressures already potentially facing the Council in the current year, to ensure that any carry forwards recommended for approval (even those for which the Section 151 Officer has the delegation to approve) are the most effective use of scarce resources.

16. Conclusion

16.1 The outturn position for 2011/12 demonstrates that, despite another challenging year, the Council managed to turn a projected overspend of £476k into a modest underspend, which demonstrates that we continue to maintain a strong and consistent track record of the management of services within budgets. There are no significant 'unexpected' overspends or under spends in 2011/12 which demonstrates that budget monitoring arrangements remain strong.

16.2 If approved, some of the carry forward requests will assist in the delivery of corporate objectives, help to complete projects started in 2011/12 and support initiatives which help to bridge the medium term funding gap.

16.3 Members should note that the outturn position will be used to prepare the Statement of Accounts for approval by the Audit Committee.

17. Consultation

17.1 Appropriate members and officers were consulted in the process of preparing the outturn position and associated reports and accounts.

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<p>Appendices</p>	<ol style="list-style-type: none"> 1. Risk assessment 2. Summary outturn performance position - General Fund 3. Service level outturn performance position - General Fund 4. Capital charges 5. Interest and investment income 6. Significant variances 7. Carry forward requests 8. Use of balances and reserves 9. Treasury outturn 10. Movement on earmarked reserves and general balances 11. Capital programme - General Fund 12. Section 106 receipts statement 13. Council tax and NNDR collection 14. Sundry debt collection 15. HRA Operating account 16. HRA Housing repairs account 17. HRA Capital programme 18. Prudential indicators
<p>Background information</p>	<ol style="list-style-type: none"> 1. Section 25 Report – Council 11th February 2011 2. Final Budget Proposals for 2011/12 – Council 11^h February 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..	Historically, the council has used in year savings to fund one off growth / new initiatives. As a result of budgets getting tighter, there may be a reduced likelihood of in year savings being delivered resulting in potentially increased pressure on the General Reserve to fund growth / new initiatives over the period of the MTFS.	Director Resources	December 2010	4	3	12	Reduce	Future capital receipts may be needed to increase the size of the General Reserve.	on-going	Director Resources (working with SLT)	

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SERVICE LEVEL OUTTURN PERFORMANCE POSITION 2011-12

REVENUE OUTTURN 2011/12	Budget Book 11/12 £	(Under) /				Adjusted (Under) / Overspend £	Carry Forwards £	Transfers to (from) reserves £	(Under) /				SOA_Code Adjusted (Under) / Overspend £
		Revised Budget 11/12 £	Actual 2011/12 £	Overspend before SeRCOP Adjustment £	Adjustment £				Overspend before SeRCOP Adjustment £	Code / IFRS Adjustments £	IAS19 Pension Adjustments £	SeRCOP Adjustment £	
BUILT ENVIRONMENT													
D21800 Cheltenham Strategic Partnership	10,200	21,900	17,897	(4,003)	3,200	(803)			(4,003)				(4,003)
B51140 Strategic Planning	168,900	177,400	169,567	(7,833)		(7,833)			(7,833)				(7,833)
B51145 Joint Core Strategy	0	7,300	3,633	(3,667)	3,667	0	3,667		(3,667)				(3,667)
D34300 Town Centre Management	29,500	32,100	32,100	0		0			0				0
D34400 Business & Economic Development	143,800	243,906	106,874	(137,032)	139,400	2,368			(137,032)				(137,032)
D21250 Civil Emergency Planning	243,050	208,960	172,205	(36,755)	400	(3,954)	32,401		(36,755)				(36,755)
E21400 Shopmobility Scheme	92,350	83,050	83,092	42		42			42				42
E11110 Cheltenham Environmental Fund	0	149,200	34,327	(114,873)	114,600	(273)			(114,873)				(114,873)
E72500 Built Environment Division	127,600	(1,000)	(35,112)	(34,112)	30,000	(4,112)			(34,112)				(34,112)
B51120 Development Control	589,300	538,700	548,037	9,337		9,337			9,337				9,337
B52300 Building Control	60,600	98,400	64,347	(34,053)		(34,053)			(34,053)				(34,053)
B51130 Conservation	91,700	104,000	104,000	0		0			0				0
B51160 Civic Pride	282,400	310,300	189,575	(120,725)		(9,225)	111,500		(120,725)				(120,725)
D21600 Land Charges	(31,650)	(75,050)	(96,510)	(21,460)	34,400	12,940			(21,460)				(21,460)
E22100 Chelt River & Water Courses	160,700	157,300	156,260	(1,040)	600	(440)			(1,040)				(1,040)
E21150 Bus Station - Royal Well	10,600	11,500	12,290	790		790			790				790
E22150 CBC Funded Highway Works	92,600	98,500	95,503	(2,997)	(178)	(3,174)			(2,997)				(2,997)
E21100 Car Parks - Off Street	(1,650,100)	(1,813,400)	(1,826,164)	(12,764)	10,900	(2,360)	(496)		(12,764)				(12,764)
E21300 Residents Parking Schemes	(200)	0	0	0		0			0				0
E36200 On-Street Car Parking-Extended Scheme	(1,000)	0	0	0		0			0				0
H22600 Ex Community Services	(105,800)	(51,300)	(67,143)	(15,843)		(15,843)			(15,843)				(15,843)
H22260 Housing Strategy	263,900	20,300	20,300	0		0			0				0
H22300 Housing Grants	123,700	100,000	94,423	(5,577)		(5,577)			(5,577)				(5,577)
H22350 Supporting People	29,600	15,900	15,900	0		0			0				0
H22400 Homeless Persons	316,600	303,800	238,414	(65,386)	59,700	(5,686)			(65,386)				(65,386)
H22500 Community Alarms	(52,200)	(40,300)	(43,020)	(2,720)		(2,720)			(2,720)				(2,720)
H22225 Housing Standards	114,600	243,700	236,670	(7,030)		(7,030)			(7,030)				(7,030)
H22270 Housing Enabling/Partnership	56,100	63,500	63,500	0		0			0		1,790,000		1,790,000
H22550 Disabled Facilities Grants	0	64,300	64,300	0		0			0		320,000		320,000
H22230 PSDH grants / loans	0	0	0	0		0			0		(17,324)		(17,324)
TOTAL BUILT ENVIRONMENT	1,166,850	1,072,966	455,265	(617,701)	146,894	(77,607)			(617,701)		2,092,676	0	1,474,975
COMMISSIONING													
D21200 Corporate Management	1,248,900	1,095,100	1,093,250	(1,850)		(1,850)			(1,850)		11,793		9,943
G50337 Transfer to accumulated absences account	0	0	0	0		0			0		(11,793)		(11,793)
D21215 CPA Costs	11,100	0	0	0		0			0		0		0
D21220 Corporate Subscriptions	24,400	23,700	23,662	(38)		(38)			(38)		(38)		(38)
D11700 Policy & Information Management	(92,700)	(12,100)	(36,061)	(23,961)	11,500	(12,461)			(23,961)		(23,961)		(23,961)

SERVICE LEVEL OUTTURN PERFORMANCE POSITION 2011-12

REVENUE OUTTURN 2011/12	Budget Book 11/12 £	Revised Budget 11/12 £	Actual 2011/12 £	(Under) / Overspend before SerCOP Adjustment £	Transfers to (from) reserves £	Carry Forwards £	Adjusted (Under) / Overspend £	(Under) / Overspend before SerCOP Adjustment £	Code / IFRS Adjustments £	IAS19 Pension Adjustments £	SerCOP Adjustment £	SOA_Code Adjusted (Under) / Overspend £
D11715 Neighbourhood Management of Services	0	14,800	7,440	(7,360)		7,300	(60)	(7,360)				(7,360)
D11775 Farmers Market	900	6,350	6,109	(241)			(241)	(241)				(241)
D38700 LA21	28,900	23,100	23,100	0			0	0				0
D21900 Equal Opportunities	0	1,700	(505)	(2,205)			(2,205)	(2,205)				(2,205)
D21950 Community Planning	147,400	135,300	135,300	0			0	0				0
D21970 Parish Pride	0	51,400	32,581	(18,819)		18,800	(19)	(18,819)				(18,819)
D11900 Communications Management	(9,700)	(9,700)	(5,250)	4,410			4,410	4,410				4,410
D12600 Service Development	3,800	(110,600)	(111,217)	(617)			(617)	(617)				(617)
D12220 Civic & Member Services	300	400	1,762	1,362			1,362	1,362				1,362
D24100 Ancey	0	0	1,502	1,502			1,502	1,502				1,502
D24150 Twinning Expenses	27,000	42,900	38,077	(4,823)			(4,823)	(4,823)				(4,823)
D24200 Gottingen Sports Exchange	0	0	533	533			533	533				533
D24220 Gottingen Visit/Visitors	0	0	60	60			60	60				60
D24230 Gottingen Big Party Visit	0	0	2,581	2,581			2,581	2,581				2,581
D24830 Weihei	0	0	117	117			117	117				117
D22100 Civic Expenses	57,700	60,600	58,789	(1,811)			(1,811)	(1,811)				(1,811)
D22200 Civic Car	44,600	32,900	34,213	1,313			1,313	1,313				1,313
D23010 Hospitality- small items	2,500	2,500	212	(2,288)			(2,288)	(2,288)				(2,288)
D23020 Mayoral Sunday	500	500	0	(500)			(500)	(500)				(500)
D23030 Mayor Making Ceremony	3,000	3,000	2,963	(37)			(37)	(37)				(37)
D23060 Remembrance Sunday	3,300	3,300	2,087	(1,213)			(1,213)	(1,213)				(1,213)
D23070 Medal of Honour Awards	600	600	253	(347)			(347)	(347)				(347)
D23090 Battle of Britain Day	1,400	1,400	1,061	(339)			(339)	(339)				(339)
D23100 Hospitality - Civic Gifts	700	700	0	(700)			(700)	(700)				(700)
D23200 Festival Performing Arts	24,400	24,400	29,760	5,360			5,360	5,360				5,360
D23900 Charity Events	5,000	5,000	3,983	(1,017)			(1,017)	(1,017)				(1,017)
D12250 D.S.U.	(26,900)	(15,000)	(13,565)	1,435			1,435	1,435				1,435
D21100 Democratic Process	565,250	512,250	492,740	(19,510)		7,000	(12,510)	(19,510)				(19,510)
D21150 Cabinet Expenditure	80,100	82,800	82,999	199			199	199				199
D21190 O & S Committees	56,000	64,900	68,946	4,046			4,046	4,046				4,046
D12200 Legal Services	(4,400)	12,750	(34,460)	(47,210)			(47,210)	(47,210)				(47,210)
D12205 CBC v. Laird Case	0	35,000	40,113	5,113	(5,113)		0	5,113				5,113
D21300 District Elections	62,100	70,900	84,122	13,222			13,222	13,222				13,222
D21400 Electoral Registration	202,500	183,000	191,290	8,290			8,290	8,290				8,290
D21500 Elec.Reg.Overheads	2,350	(10,750)	(12,720)	(1,970)			(1,970)	(1,970)				(1,970)
D21510 County County Elections	0	0	2,400	2,400			2,400	2,400				2,400
D21550 AV Referendum	0	0	(9,965)	(9,965)			(9,965)	(9,965)				(9,965)
D33950 Resource Centre (Holding Account)	2,000	7,300	4,181	(3,119)			(3,119)	(3,119)				(3,119)
D39120 SLA-Glos Racial Equality	20,100	53,100	47,053	(6,047)		3,200	(2,847)	(6,047)				(6,047)
D37100 Hesters Way	47,500	44,700	44,700	0			0	0				0
D37200 Whaddon	75,800	44,000	44,000	0			0	0				0
D38100 Community Dev. Strategy	91,900	93,200	93,200	0			0	0				0

SERVICE LEVEL OUTTURN PERFORMANCE POSITION 2011-12

REVENUE OUTTURN 2011/12	Budget Book 11/12 £	Actual 2011/12			(Under) / Overspend before SerCOP Adjustment		Transfers to (from) reserves	Carry Forwards	Adjusted (Under) / Overspend		(Under) / Overspend before SerCOP Adjustment	Code / IFRS Adjustments	IAS19 Pension Adjustments	SerCOP Adjustment	SOA_Code Adjusted (Under) / Overspend
		Revised Budget 11/12 £	Actual 2011/12 £	Overspend before SerCOP Adjustment £	Adjusted (Under) / Overspend £	Adjusted (Under) / Overspend £									
D38300 Cheit. Disability Action	250	250	0	0	0	0	0	0	0	0	0	0	0	0	0
D38600 Pensioners Forum	250	250	250	0	0	0	0	0	0	0	0	0	0	0	0
D39100 SLA-Citizens Adv. Bureau	161,400	161,400	161,779	(621)	(621)	0	0	(621)	0	(621)	(621)	0	0	(621)	(621)
D39150 SLA-CCAVA	40,600	67,000	47,000	(20,000)	(20,000)	0	20,000	0	0	(20,000)	(20,000)	0	0	(20,000)	0
D39210 Small Grants-Property	8,000	8,000	8,000	0	0	0	0	0	0	0	0	0	0	0	0
D38850 Youth Affairs	24,000	63,400	(738)	(64,138)	(64,138)	0	64,100	(38)	0	(64,138)	(64,138)	0	0	(64,138)	(64,138)
TOTAL COMMISSIONING	2,942,800	2,876,450	2,687,646	(188,804)	(188,804)	(5,113)	131,900	(62,018)	0	(188,804)	(188,804)	0	0	(188,804)	(188,804)
OPERATIONS															
C22100 Green Environment Division	(76,650)	13,350	16,165	2,815	2,815	0	0	2,815	0	2,815	2,815	0	0	2,815	2,815
C23160 Environmental Maintenance Division	(10,400)	16,900	(28,587)	(45,487)	(45,487)	0	0	(45,487)	0	(45,487)	(45,487)	0	0	(45,487)	(45,487)
E34200 NPR Environmental Maintenance	127,000	82,300	61,677	(20,623)	(20,623)	0	0	(20,623)	0	(20,623)	(20,623)	0	0	(20,623)	(20,623)
C23100 Refuse Collection	963,500	1,035,400	1,077,232	41,832	41,832	0	0	41,832	0	41,832	41,832	0	0	41,832	41,832
C23110 Street Cleaning	864,200	759,100	747,951	(11,149)	(11,149)	0	0	(11,149)	0	(11,149)	(11,149)	0	0	(11,149)	(11,149)
C23120 Recycling Centre/CA Site	274,500	176,700	162,561	(14,139)	(14,139)	0	20,000	5,861	0	(14,139)	(14,139)	0	0	(14,139)	(14,139)
C23125 Recycling: Bring Schemes	48,000	39,900	50,781	10,881	10,881	0	0	10,881	0	10,881	10,881	0	0	10,881	10,881
C23130 Building Cleaning	12,800	12,100	11,549	(551)	(551)	0	0	(551)	0	(551)	(551)	0	0	(551)	(551)
C23140 Public Conveniences	122,100	180,200	162,357	(17,843)	(17,843)	0	0	(17,843)	0	(17,843)	(17,843)	0	0	(17,843)	(17,843)
C23180 Recycling: Collection Schemes	405,750	600,650	574,004	(26,646)	(26,646)	0	12,000	(14,646)	0	(26,646)	(26,646)	0	0	(26,646)	(26,646)
C23190 Garden Collections	(214,700)	(13,200)	65,561	78,761	78,761	0	0	78,761	0	78,761	78,761	0	0	78,761	78,761
C24100 Fleet Maintenance	(2,500)	0	(644)	(644)	(644)	0	0	(644)	0	(644)	(644)	0	0	(644)	(644)
C24150 Fleet Management	(47,300)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
C22105 Housing Forecourts	(10,500)	(20,600)	(24,392)	(3,792)	(3,792)	0	0	(3,792)	0	(3,792)	(3,792)	0	0	(3,792)	(3,792)
C22110 Parks & Gardens	1,163,900	963,700	942,321	(21,379)	(21,379)	0	10,000	(11,379)	0	(21,379)	(21,379)	0	0	(21,379)	(21,379)
C22115 Grass Verges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
C22120 Sports & Open Spaces	1,208,100	1,128,100	1,133,268	5,168	5,168	(31,620)	4,800	(21,652)	0	5,168	5,168	0	0	5,168	5,168
C22140 Nursery	(39,000)	(85,200)	(103,164)	(17,964)	(17,964)	0	0	(17,964)	0	(17,964)	(17,964)	0	0	(17,964)	(17,964)
C22440 Gloucester County Council (Schools)	4,700	(46,400)	(51,141)	(4,741)	(4,741)	0	0	(4,741)	0	(4,741)	(4,741)	0	0	(4,741)	(4,741)
TOTAL OPERATIONS	4,793,500	4,843,000	4,797,499	(45,501)	(45,501)	(31,620)	46,800	(30,321)	0	(45,501)	(45,501)	0	0	(45,501)	(45,501)
RESOURCES															
D12300 Human Resources and Organisation development	34,000	9,200	(7,041)	(16,241)	(16,241)	0	17,000	759	0	(16,241)	(16,241)	0	0	(16,241)	(16,241)
D21260 Health & Safety	3,800	3,500	(772)	(4,272)	(4,272)	0	4,200	(72)	0	(4,272)	(4,272)	0	0	(4,272)	(4,272)
D12310 Corporate Training	(21,900)	(21,800)	(29,756)	(7,956)	(7,956)	0	8,000	44	0	(7,956)	(7,956)	0	0	(7,956)	(7,956)
D12400 Director (Resources)	(119,450)	92,150	85,519	(6,631)	(6,631)	0	0	(6,631)	0	(6,631)	(6,631)	0	0	(6,631)	(6,631)
D11400 Audit & Assurance	(43,050)	7,150	7,400	250	250	0	0	250	0	250	250	0	0	250	250
D11300 Financial Services	10,900	(43,500)	(64,211)	(20,711)	(20,711)	0	20,000	(711)	0	(20,711)	(20,711)	0	0	(20,711)	(20,711)
D12485 Procurement	(27,750)	(18,750)	(19,402)	(652)	(652)	0	0	(652)	0	(652)	(652)	0	0	(652)	(652)
D12490 Sundry Debtors	(200)	32,800	32,955	155	155	0	0	155	0	155	155	0	0	155	155
D32600 Financial Expenses - Insurances	12,100	(5,300)	(6,009)	(709)	(709)	0	0	(709)	0	(709)	(709)	0	0	(709)	(709)

SERVICE LEVEL OUTTURN PERFORMANCE POSITION 2011-12

REVENUE OUTTURN 2011/12	Budget Book 11/12 £	(Under) /				Carry Forwards £	Adjusted (Under) / Overspend £	(Under) / Overspend before SerCOP Adjustment £	Code / IFRS Adjustments £	IAS19 Pension Adjustments £	SerCOP Adjustment £	SOA_Code Adjusted (Under) / Overspend £
		Revised Budget 11/12 £	Actual 2011/12 £	Overspend before SerCOP Adjustment £	Transfers to (from) reserves £							
D32700 Financial Expenses - Debt Mgr/Bank Charges	87,100	84,800	76,893	(7,907)		(7,907)	(7,907)	(7,907)			(7,907)	
D32750 Pension Fund Backfunding Contributions	1,331,600	1,331,600	1,329,720	(1,880)		(1,880)	(1,880)	(1,880)			(1,880)	
D33800 Unison Sports & Social Club	14,000	14,400	14,437	37		37	37	37			37	
D35100 Gloucestershire Airport	(1,300)	37,200	33,902	(3,298)		(3,298)	(3,298)	(3,298)			(3,298)	
H22280 Housing Advances	1,700	0	(92)	(92)		(92)	(92)	(92)			(92)	
D12500 Property Services Division	(7,850)	(10,150)	(23,869)	(13,719)	13,000	(7,19)	(13,719)	(13,719)			(13,719)	
D21290 Asset Management Plan	0	65,100	65,100	0		0	0	0			0	
D30200 Miscellaneous Properties & Land	(484,300)	(413,900)	(408,576)	(19,004)		(13,680)	(13,680)	5,324			5,324	
D30220 Development & Regeneration Sites	68,600	78,900	78,900	0		0	0	0			0	
D13100 Municipal Offices	17,200	(15,400)	(43,998)	(28,598)		(28,598)	(28,598)	(28,598)			(28,598)	
D14100 Depot Building	5,000	(31,900)	(31,348)	552	(1,251)	(700)	552	552			552	
D30300 War Memorials	6,100	7,300	3,452	(3,848)		(3,848)	(3,848)	(3,848)			(3,848)	
L21400 Stanton Room	7,500	8,700	6,819	(1,881)		(1,881)	(1,881)	(1,881)			(1,881)	
L32200 Christmas in Cheltenham	35,500	46,700	43,245	(3,455)	3,400	(55)	(55)	(3,455)			(3,455)	
D12450 Cash Receiving / Banking	(5,700)	(4,500)	(5,701)	(1,201)		(1,201)	(1,201)	(1,201)			(1,201)	
D12455 Car Park Income Collection	(4,300)	(5,000)	(9,895)	(4,895)		(4,895)	(4,895)	(4,895)			(4,895)	
D12495 Customer Services Areas	(19,200)	(49,100)	(54,158)	(5,058)		(5,058)	(5,058)	(5,058)			(5,058)	
D13120 Central Mail Room	(8,100)	(4,100)	(6,571)	(2,471)		(2,471)	(2,471)	(2,471)			(2,471)	
D13160 Custodians -Muni.Bids	(4,200)	(7,100)	(11,320)	(4,220)		(4,220)	(4,220)	(4,220)			(4,220)	
D12430 Housing & CT Benefits Overhead a/c	(32,600)	3,200	1,951	(1,249)		(1,249)	(1,249)	(1,249)			(1,249)	
D12435 Local Housing Allowances	(75,600)	(75,600)	(102,136)	(26,536)	26,500	(36)	(26,536)	(26,536)			(26,536)	
H23100 Rent Allowances	(31,600)	(47,100)	160,752	207,852		207,852	207,852	207,852			207,852	
H23150 Housing Benefit Administration	143,100	67,200	72,158	4,958		4,958	4,958	4,958			4,958	
H23200 Tenants Rent Rebates	(110,100)	(79,700)	(136,102)	(56,402)		(56,402)	(56,402)	(56,402)			(56,402)	
D12440 Council Tax Overheads	33,500	11,000	2,824	(8,176)		(8,176)	(8,176)	(8,176)			(8,176)	
D12445 Council Tax Leaflet	0	0	0	0		0	0	0			0	
D12460 Property Inspection	800	(18,600)	(21,507)	(2,907)	2,900	(7)	(2,907)	(2,907)			(2,907)	
D12480 Business Revenues Overheads	200	(45,700)	(45,780)	(80)		(80)	(80)	(80)			(80)	
D31200 Council Tax Coll and CT benefits	644,400	605,500	589,113	(16,387)		(16,387)	(16,387)	(16,387)			(16,387)	
D31300 NDR Collection	(44,400)	(72,100)	(71,669)	431		431	431	431			431	
D39400 Discretionary Relief	12,100	12,100	11,960	(140)		(140)	(140)	(140)			(140)	
D11800 IT Services	(113,250)	(118,050)	(143,243)	(25,193)		(25,193)	(25,193)	(25,193)			(25,193)	
D11820 IT Infrastructure	26,500	156,000	43,195	(112,805)		(112,805)	(112,805)	(112,805)			(112,805)	
D13250 Corporate Telecommunications	(200)	(500)	29,530	30,030		30,030	30,030	30,030			30,030	
TOTAL RESOURCES	1,340,650	1,586,650	1,446,669	(139,981)	58,444	102,664	(139,981)	(139,981)	0	0	(139,981)	
STRATEGIC DIRECTORS												
D11100 Management (C Execs)	(16,200)	400	(279)	(679)		(679)	(679)	(679)			(679)	
D51100 Director (Corporate Services)	(5,000)	(6,300)	(7,606)	(1,306)		(1,306)	(1,306)	(1,306)			(1,306)	
E74100 Environment Group Management&Admin	4,750	(5,150)	(19,003)	(13,853)		(13,853)	(13,853)	(13,853)			(13,853)	

SERVICE LEVEL OUTTURN PERFORMANCE POSITION 2011-12

REVENUE OUTTURN 2011/12		Budget Book 11/12	Revised Budget 11/12	Actual 2011/12	(Under) / Overspend before SerCOP Adjustment	Transfers to (from) reserves	Carry Forwards	Adjusted (Under) / Overspend	(Under) / Overspend before SerCOP Adjustment	Code / IFRS Adjustments	IAS19 Pension Adjustments	SerCOP Adjustment	SOA_Code Adjusted (Under) / Overspend
		£	£	£	£	£	£	£	£	£	£	£	£
TOTAL STRATEGIC DIRECTORS		(16,450)	(11,050)	(26,888)	(15,838)	0	0	(15,838)	(15,838)	0	0	0	(15,838)
WELLBEING & CULTURE													
E63100	Cemeteries & Crematorium	(782,800)	(685,400)	(670,968)	14,432	(813)		13,619	14,432				14,432
C22190	Allotments	73,100	70,900	69,529	(1,371)			(1,371)	(1,371)				(1,371)
B51125	Private Trees (incl TPOs)	15,800	50,300	49,900	(400)			(400)	(400)				(400)
E71150	Public Protection Division	26,500	(41,900)	(37,524)	4,376		21,100	25,476	4,376				4,376
A21500	Licensing	(32,400)	6,500	(35,251)	(41,751)			(41,751)	(41,751)				(41,751)
D34510	Crime and Disorder	81,600	276,000	271,133	(4,867)		1,600	(3,267)	(4,867)				(4,867)
C24200	Abandoned Cars	54,300	19,400	18,306	(1,094)			(1,094)	(1,094)				(1,094)
E61300	Animal Welfare	58,000	56,800	49,725	(7,075)			(7,075)	(7,075)				(7,075)
E61100	Food Safety	212,000	116,300	113,747	(2,553)			(2,553)	(2,553)				(2,553)
E61200	Health & Safety at Work Act	188,900	79,800	79,800	0			0	0				0
E61250	Pollution Control	180,100	139,300	142,705	3,405		2,100	3,405	3,405				3,405
E61350	Pests Control	92,000	82,200	77,382	(4,818)			(4,818)	(4,818)				(4,818)
E61450	Water Sampling	500	500	66	(434)			(434)	(434)				(434)
E61500	CCTV/Town Centre Safety	136,500	132,700	132,095	(605)			(605)	(605)				(605)
E61600	Contaminated Land	50,300	29,900	25,101	(4,799)			(4,799)	(4,799)				(4,799)
E61650	Air Quality	37,600	42,400	37,534	(4,866)		6,000	1,134	(4,866)				(4,866)
L17200	Wellbeing & Culture Management	1,800	17,700	9,154	(8,546)			(8,546)	(8,546)				(8,546)
L23200	Cheltenham Arts Festivals Ltd	125,300	136,500	136,500	0			0	0				0
L16100	Holiday Recreation Programme	106,200	112,100	105,338	(6,762)		2,800	(3,962)	(6,762)				(6,762)
L17300	Sport Development	83,100	90,400	89,361	(1,039)			(1,039)	(1,039)				(1,039)
L17400	Support to External Sports Organisations	4,400	4,000	4,000	0			0	0				0
L17500	Healthy Lifestyles	51,700	55,100	49,014	(6,086)		5,000	(1,086)	(6,086)				(6,086)
L11500	Recreation Facilities/Management	1,659,250	1,656,400	1,680,767	24,367		6,000	30,367	24,367				24,367
L41100	Art Gallery & Museum	904,800	811,400	794,339	(17,061)	19,800		2,739	(17,061)				(17,061)
L23500	Arts Grant/Enabling Funds	171,600	187,000	183,911	(3,089)			(3,089)	(3,089)				(3,089)
L31100	Tourist Information Centre	91,250	100,150	100,016	(134)			(134)	(134)				(134)
L81100	Everyman Theatre	161,200	209,800	211,328	1,528			1,528	1,528				1,528
L81200	Playhouse Theatre	23,000	9,100	9,149	49			49	49				49
L21100	Town Hall	783,700	558,400	514,179	(44,221)		1,400	(42,821)	(44,221)				(44,221)
L21200	Pittville Pump Room	(68,600)	267,700	232,822	(34,878)			(34,878)	(34,878)				(34,878)
L24500	Box Office	181,500	0	0	0			0	0				0
TOTAL WELLBEING & CULTURE		4,672,200	4,591,450	4,443,160	(148,290)	18,987	46,000	(83,303)	(148,290)	1,250,000	0	0	1,101,710
BUSINESS CHANGE													
G07	G07 Project	161,100	0	0	0			0	0				0
GOCOE	GO Support & Hosting CoE Revenue Costs	23,800	89,100	96,915	7,815			7,815	7,815				7,815

SERVICE LEVEL OUTTURN PERFORMANCE POSITION 2011-12

REVENUE OUTTURN 2011/12	Budget Book 11/12 £	Revised Budget 11/12 £	Actual 2011/12 £	(Under) / Overspend before SeRCOP Adjustment		Transfers to (from) reserves	Carry Forwards	Adjusted (Under) / Overspend	(Under) / Overspend before SeRCOP Adjustment	Code / IFRS Adjustments	IAS19 Pension Adjustments	SeRCOP Adjustment	SOA_Code Adjusted (Under) / Overspend
				£	£								
GOERP	47,800	192,900	180,457	(12,443)	12,400	(43)		(12,443)					(12,443)
IT0055	45,200	42,500	30,650	(11,850)		(11,850)							(11,850)
IT0058	357,900	225,600	172,044	(53,556)	53,500	(56)		(53,556)					(53,556)
IT0059	0	0	909	909		909		909					909
IT0062	(1,000)	29,100	11,073	(18,028)	18,000	(28)		(18,028)					(18,028)
IT0071	100,000	190,300	23,600	(166,700)	166,700	0		(166,700)					(166,700)
IT0072	0	55,300	52,800	(2,500)	2,500	0		(2,500)					(2,500)
IT0073	0	50,800	41,300	(9,500)	9,500	0		(9,500)					(9,500)
IT0074	0	124,300	18,504	(105,796)	105,800	4		(105,796)					(105,796)
TOTAL BUSINESS CHANGE	734,800	999,900	628,251	(371,649)	0	(3,249)	368,400	(371,649)	(371,649)	0	0	0	(371,649)
PROGRAMME MAINTENANCE	482,100	588,400	428,212	-160,188	161,000	812	0	-160,188	-160,188	0	0	0	-160,188
G50530 BAD DEBTS PROVISION	40,000	40,000	31,430	-8,570	0	-8,570	0	-8,570	-8,570	0	0	0	-8,570
G50520 SAVINGS FROM VACANCIES	-480,000	-69,650	0	69,650	0	69,650	0	69,650	69,650	0	0	0	69,650
TOTAL ALL SERVICES	15,676,450	16,518,116	14,891,244	(1,626,872)	348,592	(107,780)	1,170,500	(1,626,872)	(1,626,872)	3,342,676	0	0	1,715,804

PLANNED MAINTENANCE PROGRAMME 2011/12

Code	Scheme	Description	Budget Book 2011/12	Revised Budget 2011/12	Outturn 2011/12	Under/(Over) spend on Projects	Comments
REVENUE							
PM0000	All properties (H&S)	Installation of Power Perfector at Town Hall.	117,900	75,900	0	0	£75,900 expenditure on Power Perfector delayed due to trial period. Funds will be required in 2012/13.
PM0010	Art Gallery & Museum	Cyclical wiring testing and consequential repairs.	4,400	4,400	884	3,516	
PM0020	Town Hall	General wiring cyclical testing & repairs, replacement of fixed house lights and wiring, replacement of lighting and wiring within Conference Suite, replacement of house light housings in roof void.	30,000	30,000	32,638	(2,638)	
PM0030	Pitville Pump Room	CC TV, annual maintenance of Spawater pumps, replacement of incoming main water supply, chandelier refurbishments, cyclical wiring testing, upgrade of lighting wiring and fittings, annual cleaning and rewaxing of ballroom flooring, replacement chairs.	21,200	38,700	31,725	6,975	
PM0040	Recreation Centre	Bird control measures, annual BMS checks, replacement of sauna/steamroom cabin heater, replacement of external lamps, cyclical wiring testing, replacement of lighting lamps in Sports Hall, refurbishment of wooden sprung floor, deep clean of diving board tower.	44,700	44,700	47,017	(2,317)	
PM0041	Prince of Wales Stadium	Refurbishment of lighting provision in car park, annual maintenance of track high lighting, rolling programme to upgrade track lighting fittings, cyclical wiring testing and consequential repairs, irrigation pump house and equipment maintenance, general repairs to track and field surfaces, refurbishment of spectator seating.	103,500	43,500	41,920	1,580	
PM0042	Pavilions	General periodic repairs at Central Cross Kiosk.	7,950	19,450	24,382	(4,932)	
PM0060	Depot	General wiring cyclical testing & repairs, fuel tank replacements.	57,500	72,500	80,651	(8,151)	
PM0061	Civic Amenity & Recycling Site	General wiring cyclical testing & repairs.	1,500	1,500	(1,254)	2,754	
PM0070	Municipal Office	Cyclical wiring testing and consequential repairs.	4,000	4,000	10,243	(6,243)	
PM0080	Cemetery	General wiring cyclical testing & consequential repairs.	3,000	3,000	3,034	(34)	
PM0081	Crematorium	Renew/upgrade furnace equipment, trenching works, annual maintenance of upgraded cremators, builders works in connection with upgrade.	61,200	121,200	65,983	4,017	£51,200 required in 12/13 for maintenance contract (postponed due to final stage of works falling in 2012/13).
PM0082	Charlton Kings Cemetery	General wiring cyclical testing & repairs.	650	650	650	650	
PM0090	Miscellaneous Properties	General cyclical wiring and consequential repairs, communal area redecoration to Berkeley Mews, electrical rewiring at Berkeley Mews.	8,600	41,100	8,518	82	£16,700 required in 12/13 for Berkeley Mews communal redecoration. £15,800 required in 12/13 for testing.
PM0091	Everyman Theatre	General maintenance & repairs.	1,100	3,000	2,118	882	
PM0092	Central Nursery	Distribution panels, consequential repairs to greenhouse, cyclical wiring testing, improvement of properties to comply with Decent Homes standards.	1,100	25,100	6,130	18,970	
PM0095	Edinburgh House	General maintenance & repairs.	2,200	0	841	(841)	
PM0096	Stanton Rooms	General wiring cyclical testing & repairs.	400	400	400	400	
PM0099	Statues & Memorials	General repairs and cleaning of stonework, condition survey and repair of Neptune's Fountain.	2,000	7,000	16,528	(9,528)	
PM0120	General Car Parks	Cyclical wiring testing & consequential repairs.	0	0	1,029	(1,029)	
PM0125	Grosvenor Terrace Car Park	Cyclical wiring testing & consequential repairs.	0	0	350	(350)	
PM0131	Regent Arcade Car Park	Lighting upgrades and cyclical wiring testing.	0	42,000	45,862	(3,862)	
PM0150	Bridges	Condition survey.	0	0	500	(500)	

PLANNED MAINTENANCE PROGRAMME 2011/12

Code	Scheme	Description	Budget Book 2011/12	Revised Budget 2011/12	Outturn 2011/12	Under/(Over) spend on Projects	Comments
PM0160	Public Toilets	Periodic jet cleaning/test of drainage system.	10,300	10,300	9,114	1,186	
	TOTAL REVENUE PROGRAMMED MAINTENANCE		482,100	588,400	428,212	588	C/F £159,600
CAPITAL PM0081	Crematorium		524,000	524,000	524,000	0	
	TOTAL CAPITAL PROGRAMMED MAINTENANCE		524,000	524,000	524,000	0	
	TOTAL PROGRAMMED MAINTENANCE		1,006,100	1,112,400	952,212	588	

* The variance, after carry forward requests, will be retained in the Programme Maintenance Reserve and allocated to future years programmes.

Capital Charges

	2011/12 ORIGINAL £	2011/12 REVISED £	2011/12 ACTUAL £	2011/12 VARIANCE £	NOTE
Minimum Revenue Provision (MRP)	616,200	3,248,400	3,248,421	21	1
Debt Redemption Premiums	145,700	145,700	145,573	(127)	2
Depreciation	(2,753,700)	(2,677,500)	(2,677,475)	25	3
Amortisation	(105,800)	(96,100)	(95,977)	123	4
Capital Charges	(2,097,600)	620,500	620,542	42	

NOTE

- 1 Prescribed % required to be set aside to repay debt as set in the MRP Policy
- 2 Amortised cost of debt re-scheduling
- 3 Depreciation - depreciation charged on the Council's tangible fixed assets
- 4 Amortisation - amortisation charged on the Council's intangible fixed assets

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Interest and Investment Income

	2011/12 ORIGINAL £	2011/12 REVISED £	2011/12 ACTUAL £	2011/12 VARIANCE £	NOTE
External Interest Payable	1,212,600	1,216,700	1,223,606	6,906	1
HRA Item 8 Credit	62,400	81,700	79,020	(2,680)	2
External Interest received	(176,300)	(172,500)	(189,860)	(17,360)	3
Interest due from Icelandic banks	0	0	(380,984)	(380,984)	4
Icelandic Banks impairment	0	0	(129,522)	(129,522)	5
HRA Item 8 Debit	(576,900)	(528,700)	(548,185)	(19,485)	6
Interest and Investment Income	521,800	597,200	54,075	(543,125)	

NOTE

- 1 External interest payable - interest paid on the Council's treasury management / cashflow activity
- 2 Item 8 credit - contribution to the Housing Revenue Account (HRA) in respect of discount received from debt re-scheduling and interest receivable on cash balances held by the HRA
- 3 Interest earned on Council's funds and treasury management / cashflow activity
- 4 Interest due in year from Icelandic banks
- 5 Impairment of Icelandic banks deposits credit
- 6 Item 8 debit - contribution from the Housing Revenue Account in respect of premium incurred from debt re-scheduling and debt charges

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**SIGNIFICANT VARIANCES IN REVENUE OUTTURN FOR 2011/12
(OVER £50,000) BY SERVICE**

WELLBEING & CULTURE

There is a net underspend within the Wellbeing & Culture service of £148,300 including the following significant variances:-

Town Hall & Pittville Pump Rooms

There is an under spend of £79,100 to report for the Entertainments Division in 2011/12. There is a net under spend of £44,200 for the Town Hall. This was due to an increase in sales for CBC promoted events and agency tickets during the final quarter of the financial year.

Pittville Pumps Rooms had a net under spend of £34,900 for 2011/12. Lettings income and catering income was up by £23,600 against budget and there was also an under spend of £9,000 on premises costs. The remaining £2,300 under spend occurred on supplies and services.

COMMISSIONING

There is a net underspend within the Commissioning Directorate of £188,800 including the following significant variance:-

Youth Affairs

There is an under spend of £64,100 for 2011/12 due to grant payments made to voluntary youth projects in 2011/12 having twelve months to spend their allocation. The balance remaining has been requested to be carried forward into 2012/13.

BUILT ENVIRONMENT

There is a net under spend within the Built Environment Directorate of £617,700 including the following significant variances:-

Business & Economic Development

There is an under spend of £137,000 for 2011/12 which is made up of an under spend of £102,200 on the Promoting Cheltenham Fund which has been requested to be carried forward into 2012/13. The successful grant applicants in late 2011 have a year to complete their projects and receive the grant payment. A £10,000 under spend of LABGI funding carried forward from 2010/11 and further under spends of £27,200 through savings on employee costs and supplies and services are to be carried forward into 2012/13 to fund Joint Core Strategy Economic work.

Cheltenham Environmental Fund

There is an underspend of £114,900 for 2011/12 for which a carry forward request has been made. The funding is split into various different projects which will be completed in 2012/13.

Civic Pride

There is an under spend of £120,700 on this cost centre as anticipated expenditure was not required in the current year. Future expenditure will be required in line with the ongoing progress of the Cheltenham Development Task Force. £111,500 has been appropriated back to the Civic Pride reserve for future use.

Homelessness

There is a net underspend of £65,400 for 2011/12 including £59,700 underspend in non-ring fenced Local Housing Support Grant funding received in 2011/12. This underspend has been requested to be carried forward to support homelessness expenditure in 2012/13.

OPERATIONS

There is a net underspend of £45,500 within Operation Services for 2011/12. There are no significant variances (in excess of £50,000) to report.

RESOURCES

There is a net underspend of £168,000 within the Resources Directorate for 2011/12 including the following significant variances:-

Housing and council tax benefits

The cost of rent allowances, rent rebates and council tax benefits paid out is wholly funded by government subsidy. In addition, subsidy is also paid on overpayments made due to changes in claimant's circumstances (i.e. not due to local authority error). The unpredictability of this demand-led service, particularly in the level of overpayments, makes the net cost of this service difficult to estimate.

Overall the outturn on benefits (rent allowances, rent rebates and council tax benefits) was a net credit of £235,000 compared to an estimated net credit budget of £189,500, an increased credit of £52,400. This credit has been transferred to the Benefits Equalisation Reserve to meet any shortfalls in the budget in the future.

Following a recent audit report and on the advice of the Benefits Manager, there is a recommendation to increase the size of the bad debt provision for benefit overpayments, as a result of the government's proposed change from the current benefits system to universal credits. This change could mean that any outstanding debts may not be recoverable against future benefit payments, leaving the council to finance any write offs, without receiving any corresponding subsidy.

Before any unbudgeted transfers, the bad debt provision as at 31st March 2012 for benefit overpayments was £407,100 (representing 44% of the debt outstanding). The audit recommendation is that the provision should be at least 75% of the level of outstanding debt by 2017. The advice of the S151 Officer, reported to council in June 2011, was that over the next few years the council look to increase the provision further through further realignment of the benefit related reserves or from any future under spends. A transfer of an additional £200,000 has therefore been made to the bad debt provision from the overall under spend, so that at 31st March 2012 it now represents 65% of the debt outstanding.

The council remains committed to supporting people who are currently in receipt of benefits under the current scheme in the transition to universal credits.

ICT Infrastructure

There is an under spend in the ICT infrastructure budgets of £112,800 as a result of the programme of ongoing desktop replacement being delayed due to resourcing issues. A carry forward request for £82,700 has been made to support the ongoing programme in the new financial year.

BUSINESS CHANGE

The Business Change budgets are under spent by a net £371,600 made up of the following significant variances:

Revenues & Benefits Sourcing Strategy

The Revenues & Benefits Sourcing Strategy budget of £166,700 has not been spent in 2011/12. A carry forward request has been made for this money to be used to continue to progress shared working arrangements for the Resources Directorate with other councils, including £141,700 for a potential shared ICT service.

Organisational & Development Work

There is an underspend of £53,500, against the budget of £80,000 for the year. This funding was agreed by council to support the significant business change required in order to deliver some of the councils key projects including GO. Outstanding funding is allocated to supporting the use of Achieve Breakthrough within our new partnership arrangements; for interim procurement capacity; for support for the implementation of GO; for learning and development of staff in support of commissioning, and for external advice to the Leisure and Culture review. A request has been made for the underspend to be carried forward to complete the work streams in 2012/13.

Waste Company

There is an underspend in this budget of £105,800 at the year end. This budget is to fund the one-off set up costs of Ubico over the period 2011/12 and 2012/13 and a request has been made to carry forward this budget to fund the remaining set up costs of Ubico in 2012/13.

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2011/12 CARRY FORWARD REQUESTS

Ref	Amount £ (Net of VAT)	Expenditure Code	Cost Centre	Reason for carry forward	A		Amounts for member approval
					(i) Base Budgets Amounts agreed by S151 Officer under delegated powers	(ii) One-Off Budgets Amounts agreed by S151 Officer under delegated powers	
1	1,400	L21100-3410	Town Hall	Budget was underspent due to Computer equipment ordered in March 2012 but received in early April 2012.	1,400		
2	6,000	L17200-3501	Wellbeing & Culture Management	Upgrade to Horizons software to enable Online Bookings & Payments and a Kiosk function - Leisure@.			6,000
3	2,800	L16100-3104	Play Development	Equipment - Request £2,800 carry forward to meet the cost of a planned replacement equipment order placed in March ahead of the Easter programme, for which the equipment was delivered in early April. A carry forward would support additional delivery during 2012/13.	2,800		
4	5,000	L17500-0101	Healthy Lifestyles	Salaries - Request £5,000 carry forward associated with a member of staff returning from maternity leave later than expected therefore the cross over between 2 members of staff has occurred later than expected.	5,000		
5	2,100	E71150-0204	Public Protection division	Training course - re investigative techniques, gathering evidence, putting together a prosecution file and related subjects. Delayed from Feb 12 through trainer illness. To be undertaken May 2012.	2,100		
6	6,000	E61650-3103	Public Protection-Air Quality	Extension of air quality machine rental - Swindon Road to January 2013	6,000		
7	2,100	E61350-3222	Public Protection - Seagull Reduction Programme	Expenditure for seagull reduction programme 2012-13	2,100		
8	9,000	E71150-3623	Public Protection division	Idbox document management system and licenses for Environmental Health that integrates with the Uniform System			9,000
9	3,000	E71150-0204	Public Protection division	Uniform Training Public Protection Division			3,000
10	7,000	E71150-3501	Public Protection division	Working flexibly - trial of two Public Protection Officers to work from home / other locations -Initial set up costs and cost of two hand held devices			7,000
11	1,600	D34510-8142	Crime & Disorder - alcohol partnership grant	Crime & Disorder - alcohol partnership grant	1,600		
	46,000			Total Wellbeing & Culture	21,000	0	25,000
12	7,000	D21100-3101	Democratic Services	To support rollout of ICT Remote Access Facilities for members	7,000		

2011/12 CARRY FORWARD REQUESTS

Ref	Amount £ (Net of VAT)	Expenditure Code	Cost Centre	Reason for carry forward	A		B
					(i) Base Budgets Amounts agreed by S151 Officer under delegated powers	(ii) One-Off Budgets Amounts agreed by S151 Officer under delegated powers	
13	64,100	D38850-3800	Youth Affairs	Match funded grant payments made to voluntary youth projects in 2011/12 - with twelve months to spend their allocation. The cf needed to award remaining grant payments in 2012/13.		64,100	
14	20,000	D39150	GAVCA	Remaining tranches of GAVCA one off expenditure - committed 2012/13		20,000	
15	2,300	D11700-3401	Policy & Performance	Printing of consultation information on Boundary Reviews in Autumn 2012 for the general public.	2,300		
16	7,300	D11715-3501	Neighbourhood Mngt Services	To fund the support of community led events and activities in 2012/13. Also to support remaining neighbourhood co-ordination groups to become community led.	7,300		
17	18,800	D21970-3677	Community Pride	Funding has been allocated to projects by way of grants which organisations have until the end of July 2012 to spend.		18,800	
18	3,200	D39120-3187	SLA-R.Equality	Hate Crime Project - Specific Funding from February 2009 still unused. Because the nature of project work runs in peaks and troughs the council has been able to sell some of the capacity to other councils, smoothing out work and enabling us to keep valuable skills inhouse. The money raised from this activity is requested to be carried forward to 2012/13 as there are a number of key projects in the corporate strategy and it is important that we have sufficient project support to enable these to be progressed. By working with other councils and selling skills it enables knowledge transfer and build up partnership working, but also allows us to use the resources more flexibly to meet our own project management demands.	3,200		
19	9,200	D11710-XXXX	Project Management		9,200		
	131,900			Total Commissioning	29,000	102,900	0
20	102,200	D34400-3800	Business & Economic Development	Promoting Cheltenham Fund - The successful grant applicants were awarded in late 2011. They have a year to complete their projects and receive the grant payment.		102,200	
21	37,200	D34400-3852	Business & Economic Development	To fund economic project work within the Joint Core Strategy in 2012/13.		37,200	

2011/12 CARRY FORWARD REQUESTS

Ref	Amount £ (Net of VAT)	Expenditure Code	Cost Centre	Reason for carry forward	A (i)		A (ii)		B
					Base Budgets Amounts agreed by S151 Officer under delegated powers	One-Off Budgets Amounts agreed by S151 Officer under delegated powers	Amounts for member approval		
22	34,400	D21600-8730	Land Charges	Cheltenham Borough Council is working jointly with Tewkesbury Borough and Gloucester City Councils on the Joint Core Strategy (JCS) and its supporting evidence base, which is effectively replacing the previous Gloucestershire County Council responsibility for the county structure plan. As a result, there are emerging funding pressures on districts, which must ensure that their economic strategies are effectively aligned with the JCS. It is recommended that this sum is carried forward as a contingency against the risk of partnership funding requirements, relating to the economic evidence base.	34,400				
23	3,200	D21800-3185	Cheltenham Strategic Partnership	To fund the Inspiring Families Project	3,200				
24	600	E22100-1129	Chelt Rivers & Water Courses	To fund essential maintenance works, as planned.	600				
25	400	D21250-3972	Civil Emergencies	To fund essential maintenance works, as planned.	400				
26	15,000	E72500	Built Environment Division	To fund Cheltenham's contribution to a Strategic Housing Market Assessment to support the work of the Joint Core Strategy.					15,000
27	15,000	E72500	Built Environment Division	To help support forthcoming planning appeals.					15,000
28	10,900	E21100-8569	Off Street Car Parking - Staff	Surplus achieved on staff parking permits will be used in the forthcoming year to fund Green Travel initiatives, as agreed when the initiative was implemented.	10,900				
29	59,700	H22400-8122	Homelessness	Homelessness - DCLG Implementation grants received - to be spent to support impact of welfare reforms	59,700				

2011/12 CARRY FORWARD REQUESTS

Ref	Amount £ (Net of VAT)	Expenditure Code	Cost Centre	Reason for carry forward	A		B
					(i) Base Budgets Amounts agreed by S151 Officer under delegated powers	(ii) One-Off Budgets Amounts agreed by S151 Officer under delegated powers	
30	114,600	E11110	Cheltenham Environmental Fund	The funding has been allocated to various improvement projects in the town, the balance of the funding will be utilised as the projects are completed in 2012/13.		114,600	
	393,200			Total Built Environment	109,200	254,000	30,000
31	4,800	C22120-3874	Parks and Gardens	To fund Leckhampton Hill fencing costs of £4,800 (total cost £22,000 of which we will be claiming back £17,200 from Natural England)	4,800		
32	10,000	E34200-4604	NPR Environmental Maintenance	To fund the budget reduction as implemented by Gloucestershire County Council relating to the cutting of grass verges. This work is delivered through the mini Highways Agency contract.			10,000
33	12,000	C23180-3920	Recycling Collection Schemes	To fund recycling calendars not produced in 2012/13. Instead, the commissioner will be producing some literature and calendars in the new financial year.	12,000		
34	20,000	C23120-3501	Recycling - CA Site	To fund recycling centre improvements. It was hoped to be able to achieve this in the financial year 2011/12, however, this will now not be possible due to project slippage resulting from the pressures of the business change program	20,000		
	46,800			Total Operations	36,800		10,000
35	20,000	D11300-0109	Financial Services	Funding received via the gifting arrangements in lieu of back filling under the GO Programme which will be used during 2012/13 to continue back-filling members of staff that have been seconded to the GO Programme.		20,000	
36	25,000	D11800-0101	IT Services	To fund external Strategic ICT advice in 2012/13 to support the sourcing strategy for ICT.			25,000
37	82,700	D11820-3660	IT Infrastructure	To fund the continued rolling replacement of ICT equipment.	82,700		

2011/12 CARRY FORWARD REQUESTS

Ref	Amount £ (Net of VAT)	Expenditure Code	Cost Centre	Reason for carry forward	A		Amounts for member approval
					(i) Base Budgets Amounts agreed by S151 Officer under delegated powers	(ii) One-Off Budgets Amounts agreed by S151 Officer under delegated powers	
38	17,000	D12300-0109	Human Resources	To support the local implementation of Agresso and roll-out of self service functionality in September 2012, including funding the working of additional hours.		17,000	
39	8,000	D12310-0205	Corporate Training	To support training requirements following the implementation of Agresso & GO Shared Services.	8,000		
40	4,200	D21260-0205	Health & Safety	To fund refresher H&S training which could not be arranged in 2011/12 due to trainer availability.	4,200		
41	8,000	D12440-3602	Council Tax	Use of general underspend in Council Tax expenditure budgets to support the increased cost of postage.			8,000
42	2,900	D12460-0101	Property Inspection	To help fund cover for long term sickness within the Council Tax team.	2,900		
43	13,000	D12500-0101	Property Services	To support maternity leave cover and to provide admin support to complete the population of Uniform system with property data.	13,000		
44	3,400	L32200-1330	Christmas in Cheltenham	To support ongoing maintenance and replacement of lights.	3,400		
	184,200			Total Resources	114,200	62,000	8,000
45	12,400	GOCOE	ERP Implementation	To support residual implementation costs of the new ERP system and the creation of a shared service for Finance, Procurement, HR and Payroll in 2012/13		12,400	

2011/12 CARRY FORWARD REQUESTS

Ref	Amount £ (Net of VAT)	Expenditure Code	Cost Centre	Reason for carry forward	A		Amounts for member approval
					(i) Base Budgets Amounts agreed by S151 Officer under delegated powers	(ii) One-Off Budgets Amounts agreed by S151 Officer under delegated powers	
46	53,500	IT0058	Organisation & Development work	This funding was agreed by council to support the significant business change required in order to deliver some of the councils key projects including GO. Outstanding funding is allocated to supporting the use of Achieve Breakthrough within our new partnership arrangements; for interim procurement capacity; for support for the implementation of GO; for learning and development of staff in support of commissioning, and for external advice to the Leisure and Culture review. This underspend is needed to complete the work streams in 2012/13.		53,500	
47	18,000	IT0062	Working flexibly	To fund the further rollout of new technologies which support flexible working		18,000	
48	166,700	IT0071	Revs & Bens sourcing strategy	To fund potential collaborative working with other councils. Balance of £141,700 to be used to support ICT development - see below ref 49.		25,000	
49	9,500	IT0073	IT Services sourcing strategy	To fund the development of ICT including addressing business continuity issues (corporate risk register 34b), ICT infrastructure strategy (work is underway to determine future ICT investment requirements) and service sourcing strategy (including the possibility of a shared service)		9,500	141,700
50	2,500	IT0072	Customer Services sourcing strategy	To support investment in collaborative working with other councils following the creation of Ubico including the development of customer services interfaces (including ICT systems) with Ubico.		2,500	
51	105,800	IT0074	Waste Company	To fund the one-off on-going set-up costs associated with the creation of Ubico Ltd. Funds may also be required to bring on board potential new partners into Ubico with negotiations already underway with Tewkesbury BC commissioners.		105,800	
	368,400			Total Business Change	0	226,700	141,700
	1,170,500			Total Carry Forward Requests	310,200	645,600	214,700

DETAILED RESERVE MOVEMENTS

RSVE REF:		BUDGETBOOK 2011/12 £	REVISED 2011/12 £	ACTUAL 2011/12 £	VARIANCE 2011/12 £	NOTE
<u>USE OF BALANCES & RESERVES - SUMMARY</u>						
7301	Contributions to reserves - see detail below*	1,658,843	1,864,236	3,567,323	1,624,387	
8240	Contributions from reserves - see detail below**	-1,003,100	-4,265,860	-4,270,973	-5,113	
8248	Contributions from reserves to fund one off revenue - see detail below***	-482,100	-588,400	-480,762	107,638	
		173,643	-2,990,024	-1,184,413	1,726,911	
<u>* CONTRIBUTIONS TO RESERVES</u>						
BR02	Pension Reserve	150,000	150,000	150,000	0	Contribution to pension reserve to fund future pension and augmentation costs
BR12	House Survey Reserve	7,500	7,500	7,500	0	Contribution towards survey every 3 years
BR12	House Survey Reserve				0	Reserve realignment from Housing Needs Assessment Reserve
BR14	Flood Alleviation Reserve			32,401	32,401	Contribution to fund Civil Emergencies - flood alleviation works
BR15	Art Gallery & Museum Development Reserve		122,000	141,800	19,800	
BR45	Joint Core Strategy Reserve			3,667	3,667	Contribution to fund the Joint Core Strategy
BR58	Civic Pride Reserve			111,500	111,500	Contribution to fund Development task force projects 12/13
BR63	Rent Allowances Equalisation Reserve	29,300	29,300	29,300	0	Contribution to fund future costs in lieu of additional administration grant
BR63	Rent Allowances Equalisation Reserve			78,700		Contribution to fund future costs
BR67	Interest Equalisation Reserve			381,000.00	381,000	Contribution to cover any additional losses arising in the value of Icelandic deposits and/or to reduce the borrowing arising from the capitalisation of the losses
BR67	Interest Equalisation Reserve			120,219.00	120,219	Contribution to cover impairment adjustment re Icelandic banks
BR76	Elections Reserve	61,200	61,200	61,200	0	Contribution to fund future election costs
BR89	Property Repairs & Renewals Reserve	693,000	693,000	693,000	0	Contribution to fund Planned Maintenance programme
BR91	Carry forward requests approved by CFO under delegated powers			955,800	955,800	Carry forward of budgets to fund expenditure in line with original budget - Appendix 7
BR92	Revenue Contribution to Capital Outlay (RCCO)	700,000	751,693	751,693	0	Contribution to capital reserve (subject to future review of capital financing strategy)
BS01	General Reserve	16,300	16,300	16,300	0	Transfer to General Balances in respect of Audit partnership savings
BS01	General Reserve		10,647	10,647		Reserve re-alignment of Single Status reserve to General balances
BS01	General Reserve		21,053	21,053		Reserve re-alignment of Local Authority Business Growth Incentive Scheme (LABGI) reserve to General balances
BS01	General Reserve	1,543	1,543	1,543	0	Transfer to General Balances
		1,658,843	1,864,236	3,567,323	1,624,387	
<u>** CONTRIBUTIONS FROM RESERVES</u>						
BR01	Single Status Reserve		-3,600	-3,600	0	Contribution to fund transitional costs of single status
BR01	Single Status Reserve		-10,647	-10,647		Reserve re-alignment of Single Status reserve to General balances

USE OF BALANCES AND RESERVES

DETAILED RESERVE MOVEMENTS

RSVE REF:	BUDGETBOOK 2011/12 £	REVISED 2011/12 £	ACTUAL 2011/12 £	VARIANCE 2011/12 £	NOTE
BR02	-100,000	-100,000	-100,000		0 Contribution to fund increased pension costs as a result of the 2004 triennial revaluation
BR05	-1,800				0 Contribution to fund cost of IBS licence
BR05	-5,000				0 Contribution to fund maintenance on upgrades to Council Tax / Benefits system
BR09	-15,000				0 Contribution to fund Playhouse Theatre development
BR10	-30,000	-35,000	-35,000		Contribution to fund economic and cultural development as agreed by Council in previous financial years
BR10	-10,000	-10,000	-10,000		0 Contribution to fund economic and cultural development as agreed by Council 29/6/09
BR10		-21,053	-21,053		Reserve re-alignment of Local Authority Business Growth Incentive Scheme (LABGI) reserve to General balances
BR12	-32,000	-32,000	-32,000		0 Contribution to fund housing stock conditions survey costs
BR14	-50,000				0 Contribution to fund flood alleviation works
BR14	-30,000				0 Contribution to fund local flood alleviation works for 3 years (from EU Grant)
BR14	-74,700	-133,910	-133,910		0 Contribution to fund Severn Trent Water community fund schemes
BR25		-11,000	-11,000		0 Insurance reserve for stolen jewellery
BR27		-11,700	-11,700		0 Accumulated profits held for TIC shop improvements
BR30		-38,600	-38,600		0 To fund risk management initiatives / excess / premium increases
BR52	-39,000	-39,000	-39,000		0 Use of developers contributions to fund maintenance costs
BR54		-19,350	-19,350		0 Contribution to fund set up costs of One Legal
BR58	-108,700	-145,600	-145,600		0 Contribution to fund Project Manager
BR58	-112,500	-112,500	-112,500		0 Contribution to fund project costs
BR63	-68,400	-68,400	-68,400		0 Contribution to fund increased net cost compared to budget
BR65	-17,000	-17,000	-17,000		0 Contribution to fund Taxi Marshalls in 2009/10
BR66		-2,500,000	-2,500,000		To cover any additional losses arising in the value of Icelandic deposits and/or to reduce the borrowing arising from the capitalisation of the losses
BR72		-55,000	-55,000		0 Fund cyclical cost of local plan inquiry
BR88	-42,400	-79,400	-79,400		0 Contribution to fund IT infrastructure
BR89	-15,000	-60,000	-60,000		0 Contribution to fund Everyman Theatre grant
BS01	-71,600	-71,600	-71,600		0 Contribution to fund GO Programme
BS01		-339,300	-344,413	-5,113	Contribution to fund the one off staffing costs associated with the 2010/11 budget proposals
BR91		-351,200	-351,200		0 Approved carry forwards
	-1,003,100	-4,265,860	-4,270,973	-5,113	

2010/11 carry forward reserves created at 31.3.11

USE OF BALANCES AND RESERVES

DETAILED RESERVE MOVEMENTS

RSVE REF:	BUDGETBOOK 2011/12 £	REVISED 2011/12 £	ACTUAL 2011/12 £	VARIANCE 2011/12 £	<u>NOTE</u>
*** CONTRIBUTIONS FROM RESERVES TO FUND ONE OFF REVENUE					
BR89	-482,100	-588,400	-427,400	161,000	To fund Programmed Maintenance
BR92			-19,004	-19,004	Contribution to fund capital programme reclassified as revenue- land & presale costs
BR92			-34,358	-34,358	Contribution to fund capital programme reclassified as revenue
	-482,100	-588,400	-480,762	107,638	

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Cheltenham Borough Council**Treasury Management Panel – 13th June 2012****Treasury Outturn 2011/12****Report of the Director, Resources****1. Introduction**

- 1.1** Treasury Management in Local Government is governed by the CIPFA Code of Practice on Treasury Management in the Public Services and this Council has adopted the Code and complies with its requirements, one of which is the receipt by Cabinet/Council of an Annual Review Report after the financial year end.

2. Economic Outlook for 2011/12

- 2.1** At the time of determining the Treasury Strategy Statement for 2011/12 in February 2011, there were tentative signs that the UK was emerging from recession with the worst of the financial crisis behind it. Recovery in growth was expected to be slow and uneven as the austerity measures announced in the 2010 Comprehensive Spending Review were implemented in order to bring down the budget deficit and government borrowing and rebalance the economy and public sector finances. Inflation measured by the Consumer Price Index (CPI) had remained stubbornly above 3% and unemployment was at a 16-year high at 2.5 million and was expected to rise as the public and private sector contracted. There was also a high degree of uncertainty surrounding Eurozone sovereign debt sustainability.
- 2.2** Inflation during 2011/12 remained high with CPI and the Retail Price Index (RPI) rising in September 2011 to 5.2% and 5.6% respectively primarily due to escalating utility prices and the January 2011 increase in VAT to 20%. Inflation eased slowly as reductions in transport costs, food prices, intensifying competition amongst retailers and supermarkets and the VAT effect falling out in 2012, pushed February 2012 CPI down to 3.4% and RPI to 3.7%. This, however, was not enough to offset low wage growth and, as result, Britons suffered the biggest drop in disposable income in more than three decades.
- 2.3** Growth, on the other hand remained indefinable. The Bank's Quarterly Inflation Reports painted a bleak picture as the outlook was downgraded to around 1% in 2011 and 2012. The unresolved problems in the Eurozone weighed negatively on global economic prospects. UK Gross Domestic Product was positive in only the first and third calendar quarters of 2011 and registered just 0.5% for the whole of 2011. Unemployment rose to 2.68million and worryingly youth unemployment broke through the 1 million barrier. House prices struggled to show sustained growth and consumer confidence remained fragile.
- 2.4** It was not surprising that the Bank of England Monetary Policy Committee maintained the status quo on the Bank Rate which has now been held at 0.5% since March 2009, but increased asset purchases by £75bn in October 2011 and another £50bn in February 2012 taking the Quantitative Easing (QE) total to £325bn. The government struck broadly to its austerity plans as the economy was rebalancing slowly. The

opinion of the independent Office for Budget Responsibility (OBR) was that the government was on track to meet its fiscal targets but identified oil price shocks and a further deterioration in Europe as the main risks to the outlook for growth and in meeting the fiscal target.

- 2.5** The US economy continued to show tentative, positive signs of growth alongside a gradual decline in the unemployment rate. The US Federal Reserve (the Fed) committed to keeping policy rates low until 2014, although a modest shift in the Fed's language in March, alongside an improvement in economic activity, cast doubts about the stability of the Fed's policy commitment.
- 2.6** In Europe, sovereign debt problems for some minor countries became critical. Several policy initiatives were largely unsuccessful. Two bailout packages were required for Greece and one for Portugal, and the contagion spread to Spain and Italy whose sovereign bonds came under increased stress in November 2011. Rating agencies downgraded nine European sovereigns.

3. Portfolio position 1/4/11-31/3/12

Movements in the Council's borrowing during 2011/12 can be seen in the table below. Long term loans are deemed to be those repayable over a period of more than one year.

Source of Loan	Balance at 1 April 2011 £	Raised during the year £	Repaid during the year £	Balance at 31 March 2012 £
Temporary Borrowing				
- Building Societies	5,000,000	0	5,000,000	0
- Banks	0	0	0	0
- Local Authorities	8,000,000	104,840,000	107,740,000	5,100,000
Temporary Investment	323,759	1,022,896	1,343,655	3,000
Total Short Term Borrowing	13,323,759	105,862,896	114,083,655	5,103,000
Long Term Borrowing				
- Public Works Loan Board	11,000,000	29,814,000	7,669	40,806,331
- Market Loans	15,900,000	0	0	15,900,000
Long Term Borrowing	26,900,000	29,814,000	7,669	56,706,331
Total External Borrowing	40,223,759	135,676,896	114,091,324	61,809,331

- 3.1** In 2011/12 the Council's actual debt management costs (borrowing) were £1,223,606 compared to a revised budget of £1,216,700, a deficit of £6,906. Exchange rate losses on Icelandic distributions received in 2011/2012 amounted to £9,303. The weighted average rate on all loans for 2011/12 was 3.25% (2010/11 3.13%) against a revised estimated rate of 3.03%. Given the significant cuts to local government funding putting pressure on the Council's finances, the strategy followed was to minimise debt interest payments by reducing temporary debt to cover cash-flow shortfalls by using maturing investments.
- 3.2** The Localism Act passed into law in November 2011 which enabled the reform of council housing finance. The Housing Revenue Account (HRA) subsidy system has now been abolished and replaced with self-financing whereby authorities support their own housing stock from their own income. This reform required a re-adjustment of each authority's housing-related debt based on a valuation of its council housing stock. The CLG issued the final Settlement Payment Determination in February 2012. The settlement date for the self financing transaction was 28th March 2012. As the Council's debt level generated by the housing reform model was higher than the Subsidy Capital Financing Requirement (SCFR), the Council was required to pay the CLG the difference between the two, which was £27.414m. This required the Council to fund the full settlement by taking on borrowing. A preferential set of PWLB rates were available for this transaction on 26th March 2012 only, for settlement on 28th March 2012. Given the one-off nature of the PWLB funding window and the advantages offered in terms of rate, loan structure and administration, the Council took the decision to fund £27.414m through new borrowing from the PWLB. Three separate loans were taken for periods of between 20 and 30 years at an weighted average of 3.42%.
- 3.3** The treasury management implications of HRA reform and an appropriate strategy to manage the transaction were discussed with the Council's Treasury Advisors and Housing Consultants. The Council will henceforth adopt a two pool approach in relation to the allocation of debt between the General Fund and HRA.
- 3.4** The interest repaid from the HRA for the use of debt balances amounted to £548,256 against a revised budget of £528,700. The reason for this increase was down to the additional interest due on the £27.414m new PWLB borrowing taken out in late March and also the General Fund (GF) receiving more in interest from the HRA for its share of the debt held by the Council. The weighted average rate of interest on all borrowing for 2011/12 was estimated to be 3.03% but came in at 3.25%.
- 3.5** The Council took out further PWLB borrowing during the financial year on behalf of Cheltenham Borough Homes (£1.4m) and The Gloucestershire Everyman Theatre (£1m). These loans were taken on an annuity basis in which the named organisations are repaying back in full to the Council based on the loan terms taken with the PWLB, ensuring the GF is cost neutral.

4. Investments

- 4.1** The CLG's Guidance on Local Government Investments in England requires local authorities to focus on security and liquidity, rather than yield.

4.2 Investments - Movements in the Council's investment portfolio during 2011/12 can be seen in the table below.

Source of Loan	Balance at 1 April 2011 £	Raised during the year £	Repaid during the year £	Balance at 31 March 2012 £
Temporary Lending				
Building Societies	0	0	0	0
Banks	5,000,000	2,000,000	5,000,000	2,000,000
Bank of Scotland Call A/C	900,000	43,250,000	44,150,000	0
Santander Call A/C	0	25,650,000	23,050,000	2,600,000
CBH	0	1,400,000	1,400,000	0
Glos Airport	0	1,190,585	0	1,190,585
Glos Everyman Theatre	0	1,000,000	1,000,000	0
Total Short Term Lending	5,900,000	74,490,585	74,600,000	5,790,585
Long Term Lending	Balance at 1 April 2011 £	Raised during the year £	Repaid during the year £	Balance at 31 March 2012 £
- Banks	0	0	0	0
- Icelandic Banks	9,410,000	0	4,235,756	5,174,244
Total Long Term Lending	9,410,000	0	4,235,756	5,174,244
Total External Investments	15,310,000	74,490,585	78,835,756	10,964,829

4.3 Security of capital remained the Council's main investment objective. This was maintained by following the Council's counterparty policy as set out in its Treasury

Management Strategy Statement for 2011/12.

- 4.4 In December 2011, the Icelandic Supreme Court ruled that local authority deposits with Glitnir and Landsbanki qualified for priority status and since the ruling several payments have been made by the banks winding-up-boards.
- 4.5 The table below shows the detailed repayments in respect of the specific Icelandic investments held in administration:

Icelandic Deposits Held	Original Deposits	Amount Received to date	Amount Outstanding
	£	£	£
Kaupthing Singer & Friedlander	2,000,000	1,260,000	740,000
Kaupthing Singer & Friedlander	1,000,000	630,000	370,000
Glitnir	3,000,000	2,427,600	572,400
Landsbanki	2,000,000	599,380	1,400,620
Landsbanki	2,000,000	599,467	1,400,533
Landsbanki	1,000,000	309,309	690,691
TOTAL	11,000,000	5,825,756	5,174,244

- 4.6 Kaupthing Singer & Friedlander is estimated to repay between 81p to 86p in the pound. To date (31st March 2012) 63p in the pound has been recovered. In May 2012 a further 10p in the pound was distributed to authorities bringing the recovery rate to 73%.
- 4.7 Glitnir Winding-up-Board repaid in March 2012 approximately 81p in the pound from a mixture of Sterling, Euro and US Dollars. The remaining 19% remains held in Icelandic Krona in an escrow account.
- 4.8 Landsbanki Winding-up-Board repaid approximately 30p in the pound in February 2012, with a further 2p in the pound held in Icelandic Krona in an escrow account. It had been expected that 98p in the pound would be recovered although this has recently been upgraded to full recovery (ie.100%). A second distribution was recently made in May 2012 which was received in Sterling. This amounted to 12p in the pound bringing the total to 42p in the pound returned to date. Future distribution payments are likely to occur over the coming years.
- 4.9 Issues remain around foreign exchange risks, as payments have been and will continue

to be received in Euros, US Dollars, GBP and Icelandic Krona. The Council has discussed these foreign exchange transactions with its bank and suitable arrangements have been put in place to accept the payments. There are still uncertainties regarding funds currently held in Icelandic Krona, as they cannot currently be converted into GBP. The LGA in conjunction with those authorities affected, are working on a practical solution for all parties concerned.

4.10 The Council's investment income for 2011/12 was £189,860 compared to a revised estimate of £172,500, a surplus of £17,360. Cash resources improved in 2011/12 due to the return of some Icelandic deposits, which insured a higher return of interest from the Business Call Accounts, due to extending the length of time the deposits could remain in them.

4.11 At the year end, the overall treasury management position (external borrowing less external investments) was such that the Council was a net borrower to the sum of £51.6m (2010/11 £22.9m). The overall interest receivable and payable for 2011/12 was a surplus of £10,454 against revised budget on the General Fund while the Housing Revenue Account (HRA) is £22,164 over against revised budget, resulting in surplus interest of £32,618 to report for the financial year.

5. Credit Risk

As stated in the Annual Investment Strategy 2011/12 the Council will monitor and update the credit standing of the institutions on a regular basis. Information was not just based on credit ratings but was also assessed and monitored with reference to:-

- Statement of Government Support
- Credit default Swaps
- Corporate developments
- Share price

The minimum long-term counterparty credit rating determined for the 2011/12 treasury strategy was A+/A1 across rating agencies Fitch, S&P and Moody's. This particular criterion was amended and approved at Council on the 10th February 2012 to A-/A3 in response to downgrades in credit ratings below A+ of many institutions considered to be systemically important to the financial system. The downgrades were driven principally by the agencies' view the extent of future government support rather than deterioration in the institutions' credit worthiness.

Counterparty credit quality has been maintained as demonstrated by the Credit Score Analysis table summarised below on all deposits for the Council held during the 2011/12 financial year which has been provided by Arlingclose Ltd.

Date	Value Weighted Average Credit Risk Score	Value Weighted Average Credit Rating	Time Weighted Average Credit Risk Score	Time Weighted Average Credit Rating	Average Life (days)
31/03/2011	4.67	A+	5.05	A+	144
30/06/2011	4.67	A+	4.77	A+	195
30/09/2011	4.71	A+	4.38	AA-	141
31/12/2011	3.98	AA-	4.92	A+	51
31/03/2012	5.00	A+	5.00	A+	49

The value weighted average reflects the credit quality of investments according to the size of the deposit. The time weighted average reflects the credit quality of investments according to the maturity of the deposit. The Council aimed to achieve a score of 5 or lower, to reflect the Council's overriding priority of security of monies invested and the minimum credit rating of threshold A+ for investment counterparties.

6. Treasury Limits and Prudential indicators

6.1 The Council can confirm that it has complied with its Prudential Indicators for 2011/12, which was set in February 2011 as part of the Council's Treasury Management Strategy. The Authorised and Borrowing Limits were amended and approved by Council on the 10th February to enable further borrowing in relation to the HRA self-financing requirements. In compliance with the requirements of the CIPFA Code of Practice this report provides members with a summary report of the treasury management activity during 2011/12. None of the Prudential Indicators has been breached and a prudent approach has been taking in relation to investment activity with priority being given to security and liquidity over yield.

7. Treasury Management Advisors

7.1 Arlingclose Ltd were appointed as the Council's treasury management advisors in April 2007 and the contract was extended for a further 7 months from 1st April 2012.

During 2011/12 Arlingclose as part of their service have delivered:-

- Over 100 Counterparty Credit updates (55 – 10/11)
- 23 Technical updates (26 -10/11)
- 63 Economic updates/Interest rate forecasts (28 – (10/11)
- Held 10 workshops to attend to learn new legislation/changes in treasury management (9 – 10/11)

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- Quarterly reviews on the Councils Debt and Investment portfolio
- Attended 3 Treasury Management Panel meetings in 2011/12 (2 -10/11)
- Email 2 weekly bulletins – Preview and a review of the week.

7.2 The Council is clear as to the services it expects and is provided under the contract. The Council is also clear that overall responsibility for treasury management remains with the Council.

8. Conclusions

8.1 Members are asked to note the outturn for 2011/12.

RESERVES AT 31ST MARCH 2012

EARMARKED RESERVES

Purpose of Reserve	<u>31/3/11</u>		<u>2011/12</u>		<u>2011/12</u>		<u>2011/12</u>		<u>31/3/12</u>	
	£	£	Movement Revenue	Capital	Transfer of Underspend	Re-alignment	£	£	£	£
<u>Other</u>										
BR01 Single Status Reserve	(14,247.00)		3,600.00							0.00
BR02 Pension Reserve	(28,373.38)		(50,000.00)			10,647.00				(78,373.38)
BR04 Economic Development Reserve	(14,200.00)									(14,200.00)
BR05 IBS License Reserve	(148,700.00)									(148,700.00)
BR06 Keep Cheltenham Tidy Reserve	(626.27)									(626.27)
BR08 Grave Maintenance Reserve	0.00									0.00
BR09 Cultural Development Reserve	(22,361.00)									(22,361.00)
BR10 LABGI Reserve	(76,052.86)		45,000.00			21,052.86				(10,000.00)
BR12 House Survey Reserve	(105,024.83)		24,500.00							(80,524.83)
BR13 Twinning Reserve	(17,400.00)									(17,400.00)
BR14 Flood Alleviation Reserve	(348,093.52)		101,508.85							(246,584.67)
BR15 Art Gallery & Museum Development Reserve	(2,000,000.00)		(141,800.00)	165,079.02						(1,976,720.98)
BR25 Pump Room Insurance Reserve	(28,066.11)		11,000.00							(17,066.11)
BR26 Museum Shop Reserve	0.00									0.00
BR27 TIC Shop Reserve	(11,729.18)		11,700.00							(29.18)
BR30 GF Insurance Reserve	(159,971.44)		38,600.00							(121,371.44)
BR42 Vehicle Leasing Equalisation Reserve	(116,085.24)									(116,085.24)
BR45 Joint Core Strategy Reserve	(234,580.36)		(3,666.52)							(238,246.88)
BR54 Legal Staff Reserve	(19,350.00)		19,350.00							0.00
BR58 Civic Pride	(1,083,197.60)		146,600.00							(936,597.60)
	<u>(4,428,058.79)</u>									<u>(4,024,887.58)</u>
<u>Repairs & Renewals Reserves</u>										
BR52 Commuted Maintenance Reserve	(263,629.37)		39,000.00							(224,629.37)
BR78 Highways Insurance Reserve	(15,000.00)									(15,000.00)
BR83 Council Tax/Benefits IT Reserve	(30,000.00)									(30,000.00)
BR88 I.T. Repairs & Renewals Reserve	(133,064.70)		79,400.00							(53,664.70)
BR89 Planned Maintenance Reserve	(1,025,929.12)		(205,600.00)	517,552.00						(713,977.12)
	<u>(1,467,623.19)</u>									<u>(1,037,271.19)</u>

RESERVES AT 31ST MARCH 2012		Purpose of Reserve	31/3/11	2011/12	2011/12	2011/12	2011/12	31/3/12
			£	Movement	Capital	Transfer of	Reserve	£
				Revenue	Movement	Underspend	Re-alignment	
				£	£	£	£	£
<u>EARMARKED RESERVES</u>								
<u>Equalisation Reserves</u>								
BR63	Rent Allowances Equalisation	Cushion impact of fluctuating activity levels	(119,655.60)	(39,600.00)				(159,255.60)
BR64	Planning Appeals Equalisation	Funding for one off appeals cost in excess of revenue budget	(38,955.09)					(38,955.09)
BR65	Licensing Fees Equalisation	Past income surpluses to cushion impact of revised legislation	(28,355.00)	17,000.00				(11,355.00)
		To cover any additional losses arising in the value of Icelandic deposits and/or to reduce the borrowing arising from the capitalisation of the losses	(2,787,594.76)	1,998,781.00				(788,813.76)
BR72	Local Plan Equalisation	Fund cyclical cost of local plan inquiry	(55,030.00)	55,000.00				(30.00)
BR76	Elections/Electoral Reg. Equalisation	Fund cyclical cost of local elections	(11,500.00)	(61,200.00)				(72,700.00)
			(3,041,090.45)					(1,071,109.45)
<u>Reserves for commitments</u>								
BR91	Old Year Creditor Rsve - RR	Approved budget carry forwards	(351,200.00)	(604,600.00)		(364,477.03)		(1,320,277.03)
<u>CAPITAL</u>								
BR77	Capital Reserve - GF Housing	To fund Housing General Fund capital expenditure	(902,476.15)					(902,476.15)
BR92	Capital Reserve - GF	To fund General Fund capital expenditure	(901,799.68)	(698,330.97)	329,372.69			(1,270,757.96)
			(1,804,275.83)					(2,173,234.11)
			(11,092,248.26)					(9,626,779.36)
TOTAL EARMARKED RESERVES								
<u>GENERAL FUND BALANCE</u>								
BS01	General Balance - RR	General balance	(2,619,507.03)	398,170.29			(31,699.86)	(2,253,036.60)
			(2,619,507.03)					(2,253,036.60)
TOTAL GENERAL FUND RESERVES AND BALANCES								
			(13,711,755.29)	1,184,412.65	1,012,003.71	(364,477.03)	0.00	(11,879,815.96)

GENERAL FUND CAPITAL PROGRAMME

Code	Fund	Scheme	Scheme Description	Original Scheme Cost	Payments to 31/03/11	Revised Budget 2011/12	Outturn 2011/12	(Underspend/ Overspend 2011/12)	Approved Budget 2012/13	Revised Budget 2012/13	Comments
				£	£	£			£	£	
		RESOURCES									
		Property Services									
Various	C/R	Programmed Maintenance	New cremators			524,000	517,552	6,448	131,000	137,500	
		Financial Services									
GCERP	C	GO ERP	Development of ERP system within the GO Partnership	421,700	212,309	219,400	164,404	54,996	1,200,000	1,200,000	The delay in implementation of the new ERP system at one partner Council has resulted in additional resource being required to meet the August 2012 implementation date.
DC4002	C	Gloucestershire Airport	Contribution towards the redevelopment project - £1.2m loan			0					
		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	26,576	8,724		8,700	
DC3213	C	Storage Area Network	Storage for the council's data in a secure, expandable and robust environment	155,000	142,297	12,700	13,906	(1,206)			
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	70,638	(338)			
		WELLBEING & CULTURE									
		Parks & Gardens									
LC6001	S	S.106 Play area refurbishment	Developer Contributions			54,000	33,508	20,492	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	79,825	175	80,000	80,000	
LC6011	P	Pitville Park Boathouse bridge	Enhancements to Pitville Park including the Boathouse bridge funded from Severn Trent Water Community Fund awarded following the floods in 2007.			72,000	70,854	1,146			
		Cemetery & Crematorium									
LC6022	C	Burial Chapel	Invest to save scheme to convert burial chapel to handle cremations.	110,000	99,829	10,100	813	9,287		9,300	
		Cultural Services									
LC4006	R/P	Art Gallery & Museum Development Scheme	Council's commitment to new scheme as agreed by Council 20th July 2008			2,030,000	1,013,448	1,016,552	4,270,000	5,286,552	The main contractors commenced work on the AG&M development in August 2011 and work is progressing well, with an expected open from Summer 2013. The remaining capital budget is needed to support the committed expenditure in 2012/13.
LC4007	C	Everyman Theatre	Contribution towards the redevelopment project - £1m loan and £250k grant	1,250,000		1,250,000	1,250,000	0			
		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	46,235	3,765	50,000	53,800	

GENERAL FUND CAPITAL PROGRAMME

Code	Fund	Scheme	Scheme Description	Original Scheme Cost	Payments to 31/03/11	Revised Budget 2011/12	Outturn 2011/12	(Underspend/ Overspend 2011/12)	Approved Budget 2012/13	Revised Budget 2012/13	Comments
				£	£	£			£	£	
		BUILT ENVIRONMENT									
		Integrated Transport									
EC0033	C	CCTV in Car Parks	Additional CCTV in order to improve shopping areas and reduce fear of crime	14,800		14,800	486	14,304	50,000	64,300	The implementation of the car park management system at Regent Arcade is scheduled for July 2012 and the remaining funding will be used at this time.
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.	130,000		130,000	26,192	103,808	120,000	223,800	
		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	653,208	(53,208)	600,000	600,000	Additional Disabled Facilities Grants funding has been made available, permitting additional expenditure in 2011/12
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	8,716	17,284	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	20,726	303,674		303,674	The resource is being used for the long term benefit of private sector housing, focussing on the worst properties and most vulnerable individuals. There has also been a change in approach to bringing vacant properties back into use to allow for better long term use of limited funding. The balance of this funding will be used over coming years to meet these aims.
HC7405	PSDH	Vacant Property Grant	A new form of assistance available under the council's Housing Renewal Policy 2003-06	60,000		60,000	60,000	0	60,000	60,000	
HC7410	PSDH	Renovation Grants	Grants provided under the Housing Grants, Construction and Regeneration Act 1996	270,000		270,000	270,000	270,000		270,000	The CPO process for Crabtree Place has commenced, however it is not likely to complete until 2013/14 due to the timeframe for moving through the process.
HC7455	LAA / C	Warm & Well	A Gloucestershire-wide project to promote home energy efficiency, particularly targeted at those with health problems	130,000		130,000	130,000	130,000		130,000	Grants for up to £10k for private households have been provided in 2012/13 and the works are in the final stages of completion.
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	1,790,000		1,790,000	1,790,000	0	2,900,000	2,900,000	
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.								
HC9200	C/S	Housing Enabling	Expenditure in support of enabling the provision of new affordable housing in partnership with Cheltenham Borough Homes								
		OPERATIONS									
		Vehicles and recycling caddies	Replacement vehicles and recycling equipment	1,446,153		1,446,153	0	1,446,153		1,446,000	

GENERAL FUND CAPITAL PROGRAMME

Code	Fund	Scheme	Scheme Description	Original Scheme Cost	Payments to 31/03/11	Revised Budget 2011/12	Outturn 2011/12	(Underspend/ Overspend 2011/12)	Approved Budget 2012/13	Revised Budget 2012/13	Comments
				£	£	£			£	£	
		BUDGET PROPOSALS FUTURE CAPITAL PROGRAMME:									
	C	Upgrade of Microsoft Office	Upgrade of Microsoft Office required as version currently used is an end of life product and no longer supported by Microsoft.						120,000	120,000	
	C	Virtual e-mail appliance licence	Virtual e-mail appliance licence - setting up of e-mail connection between all GO Partner authorities.						22,000	22,000	
	C	Improvements to Grosvenor Terrace Car Park	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	150,000	
		CAPITAL SCHEMES RECLASSIFIED AS REVENUE:									
DC1066	C	Land & Property presale costs	Property & Legal costs associated with the developments				19,004	(19,004)			
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	51,983	7,700	178	7,522		7,500	
LC6015	C	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	31,620	(31,620)			
LO6005	C	Allotments	Allotment Enhancements - new toilets, path surfacing, fencing, signage, and other improvements to infra-structure.	353,100	342,843	10,200	0	10,200		10,200	
EC0054	C	Deport Rationalisation	Costs associated with incorporating Tewkesbury Borough Council within the Depot site at Swinndon Road	300,000	272,780	27,200	1,251	25,949		25,900	
		TOTAL CAPITAL PROGRAMME				9,244,253	5,699,150	3,345,103	9,829,000	13,265,226	
		Funded by:									
		G Government Grants									
		SCG Specified Capital Grant (DFG)									
		LAA LAA Performance Reward Grant					341,924		306,000	306,000	
		P Partnership Funding					60,000		60,000	60,000	
		PSDH Private Sector Decent Homes Grant					965,456		2,854,000	2,700,000	
		HLF Heritage Lottery Funding					324,400		303,674	303,674	
		HRA Housing Revenue Account Contribution					0		750,000	750,000	
		R Property Planned Maintenance Reserve					0		131,000	137,500	
		R AG&M Development Reserve					517,552		1,416,000	1,976,720	
		S Developer Contributions S106					165,079		50,000	50,000	
		C General Balances					33,508		80,000	80,000	
		C HRA Capital Receipts					490,000				
		C GF Capital Receipts					120,000				
		C HIP Capital Reserve					522,169				
		C Prudential Borrowing					0				
		C GF Capital Reserve					3,846,153		4,100,000	4,000,000	
							938,300		912,000	955,332	
						9,244,253	5,699,150	0	9,829,000	13,265,226	

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Developer Contributions (S106) - Outturn Position 31st March 2012		Balance @ 1/4/11	Receipts/ Refunds in year	Amounts Applied to fund fixed assets	Applied to fund Revenue expenditure funded from Capital under Statute	Amounts transferred to revenue	Useable Developer Contributions c/fwd @ 31/3/12
		£	£	£	£	£	£
Developers Contributions							
C-N75034-B999	Courts-Kingsditch-Bond Sum Indexed Linked	(19,800.00)					(19,800.00)
C-N75047-B999	St James South-Bond Sum Indexed Linked	(63,000.00)					(63,000.00)
		(82,800.00)	0.00	0.00	0.00	0.00	(82,800.00)
C-N75130-E012	Merowdown-Sustainable Transport		(99.34)				(99.34)
C-N75081-E012	2 Devon Avenue-Sustainable Transport		(19,803.50)				(19,803.50)
C-N75144-E012	Priors Road Sainsburys-Sustainable Transport	0.00	(17,778.00)				(17,778.00)
C-N75999-E012	GCC-Sustainable Transport	0.00	(35,205.13)				(35,205.13)
		0.00	(72,885.97)	0.00	0.00	0.00	(72,885.97)
C-N75038-H001	Market Street-Affordable Housing	(17,621.50)					(17,621.50)
		(17,621.50)	0.00	0.00	0.00	0.00	(17,621.50)
C-N75070-L001	Dunalley St-Public Art	(7,000.00)					(7,000.00)
C-N75111-L001	Rosemullion-Public Art	(3,362.32)					(3,362.32)
C-N75116-L001	75-79 Rowanfield Road-Public Art	(5,342.50)					(5,342.50)
C-N75119-L001	Lawnswood-Public Art						0.00
C-N75141-L001	Hatherley Lane-Public Art	(25,000.00)					(25,000.00)
		(40,704.82)	0.00	0.00	0.00	0.00	(40,704.82)
C-N75141-ML01	Maintenance of land between Greenwode Leghe and Southgrove Cold Pool Lane	0.00	(53,303.83)				(53,303.83)
		0.00	(53,303.83)	0.00	0.00	0.00	(53,303.83)
C-N13281-P801	S106 Playspace-Adult/Youth	(51,946.31)	(15,290.00)	28,161.24			(39,075.07)
C-N75038-P801	Market Street-Adult/Youth	(15,876.94)					(15,876.94)
C-N75056-P801	58-60 St Pauls-Adult/Youth	(3,756.13)					(3,756.13)
C-N75070-P801	Dunalley Street-Adult/Youth	(2,720.00)					(2,720.00)
C-N75116-P801	75-79 Rowanfield Road-Adult/Youth	(3,529.26)					(3,529.26)
C-N75130-P801	Merowdown-Adult/Youth	(201.96)					(201.96)
C-N75140-P801	Charlton Lane-Adult/Youth	(1,840.00)					(1,840.00)
C-N13281-P802	S106 Playspace-Agg Gardeners	(788.62)	(216.00)	1,004.62			0.00
C-N13281-P803	S106 Playspace Arle Farm	0.00	(1,436.00)	940.99			(495.01)
C-N13281-P804	S106 Playspace-Beeches	(364.00)	(106.50)				(470.50)
C-N13281-P809	S106 Playspace-Clyde Crescent	(1,663.98)		1,663.98			0.00
C-N75038-P811	Market Street-Elmfield	(27,803.00)					(27,803.00)
C-N13281-P813	S106 Playspace-Fairview	(106.50)		106.50			0.00

Developer Contributions (S106) - Outturn Position 31st March 2012		Balance @ 1/4/11	Receipts/ Refunds in year	Amounts Applied to fund fixed assets	Applied to fund Revenue expended from Capital under Statute	Amounts transferred to revenue	Useable Developer Contributions c/fwd @ 31/3/12
		£	£	£	£	£	£
C-N75057-P813	Ellerslie-Fairview	(1,201.54)		1,201.54			0.00
C-N13281-P823	S106 Playspace-Lansdown Crescent	(972.50)	(368.00)				(1,340.50)
C-N13281-P824	S106 Playspace-Leckhampton Lanes	(43.00)					(43.00)
C-N13281-P827	S106 Playspace-Montpellier Gardens	(150.50)		150.50			0.00
C-N13281-P834	S106 Playspace-Priors Farm	(182.00)					(182.00)
C-N13281-P835	S106 Playspace-QE2	0.00	(182.00)				(182.00)
C-N13281-P840	S106 Playspace-Whaddon Road	(284.50)		279.01			(5.49)
C-N13281-P841	S106 Playspace-Winston Churchill Gardens	0.00	(216.00)				(216.00)
C-N13281-P842	S106 Playspace-Prestbury	(577.67)	(182.00)				(759.67)
C-N13281-P843	S106 Playspace-Benthal	(150.50)					(150.50)
C-N75116-P843	75-79 Rowanfield Road-Benthal	(1,284.19)					(1,284.19)
		(115,443.10)	(17,996.50)	33,508.38	0.00	0.00	(99,931.22)
C-N75118-COMM	Barbridge Nursery-Community Facilities	(32,746.86)					(32,746.86)
		(32,746.86)	0.00	0.00	0.00	0.00	(32,746.86)
Total Developers contributions		(289,316.28)	(144,186.30)	33,508.38	0.00	0.00	(399,994.20)

Council Tax and Business Rates Collection Rates 2011 - 2012

Business Rates 2011/2012

Current Year Charges - 2011/2012			
Period	% Collected As at 31.03.12	2011/2012 Target As at 31.03.12	Revised 2011/2012 Target As at 31.03.12
Comparison with 2010/2011	98.78%	98.80%	N/A
	As at 31.03.11	% Collected 31.03.11	Top Quartile
	98.71%	98.71%	N/A
			Comments
			The end of year collection rate is slightly below the target but is higher than the same time last year.

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

Period	Previous Year Debts Outstanding As at 31.03.12	2011/2012 Target As at 31.03.12	Revised 2011/2012 Target As at 31.03.12
Comparison with 2010/2011	£264,699	£260,000	£280,000
	As at 31.03.11	Amount o/s 31.03.11	Top Quartile
	£282,559	£282,559	N/A
			Comments
			The arrears outstanding are lower than the revised target and less than at the same time last year. We continue to monitor the position closely and are working with any businesses having difficulty in paying.

Council Tax 2011/2012

Current Year Charges - 2011/2012			
Period	% Collected As at 31.03.12	2011/2012 Target As at 31.03.12	Revised 2011/2012 Target As at 31.03.12
Comparison with 2010/2010	98.23%	98.21%	N/A
	As at 31.03.11	% Collected 31.03.11	Top Quartile
	98.19%	98.19%	N/A
			Comments
			The end of year collection rate is higher than the target and higher than at same time last year.

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

Period	Previous Year Debts Outstanding As at 31.03.12	2011/2012 Target As at 31.03.12	Revised 2011/2012 Target As at 31.03.12
Comparison with 2010/2010	£802,330	£755,000	£790,000
	As at 31.03.11	Amount o/s 31.03.11	Top Quartile
	£751,099	£751,099	N/A
			Comments
			The arrears are slightly higher than the revised target and higher than at the same time last year. We are working with council tax payers having difficulty in paying and the arrears are being collected slightly slower than anticipated.

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Sundry Debtor Invoices Outstanding 2011/12

Sundry Debt 2011/12

Current Year Invoices - 2011/12								
Period	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
	As at 31.03.12	As at 31.03.12	As at 31.03.12	As at 31.03.12				
General Fund Invoices	11,181	£12,040,941	932	£1,784,295	302	32%	Less than 15%	A large number of invoices are raised between January and March which has resulted in proportionately more invoices than usual being outstanding for more than a month.
HRA Invoices	1,542	£364,924	432	£149,703	349	81%	Less than 50%	

Previous Year Invoices Outstanding in 2011/12				
Period	Previous Year Invoices Outstanding		2011 Target	Comments
	As at 31.03.12	As at 31.03.12		
General Fund Invoices	54	£43,811	£60,000	The year end target has been exceeded as a result of a focussed review of previous years debts prior to the migration of the debtors system from ASH to Agresso.
HRA Invoices	794	£234,835	£170,000	The value of previous year invoices is higher than the target but action is being taken to recover the sums due and significant progress has been made during the year to address previous year HRA debt.

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	2011/12	
	Revised £	Actual £
<u>EXPENDITURE</u>		
General & Special Management	1,852,500	1,818,461
ALMO Management Fee	4,330,200	4,330,200
Rents, Rates, Taxes and Other Charges	32,900	35,373
Transfer to Housing Repairs Account	3,953,000	3,974,246
Provision for Bad Debts	200,000	155,690
Interest Payable	528,700	548,220
Depreciation of Dwellings	3,240,900	3,240,894
Depreciation of Other Assets	85,100	81,137
Debt Management Expenses	46,500	56,095
Rent Rebate Subsidy Limitation	86,700	82,622
Housing Revenue Account Subsidy	3,278,000	3,255,439
TOTAL	17,634,500	17,578,377
<u>INCOME</u>		
Dwelling Rents	16,658,000	16,659,433
Non Dwelling Rents	424,800	419,679
Charges for Services and Facilities	725,400	748,129
Supporting People Grant	150,000	152,252
TOTAL	17,958,200	17,979,493
NET INCOME FROM SERVICES	-323,700	-401,116
Amortised Premiums / Discounts	8,900	8,891
Interest Receivable	-86,500	-83,037
NET OPERATING INCOME	-401,300	-475,262
<u>Appropriations</u>		
Revenue Contributions to Capital	1,447,800	1,126,832
Transfer from Major Repairs Reserve	-85,100	-81,137
HRA Surplus / (Deficit) carried to reserve	-961,400	-570,433
Revenue Reserve brought forward	3,673,200	3,673,232
Revenue Reserve carried forward	2,711,800	3,102,799

HOUSING REPAIRS ACCOUNT

	2011/12	
	Revised	Actual
	£	£
<u>EXPENDITURE</u>		
Repairs & Maintenance :-		
Reactive Repairs	2,559,000	2,698,745
Annual & Cyclical Maintenance	1,394,000	1,275,501
	<u>3,953,000</u>	<u>3,974,246</u>
<u>INCOME</u>		
Contribution from Housing Revenue Account	<u>3,953,000</u>	<u>3,974,246</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	
	Revised	Actual
	£	£
Balance brought forward	300,300	300,338
Depreciation of Dwellings	3,240,900	3,240,894
Depreciation of Other Assets	85,100	81,137
	<u>3,626,300</u>	<u>3,622,369</u>
Utilised in Year (Funding Capital Programme App E)	-3,541,200	-3,541,232
Transfer to HRA re Other Assets	-85,100	-81,137
Balance carried forward	<u>0</u>	<u>0</u>

HRA CAPITAL PROGRAMME

	2011/12	
	Revised	Actual
	<u>£'000</u>	<u>£'000</u>
<u>EXPENDITURE</u>		
Property Improvements & Major Repairs (incl fees)	4,529	4,328
Adaptations for the Disabled	350	349
Environmental Works (Tenant Selection)	60	24
Repurchase of Shared Ownership Dwellings	50	39
	<u>4,989</u>	<u>4,740</u>
<u>FINANCING</u>		
Recharges		72
HRA Revenue Contribution	1,448	1,127
Major Repairs Reserve	3,541	3,541
	<u>4,989</u>	<u>4,740</u>

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The Prudential Code and Indicators – outturn 2011/12

Introduction:

The Prudential code set out a framework for self-regulation of capital spending which allows councils to borrow money to fund capital projects without any limit provided the plans are affordable, prudent and sustainable. In order to demonstrate this, the Code required the Council to set a minimum number of specific prudential indicators. These indicators must be monitored during the year and revised by the Council as necessary.

The indicators fall into three categories, according to whether they relate to Capital expenditure, External debt or Treasury Management. A comparison of the outturn indicators with those set by the Council in February 2012, with an explanation of variances and subsequent revisions to the 2011/12 indicators requiring approval follows:

Capital Expenditure Indicators

Forecast Capital Expenditure

The Code requires the Council to estimate its total capital expenditure, split between the Housing Revenue Account (HRA) and non HRA.

The following table includes estimated and actual expenditure incurred in 2011/12, the original estimate for 2012/13 and revised estimate for 2012/13 resulting from the impact of the 2011/12 outturn position. The actual outturn position for 2011/12 is to be noted and the revised estimate for 2012/13 (marked *) to be approved by Members.

Capital Expenditure

Capital programme	2011/12 Revised £000	2011/12 Outturn £000	2012/13 Estimate 10/02/12 £000	2012/13/ * To be Revised 25/06/12 £000
General Fund	9,244	5,390	9,829	13,673
HRA	4,989	4,740	5,192	5,192
Total	14,233	10,130	15,021	18,865

The main variance between 2011/12 revised and 2011/12 actual on the General Fund is due to the non purchase of vehicle replacements, delay in purchasing car parking technology equipment and minor slippages on other capital projects planned for 2011/12. The under spend will be required in 2012/13 to complete these projects, which has been incorporated into the 2012/13 revised figures for approval by members. The small variance within the HRA is due to lower than anticipated expenditure on maintaining the housing stock.

Estimates of the ratio of financing costs to the net revenue stream

This is an indicator of affordability. It would not be prudent for borrowing costs to be a significant proportion of net revenue either now or in the future.

The following table includes the actual figures for 2010/11 and estimates and the actual for 2011/12 of the ratio of financing costs to net revenue stream.

Ratio of Financing Costs to Net Revenue Stream

	2010/11 Actual	2011/12 Revised	2011/12 Outturn
Non-HRA	4.09%	5.28%	5.05%
HRA	2.31%	2.54%	2.66%

Capital Financing Requirement

The capital financing requirement measures the authority's underlying need to borrow for capital purposes. In accordance with best professional practice, Cheltenham Borough Council does not associate borrowing with particular items or types of expenditure. The authority has an integrated treasury management strategy and has adopted the CIPFA Code of Practice for Treasury Management in the Public Services. Cheltenham Borough Council has, at any point in time, a number of cashflow scenarios both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with its approved treasury management strategy and practices. In day to day cash management, no distinction is made between revenue cash and capital cash. External borrowing arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending.

The Council can borrow without limit, provided it ensures such borrowing is affordable, prudent and sustainable.

The following table includes the estimated and actual capital financing requirement at 31/3/12, the original estimate for 31/3/13 and revised estimate for 31/3/13 (marked *) resulting from the impact of the 2011/12 outturn position. The actual outturn position at 31/3/12 is to be noted and revised estimate for 31/3/13 is to be approved by Members.

Capital Financing Requirement (CFR)

	31/03/12 Estimate £000	31/03/12 Actual £000	31/03/13 Estimate 10/02/2012 £000	31/03/13 * Estimate £000
Non-HRA	27,354	24,883	30,013	31,386
HRA	46,142	46,142	44,750	44,750
Total CFR	73,496	71,025	74,763	76,136

Net borrowing and the Capital Financing Requirement

CIPFA's Prudential Code for Capital Finance in Local Authorities includes the following as a key indicator of prudence:

"In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that the net external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years."

Local authorities may borrow temporarily to cover cash flow shortages but over the medium term should only borrow to finance capital expenditure.

In order to ensure that over the medium term net borrowing will only be for capital purposes, the Council needs to ensure that its net external borrowing does not exceed its Capital Financing Requirement over the current and next three years. The table below demonstrates that the estimated and actual level of net investments remains lower than the capital financing requirement in each year, and therefore meets this requirement.

The actual outturn position for 2010/11 is to be noted and the revised estimate for 2011/12 (marked *) to be approved by Members.

Estimated net borrowing and capital financing requirement at year end

	2011/12 £'000 Estimate	2011/12 £'000 Outturn	2012/13 £'000 Estimate 10/02/2012	2012/13 £'000 Estimate 25/6/12 *
Gross borrowing	72,706	72,472	75,298	72,777
Investments	6,450	9,737	5,785	12,955
Net (Investment)/ borrowing	66,256	62,735	69,513	59,822
Capital financing requirement	73,496	71,025	74,763	76,136

As can be seen from the table, the net borrowing for the council did not breach the capital financing requirement for 2011/12.

Incremental impact of capital expenditure on the council tax and housing rents

A fundamental indicator of the affordability of capital expenditure plans is its impact on the council tax and housing rents. Any borrowing for capital purposes has an impact on the revenue account and, to the extent it is not supported by government or other contributions, on council tax and/or housing rents. Using capital receipts

to fund capital expenditure also has an impact because the assets sold would no longer generate rental income or investment income. The use of revenue funding to fund capital clearly has a direct impact on the revenue account and council taxes/rents. The completed capital schemes will also have an impact in terms of running costs and income generated.

The Council must estimate the incremental impact of its capital expenditure plans on the council tax and housing rents.

The estimate of the incremental impact of capital investment decisions, over and above capital investment decisions that have previously been taken by the Council for 2011/12 and for average weekly rents were:

For the Band D Council Tax

2011/12 Estimate £	2011/12 Outturn £
nil	nil

For average weekly housing rents

2011/12 Estimate £	2011/12 Outturn £
*nil	*nil

* The Council is reducing housing rents over this period in line with the rent restructuring plan, hence capital investment decisions do not impact on the level of council house rent, but impact on the level of funds available to fund repairs.

The outturn position is the same as estimated since the council tax and housing rents were set, in February 2011, at levels to fund the capital programmes approved by Members.

External Debt Indicators

Two limits were set and monitored to ensure borrowing is prudent, affordable and sustainable. These limits, together with the Treasury Management limits discussed below, replaced the section 45 limits imposed by the Local Government and Housing Act 1989, which the Council previously approved in February/March each year.

Authorised Limit

The Council set an authorised limit for its external debt which took account of the following:

- the possible maximum level of borrowing that may need to be incurred and the limit beyond which borrowing will be prohibited
- the statutory limit specified in section 3(1) of the Local Government Act 2003
- reflects a level of borrowing which, although affordable in the short term may not be sustainable
- The 'outer boundary' of the Council's possible need to borrow.

In respect of its external debt, the Council approved the following authorised limits for its total external debt gross of investments. The Council delegated authority to the Section 151 Officer, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long term liabilities, in accordance with option appraisal and best value for money for the authority.

Authorised Limit for External Debt

	2011/12 £000	2012/13 Original £000	2012/13 Revised £000
Borrowing	109,000	109,000	109,000
Other long term liabilities	0	0	0
Total	109,000	109,000	109,000

In setting the limit, account must be taken of the authority's current commitments, existing plans and the proposals for capital expenditure and financing, and with its approved treasury management policy statement and practices.

This limit represents the worst case scenario, i.e. the effect on the cash flow of receiving no council tax income and borrowing to the maximum of the capital financing requirement, in addition to investments held. The calculation follows a prescribed formula and is in excess of the expected levels of borrowing in accordance with Treasury.

The Council did not breach this boundary during 2011/12.

Operational Boundary

The Council approved the following operational boundary for external debt for the same time period. The operational boundary for external debt is based on the same estimates as the authorised limit but reflects directly the estimate of the most likely, prudent but not worst case scenario, without the additional headroom included within the authorised limit to allow for example for unusual cash

movements. The operational boundary represents a key management tool for in year monitoring. Within the operational boundary, figures for borrowing and other long term liabilities are separately identified. The Council delegated authority to the Section 151 Officer, to effect movement between separately agreed figures for borrowing and other long term liabilities, in a similar fashion to the authorised limit.

The boundary may be breached occasionally due to unexpected cash flow shortages but a sustained breach would indicate the Council may be in danger of breaching the Authorised Limit.

Operational Boundary for External Debt

	2011/12 £000	2012/13 Original £000	2012/13 Revised £000
Borrowing	99,000	99,000	99,000
Other long term liabilities	0	0	0
Total	99,000	99,000	99,000

The operational boundary represents the maximum expected operational borrowing at a given time, which is significantly lower than the prescribed authorised limit. This measure reflects a more realistic view of likely cash flow scenarios, and should not be exceeded.

The Council did not breach this boundary during 2011/12.

The Council's actual external debt at 31st March 2012 was £72.472 million. It should be noted that actual external debt is not directly comparable to the authorised limit and operational boundary, since the actual external debt reflects the position at a single point in time.

Treasury Management Indicators

Adoption of the CIPFA Code of Practice for Treasury Management

Cheltenham Borough Council has adopted the CIPFA *Code of Practice for Treasury Management in the Public Services*. This includes the delegation of the day to day Treasury Management Function to the section 151 Officer.

Upper limits on interest rate exposure

The Council must set upper limits on its exposure to changes in interest rates for at least the next three years. An upper limit must be set for both fixed and variable rates covering both borrowing and investments. Investments are all classed as variable rate exposure as they are all repayable within 365 days.

The purpose of these indicators is to reduce the likelihood of an adverse movement in interest rates or borrowing / investment decisions impacting negatively on the Council's overall financial position.

The Council set an upper limit on its fixed interest rate exposures of its gross outstanding borrowing and an upper limit on its variable interest rate exposures of its gross outstanding borrowing.

This means the Section 151 Officer manages fixed interest rate exposures within the range 50% to 100% and variable interest rate exposures within the range 0% to 50%.

This has not been breached during 2011/12.

Maturity structure of borrowing

The Council set both upper and lower limits with respect to the maturity structure of borrowing. This indicator is designed to be a control over an authority having large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates. Therefore the aim should be a relatively even spread of debt repayment dates.

The Council sets upper and lower limits for the maturity structure of its borrowings as follows:

Amount of projected borrowing that is fixed rate maturing in each period is:

	Upper Limit	Lower Limit
Under 12 months	10%	0
12 months and within 24 months	20%	0
24 months and within 5 years	30%	0
5 years and within 10 years	50%	0
10 years and above	100%	0

Conclusions:

No breaches of the prudential code or indicators took place during 2011/12.

Members are asked to note the outturn for 2011/11 and approve the revisions to the 2012/13 estimates (marked with *).

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Cheltenham Borough Council

Cabinet – 19 June 2012

Review of the council's performance at end of 2011-12

Accountable member	Cllr. Jon Walklett, Cabinet Member Corporate Services
Accountable officer	Richard Gibson, Strategy and Engagement Manager
Accountable scrutiny committee	Overview and Scrutiny Committee
Ward(s) affected	All
Key Decision	No
Executive summary	
Recommendations	Cabinet to endorse

Financial implications	None as a result of this report
Legal implications	None as the result of this report
HR implications (including learning and organisational development)	None as the result of this report
Key risks	<p>The business planning process helps the council manage risk in a number of areas, but particularly through creating a strategic framework for the management of projects and initiatives.</p> <p>If we do not respond to performance information, then we may not direct change and improvement in a positive direction.</p>
Corporate and community plan Implications	This report sets out performance information relating to the delivery of corporate priorities in 2011-2012.
Environmental and climate change implications	None identified as a result of this report

1. Background

- 1.1 The council agreed its corporate strategy action plan 2011-12 in March 2011. The strategy set out our 5 objectives and 11 outcomes and a range of milestones and indicators to measure performance in 2011-12.
- 1.2 The performance report takes information and data from our performance management system to provide elected members with an overview of how the council performed last year. This enables elected members to input into discussions about how to resolve areas where there maybe performance concerns and also to recognise where performance was better than expected.
- 1.3 The report also includes a summary of how Cheltenham Borough Homes has supported the delivery of our corporate outcomes in appendix B.

2. 2011-12 Performance Overview

2.1 Corporate Strategy milestones

In the 2011-12 action plan, we identified 45 milestones to track our progress. Out of these:

- 93% (42) of milestones have been completed at the end of the year.
- 7% (3) of milestones are red and have not been completed at the year end..

The 3 red milestones are:

Milestones	commentary
Develop traffic modelling subject to GCC capital position.	The bid to the government’s sustainable travel pot did not initially succeed though was re-submitted by GCC on 24 Feb and the council learnt of the bid’s success on 24 th May.
Implement the GO back-office system in the partner organisations.	the Agresso system has gone live at Forest of Dean, West Oxfordshire, Cheltenham Borough Council, Cheltenham Borough Homes and Ubico Ltd. Implementation at Cotswold District Council will now take place in August 2012, the delay was mainly due to the fact that system testing took longer than originally forecast. GO Shared Services went live on 1 April 2012 as originally planned.
Officer group established for climate change adaptation.	It was recognised that an officer group is not now appropriate so an alternative approach has been agreed. The climate change & sustainability officer will work with directors of corporate services to update their risk assessments and then to produce a report. Commissioned services (built environment and Ubico) will be required to report on how they have been adapting to climate change as part of the review process.






2.2 Performance indicators

In the 2011-12 action plan, we identified 52 key indicators to track our progress. Out of these:

- 32 were indicators which CBC is directly accountable for and targets have been set.
- 5 were environmental indicators

- 15 were community-based indicators which others are accountable for and no targets were set in the action plan.

Out of the 32 CBC indicators, targets were not met for the following 5 (17%) indicators.

Indicator	Status	Target	Actual (31 March 2012)	Commentary
Percentage of municipal waste land filled (Quarterly)		54%	57%	The amount of household residual waste collected has gone up over the 12 months since April 2011, despite an early decrease associated with the introduction of the new recycling collection scheme.
Proportion of planning decisions upheld at appeal (quarterly)		67.1	50.0%	Whilst the percentage of appeals lost was quite high at 50%, the number of appeals during the year was at a six year low of 35, representing just 2.2% of decisions made.
Number of visitors to the TIC (quarterly)		22,503	15,162	This year visitor figures are continuing to show a decline with only some slight increases showing June to August 2011 in comparison to the previous year. Across the year the TIC are 1,600 visitors down on 2010/2011 figures. This continues to follow the trend that more first time visitors are accessing the website before visiting a destination.
Attendances during the annual Summer of Sport initiative		1,554	1,426	Delivered during July/August only. Attendance number is slightly below target but represents an excellent attendance over a five week period. The structure of the programme was changed this year, and was delivered at significantly lower cost to CBC.
number of Under 16 swims (quarterly)		12,901	11,149	Free swims continue to be well attended although slightly below target levels - this is against a trend of increasing attendance in other areas. The £1 swim for example achieved 6094, 1294 ahead of its target - this may indicate that less children are accompanied and now attend on their own or with friends.

3. Consultation and feedback

- 3.1 The draft performance report was presented to the council's Overview and Scrutiny Committee on 28th May. The committee was particularly interested in the indicator measuring the proportion of planning decisions upheld at appeal. They requested information as to how much the council was spending on appeals and what the trend has been over the past couple of years.

Report author	Contact officer: Richard Gibson, Strategy and Engagement Manager. 01242 235 354 richard.gibson@cheltenham.gov.uk
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Review of outcomes 2011-12 3. CBH contributions to CBC Corporate Plan, 2011/12
Background information	2011-12 Corporate Strategy action plan, Report to Council, 28 th March 2011.

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
CD5	If the division does not ensure quality of performance data and associated analysis then we will not be able to support the council make in making service improvements	Strategy and Engagement Manager	Jan 2012	2	3	6	reduce	Quarterly performance reports to SLT Performance measures built into commissioning service specifications meeting to be arranged with key officers about use of ESP and commissioned services	31-Mar-12	Strategy and Engagement Manager	on commissioning division risk register
<p>Explanatory notes</p> <p>Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p>Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p>Control - Either: Reduce / Accept / Transfer to 3rd party / Close</p>											

Review of outcomes 2011-12

Outcomes		what went well	what didn't go so well
<p>Cheltenham has a clean and well-maintained environment.</p>	<p>The council agreed to establish a joint local authority company which will deliver savings and has developed a service contract which sets the outcomes to be delivered by the company and has identified a shared client officer resource with Cotswold DC to ensure that the contract is monitored. Ubico was launched on 1st April 2012.</p> <p>The amount of waste reused, recycled or composted hit 50% for the first-time at the end of quarter 1 and then fell back to 44% at the end of the year with the overall recycling rate for the year forecast to be on target at 46%. Last year, the figure was only 34.4%</p> <p>A review of the garden waste scheme led to the introduction of a pay-as-you-go bag service which was launched in February to a limited number of streets which are difficult to access or have limited space for waste storage. There has been a steady take up of this facility.</p> <p>The first renewals for the garden waste scheme started in Q4 and there has been a steady take up of renewals with an additional 480 new applications.</p>	<p>The amount of waste sent to landfill was 3% above the 54% target. This is largely because the household residual waste tonnages have gone up over the 12 months since April 2011. Although when the new scheme was introduced, there was a drastic decrease in the amount of household waste being sent to landfill, however it is disappointing that the trend in the amount of residual waste collected over the rest of 2011/12 was upwards.</p> <p>A contributing factor is that, at the moment, the council is not enforcing the 'no side-waste' policy. Residents are able to present as much residual waste as they desire and it is removed.</p>	
<p>Cheltenham's natural and built environment is enhanced and protected.</p>	<p>The built environment commissioning review concluded and a service specification for 2012-13 against which the built environment division will be asked to measure performance. The commissioning work included working with business and development industry stakeholders to promote the value of heritage and conservation to the economic vitality of the town. The parks team have been working with a wide range of communities including Sandford Park rockery, Italian Gardens planting, Pilgrove Way in Springbank and various playgrounds.</p>	<p>The milestone to <u>develop traffic modelling</u> to support the regeneration of the town centre was not able to be achieved. A bid was made to the national sustainable travel pot but this was not accepted; the bid was re-submitted by GCC on 24 Feb and we are awaiting the outcome which is expected in late-May / early June. The junction efficiency experiment has been postponed for the foreseeable future due to safety issues.</p>	

Outcomes	what went well	what didn't go so well
	<p>They have also been supporting Friends of groups to help them to look after their local parks and are doing litter picking and leaf clearing etc. They have also worked with the Friends of the Honeybourne Line to improve security and encourage greater use of it and have worked with graffiti artists and young people from a Prince's Trust group to create 60m of mural on the underpass of Jessops Avenue.</p> <p>Work has been ongoing with systems thinking which has resulted in a more effective service for the customer.</p> <p>The strategic land use team transferred to the built environment division from 1 January so that it enables a more joined up approach to service delivery under a development management approach. Consultation was undertaken on the joint core strategy which set out a number of options for the delivery of housing need.</p>	
<p>Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change.</p>	<p>New, more efficient cremators have been installed and are now operational. A bank of LED lights is currently being trialled in the swimming pool hall. LED lighting was also successfully trialled in Regent Arcade car park; full installation is underway and will be completed in line with the new ticketing system</p> <p>Cheltenham Low Carbon Partnership launched a new online toolkit, The Big Green Bundle, which is designed to help businesses engage with staff about green issues at work.</p> <p>The commissioning framework includes a sustainability appraisal which will ensure that climate change issues are picked up through the commissioning process.</p>	<p>In terms of delivering energy saving projects, a voltage optimisation device was installed at Leisure@ but this caused problems with Combined Heat and Power unit which could not be resolved. The device is being taken out and reinstalled at the Town Hall. Subject to a pilot period, the remainder of devices will be rolled out.</p> <p>The milestone to establish an officer group to coordinate efforts on climate change adaptation was not achieved as it was felt this mechanism was no longer appropriate under the commissioning structure; instead the climate change and sustainability officer will work with directors of retained services to update their risk assessments and then produce a report. Commissioned services (built environment, local authority company) will be required to report on how they have been adapting to climate change as part of the review process.</p>

Outcomes	what went well	what didn't go so well
<p>Cheltenham is able to recover quickly and strongly from the recession.</p>	<p>Work has continued this year to support local businesses through tough economic times. The council worked with former Business Link advisors to provide free advice sessions at the Municipal Offices. To date 32 businesses (27 start-ups) have benefited from the advice. The council supported a project to enable 8 local entrepreneurs to establish and grow their businesses – this concluded with a business showcase held at the Beechwood Shopping Centre.</p> <p>The council has continued to communicate regularly with local businesses through its business pride newsletter, three editions have been published and this goes to 696 businesses.</p> <p>Through the work of Cheltenham Development Taskforce, significant work has been undertaken to provide a longer-term stimulus for the local economy; Regent Arcade have started works on the new High Street frontage; contracts have been exchanged with the developer of North Place / Portland Street and a planning application for the new High Street access to the Brewery site has been submitted.</p> <p>The council has also continued to support the Cheltenham Business Partnership and its manger who facilitates close liaison with local businesses, trader associations and the media.</p>	<p>Unemployment in the borough remains relatively high at 3.3% at end of March, though there are pockets of the borough where unemployment is much higher – St. Marks at 6.1%, Oakley at 6.4% and Hesters Way at 7.2% are all in the 10% highest in the county.</p> <p>The proportion of young people not in education, employment or training (NEET) remains the highest in the county; at the end of March there were 153 in this group representing 6.0% of the cohort of 16-18 year olds.</p>
<p>We attract more visitors and investors to Cheltenham.</p>	<p>Cabinet agreed the Tourism and Marketing Strategy at its meeting in April 2011, and work has been undertaken to create a new officer structure to support the tourism service. There were around 1.7m hits on the tourism website.</p> <p>Through the Promoting Cheltenham Fund, £150k was allocated to 13 projects that will stimulate economic and business growth in Cheltenham. A further allocation of £25k was made to support the re-design and implementation of the council's tourism website.</p>	<p>The number of actual visitors to the Tourist Information Centre has continued to decline with only some slight increases showing June to August 2011 in comparison to the previous year. Across the year the TIC are 1,600 visitors down on 2010/2011 figures. This continues to follow the trend that more first time visitors are accessing the website before visiting a destination.</p>

Outcomes	what went well	what didn't go so well
<p>Communities feel safe and are safe.</p>	<p>Due to the high burglary rates in the borough, an event was held in May to gain partner commitment to a range of activities to help reduce domestic burglary. A multi agency task and finish group was set up to coordinate activity. The work carried out by the police, council and other agencies is beginning to have an impact with 300 less incidents in Q4 compared to Q3</p> <p>Funding was raised from various sources to install 7 new CCTV cameras on the Honeybourne Line between the railway station and Jubilee Bridge which are monitored at Lansdown Road Police Station.</p> <p>The Anti-Social Behaviour (ASB) working group was restructured to incorporate the CBH Safer Estates meetings and Hate Crime meetings to improve efficiency.</p> <p>In terms of overall crime figures, the total for the year is 9565, 571 less than in 2010-11. There was a 22% reduction in Q4.</p> <p>The number of ASB incidents in the year was 5548, but this cannot be compared to previous years as the way ASB is recorded has been changed. There was a significant fall between Q3 1,376 incidents and Q4 848 incidents.</p> <p>Phase I of the St Pauls redevelopment is progressing well, with transformational improvements also being undertaken to remaining privately-owned dwellings. This involves grant investment through the private sector housing team of £130,000.</p> <p>The cabinet approved a report which set out options for the delivery of a number of key sites and how these may be developed as either CBC or CBH owned properties. Work will continue during 2012/13 to identify a way forward which delivers the outcomes whilst providing value for money.</p>	<p>There were 309 incidents of recorded violence in the town centre on Friday and Saturday evenings, 14 more than in the previous year, but the overall trend is positive, in 2007-08 there were 501 incidents.</p> <p>There were 2366 serious acquisitive crimes in the year 2011-12; compared to 2,406 in the previous year. This reflected the high burglary rate that Cheltenham experienced throughout 2011.</p> <p>The number of repeat domestic violence incidents was 33.3% which is 1% higher than last year.</p> <p>We are still waiting for figures that will show how many new homes were built, and what the overall impact was on housing supply.</p> <p>There were 16 households living in temporary accommodation at the end of March, and whilst this is lower than in previous year, there is still concern that numbers will increase, particularly amongst larger families, as private rented accommodation becomes less affordable.</p>

Outcomes	what went well	what didn't go so well
<p>People are able to lead healthy lifestyles.</p>	<p>The member housing review group has been meeting to consider the impacts of welfare and housing reform on peoples ability to access affordable housing. The council has approved the HRA business plan which sets out the strategic direction following the implementation of self financing in April 2012. This will provide significant opportunities for the council and CBH to support tenants.</p> <p>Work is ongoing on the development of a housing strategy which will incorporate strategies for homelessness, tenancies, and housing renewal.</p> <p>The sports, play and healthy lifestyles team have continued to deliver and support a wide range of community based sports initiatives, play events and healthy lifestyles initiatives. The team delivered an extensive programme of sport and play activities delivered during the 5 week summer holidays, including the Summer of Sport programme resulting in the following - 1,491 attendances at PlayZone playschemes, 4,766 recorded Play Ranger visits and 1,426 attendances at the Summer of Sport programme.</p> <p>National Play Day was also successfully staged in Pittville Park during August with 1,005 children and young people purchasing activity wrist bands.</p> <p>Significant work was also been undertaken to prepare for the Olympic Torch Relay in May 2012, which will include an interactive sports village to showcase a wide range of local sports organisations. The event will also support the build up towards the Summer of Sport 2012, which will feature a broader range of Olympic sports in conjunction with local sports clubs to celebrate the London games and showcase local opportunities to participate.</p>	<p>Financially the direct debit membership receipt that dipped in August has contributed overall slight shortfall in income for the year.</p>

Outcomes	what went well	what didn't go so well
	<p>For Leisure@ overall attendances reached 302,184 some 7,684 ahead of target. There were 19,470 attendances on the active life programmes which was 8,470 ahead of target. The £1 swims was ahead of target by 5689 swims, 14,463 medical referral patients attended sessions and 48,347 children swam free (although this was short by 1,353). Leisure@ has been involved in many partnerships this year including the UNiversal scheme with University, the PE Teacher training programme, working with 2gether trust to offer services to mental health groups, and working with local health partners on projects like the Respiratory Failure Group, smoking cessation, falls prevention and osteoporosis classes.</p>	
<p>Our residents enjoy a strong sense of community and involved in resolving local issues.</p>	<p>Relationships with parishes are healthy and there is a regular meeting with the C5 group; through this group, parishes have been consulted about their future role in the planning system and there is a commitment to work with parishes on a review of parish boundaries.</p> <p>Transition Town Cheltenham going well with over 100 people now engaged and successful events have been held. Nine out of the 13 neighbourhood management areas are now coordinated by local communities. The CHAMPS network is going well; 58 champs have now been trained.</p> <p>Support has been provided to a range of community organisations who wish to put on Diamond Jubilee celebrations; this has ranged to general advice and support to help with licensing issues. There are 12 public events publicised on the council's website and a further 35 street parties happening in Cheltenham.</p> <p>The Art Gallery and Museum was closed from April 2011 to enable work to commence on the new extension; and work has progressed well over the past year; piling and works to the first floor were completed around the end of March 2012.</p>	<p>There are concerns from community organisations and elected members that not enough is being done to support young people in the borough; this is in light of the reductions to the youth service and to other support agencies such as connexions.</p>
<p>Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment.</p>		

Outcomes

what went well

The Off the Wall, on the Move programme has been extremely successful and we have subsequently engaged with 39,635 people through varied events and touring shows in and around Cheltenham. This programme will continue until Autumn 2012 with events linking into the Jubilee celebrations, the Olympics and the centenary of the Scott/Wilson Antarctic expedition. In addition to the engagement programme, the team has also continued its education programme and regular seasonal holiday events. Up to the end of March 29,122 people have taken part.

The Town Hall had a successful year; 68,478 tickets were sold and there were 250,000 hits on the new Town Hall website.

The council has implemented a number of projects to deliver the £2.8m savings that were agreed as part of the 2011-12 budget in February 2011.

Significant work was undertaken to launch the GO Shared Service on 1st April together with its accompanying business support system.

The Leisure and culture commissioning review has reached option appraisal stage and a number of options are now being evaluated against a set of criteria agreed with the member working group. The review has already saved £138k to date.

A number of new commissioning reviews have been agreed and included within the corporate strategy action plan for 2012/13

what didn't go so well

The Agresso system has gone live at Forest of Dean, West Oxfordshire, Cheltenham Borough Council, Cheltenham Borough Homes and Ubico Ltd. Implementation at Cotswold District Council will now take place in August 2012, the delay was mainly due to the fact that system testing took longer than originally forecast. GO Shared Services went live on 1 April 2012 as originally planned.

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CBH contributions to CBC Corporate Plan, 2011/12

CBC Objectives	CBC Outcomes	CBH contribution for 2011/12
<p>Enhancing and protecting our environment.</p>	<p>Cheltenham has a clean and well-maintained environment.</p> <p>Cheltenham's natural and built environment is enhanced and protected.</p>	<ul style="list-style-type: none"> ▶ Fly tipping removed from HRA land by CBH Estate Cleaning Team: 3,319 individual fly tipping requests were dealt with in 2011/12. All fly tipped waste from CBH managed land is removed within five working days ▶ 100% of emergency requests for fly tipping (where there is a risk to public health) are responded to within two working hours from receipt of instruction , between the hours of 0800 and 1500 hours Monday to Friday ▶ Estate cleaners perform 6,630 scheduled cleans per year ▶ 100% of emergency cleaning requests (where there is a risk to public health) are responded to within two working hours from receipt of instruction ▶ Community House in St Paul's has been given a facelift thanks to the CBH's maintenance contractors PH Jones and Ian Williams. The centre has been transformed and now boasts a new kitchen and bathroom with full disabled access. The interior has also been treated to a fresh coat of paint thanks to decorating contractor Ian Williams who donated paint and carried out the decorating work. ▶ Sheltered Housing schemes have been upgraded across the borough. Works includes garden and landscaping works, development of bespoke scooter storage, lift upgrades and internal redecoration; improving both the environment and quality of life for residents. ▶ New regeneration project launched for Hobart House: Residents in Hobart House and the surrounding area will soon enjoy a transformation to their communal outdoor space thanks to the launch of the new Hobart House Community Project. Over the next six months CBH will be working closely with residents in Hobart House, 33-55 Shelly Road and 170-192 Shakespeare Road to develop

CBH contribution for 2011/12		
CBC Objectives	CBC Outcomes	
	<p>Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change.</p>	<p>designs to improve the grassed areas and parking around the properties. In addition to the physical regeneration works social and educational opportunities will be developed for residents</p> <ul style="list-style-type: none"> ▶ The 16 new homes built at Brighton Road have all been built to Code for Sustainable Homes Level 4 and boast the installation of cutting edge technologies (including Photo Voltaic (PV) Cells) which will boost the homes' energy performance ▶ Energy efficiency linked SAP (Standard Assessment Procedure) rating has increased for existing properties ▶ SWEA (South West Energy Agency) have attended neighbourhood picnics for awareness raising around environmental and energy use – helping to address fuel poverty ▶ CBH Environmental forum set up with a Board Champion ▶ Environmental data produced to understand Carbon Footprint and set future targets. External energy assessments of company offices to produce action plan and an Environmental Management System (EMS) set up in line with ISO14001 guidance ▶ CBH are members of CBC Carbon Reduction Group and the Low Carbon Partnership
<p>Strengthening our economy.</p>	<p>Cheltenham is able to recover quickly and strongly from the recession.</p>	<ul style="list-style-type: none"> ▶ Specialist Benefits and Money Advisor employed to help residents sort through their finances and make sure that they are receiving all the benefits they are entitled to ▶ CBH-led Financial Inclusion Working Group held three money advice drop-in events at locations across the borough. Visitors to the events were given support and information on a range of money matters including: debt management, energy bills, bank accounts, saving schemes and welfare benefits advice. This partnership event was well attended and included information stands from CBH, CBC, Citizens Advice Bureau, Barclays Bank, Gloucestershire Credit Union, Job Centre Plus, A4e, EbiCo,

CBH contribution for 2011/12	
CBC Objectives	CBC Outcomes
	<p>Age UK, Illegal Money Lending Team and Money Advice Service. Further money advice events are being planned for next year.</p> <ul style="list-style-type: none"> ▶ Employment Initiatives Advisor has been employed to help residents into training and/or employment ▶ The 'Hub' opened at Edward Wilson House providing advice and guidance for residents around training and employment opportunities ▶ CBH Academy to provides tenants with skills
Strengthening our communities.	<p>We attract more visitors and investors to Cheltenham.</p> <p>Communities feel safe and are safe.</p> <ul style="list-style-type: none"> ▶ CBH's 'safer estates team' respond to 100% reports of serious ASB within one day ▶ CBH's 'safer estates team' works closely with CBC and Police Authority to combat anti-social behaviour. Proactive partnership work has supported vulnerable residents of sheltered accommodation ▶ An anti-social behaviour injunction was successfully brought against local man Danny Johnson, banning him from entering Hester's Way and surrounding areas. CBH applied for the ASB injunction after receiving many allegations that he had, over many years, threatened violence and used violence against a number of Cheltenham residents and had engaged in the supply of drugs in Hester's Way. Gloucester County Court have placed a five-year ASB injunction against him. CBH has been working hard to tackle and prevent incidents of ASB and the majority of cases are resolved without the need for legal action through an independent mediation service and via a number of preventative measures CBH has in place to tackle anti-social ▶ A new anti-social behaviour (ASB) reporting service, available to customers 24 hours a day seven days a week has been launched. The new ASB support line has been developed to provide emergency support and advice to

CBC Objectives	CBC Outcomes	CBH contribution for 2011/12
	<p>People have access to decent and affordable housing.</p>	<p>anyone in the borough who wishes to lodge a complaint of ASB in connection with a CBH managed property. Calls will be answered by experienced telephone handling specialists Sitex Orbis who will gather the relevant information which will be passed onto the CBH Safer Estates team to deal with on the next working day. The new support line also offers an out-of-hours repairs service and if repairs are classed as an emergency, will arrange for someone to attend within two hours.</p> <ul style="list-style-type: none"> ▶ CBH maintains CBC's housing stock at 100% decency ▶ Introduction of updated property information system will enable proactive identification of potential decency lapses ▶ St Paul's - work now well underway on the transformation of 80 homes and the building of 48 new properties. Work started in June and houses in Manser and Hudson Street with many of them now having received new bay windows, repaired rendering, repainting and, improvements to the property fronts and garden areas. The 48 new homes which will range from 1 bed flats to 4 bed houses are expected to be ready in 2012. ▶ Construction work on CBH's first new homes was completed. The 16 new homes at Brighton Road have all been built to Code for Sustainable Homes Level 4 and boast the installation of cutting edge technologies which will boost the homes energy performance. The first tenancies were handed over on 4th August 2011. ▶ Tenants can now sign up to a home swap service for free as CBH is a partner with the mutual exchange service, 'HomeSwapper'. The HomeSwapper service helps council tenants who want to move home by matching them with other tenants who want to swap. Tenants are able to swap homes in their local area or at any location across the UK. ▶ CBH have received confirmation that we have attained Registered Provider (RP) status. Gaining RP status will allow CBH to receive government funding for the financing

CBH contribution for 2011/12		
CBC Objectives	CBC Outcomes	
	People are able to lead healthy lifestyles.	<p>of any successful future bids to build new affordable homes.</p> <ul style="list-style-type: none"> ▶ Staying warm and well this winter was the theme of CBH's community events in November. Four Winter Warmer events were held at community venues across the borough. Visitors to the events got top advice including; money saving tips, cooking on a budget, how to stay warm and well this winter - all washed down with a free bowl of delicious soup. Along with CBH officers Age UK and Vision 21 were also on hand to offer top class advice on how to stay warm and well this winter. ▶ Partnership work with CBC Officers attracted funding to develop bespoke activities for older people – this including sit-fit classes, circle dancing activities and healthy eating advice. ▶ Community events such as neighbourhood picnics and fun days have promoted healthy eating and training courses on cooking and eating healthily have been provided ▶ Over 300 budding Olympic sporting stars turned out to take part in the Hester's Way Sports Fun Day. The event organised by CBH was held to mark the run-up to the London 2012 Olympics and was held at the Christ College Sports Centre, youngsters enjoyed a number of activities on offer including football, hockey, bowls, curling, jousting, and wrestling. The event was also held to help encourage the community to get active and take an interest in sport ▶ Children in the Whaddon area are enjoying a summer of fun after the start of CBH's programme of summer activities. The programme ran throughout the summer holidays and the group got to experience many different activities including: raft building, volunteering, fishing, graffiti artwork and cooking ▶ A new community gardening project has been launched for Clevedon Square and Rowanfield residents. Residents in will be able to enjoy a transformation to communal outdoor

CBH contribution for 2011/12	
CBC Objectives	CBC Outcomes
	<p>space thanks to the launch of the 'Get up and Grow' Project in conjunction with Vision 21. Over the next two years CBH will be enabling Vision 21 to work closely with residents in Rowanfield to grow their own food locally through the establishment of shared growing spaces. Training will be provided to emphasise health benefits within a sustainable living framework. The project will provide information, inspiration, and benefit some disadvantaged community groups.</p> <p>▶ The local wildlife population in Hester's Way is reaping the benefits of Cheltenham Borough Homes' extensive makeover of Scott House and Edward Wilson House after the launch of a resident project to improve the spaces around the properties. All part of CBH's transformational improvements to the area, the Proud to be Green! project was developed after residents said that in addition to the external makeover and improvements to the buildings they wanted to see wildlife habitats on their doorstep and create a community garden for residents and locals with benches, bird-feeding stations and planted areas.</p> <p>▶ The names of four new streets in St Paul's have been decided by local residents after we launched the '<i>Up Your Street!</i>' competition, inviting suggestions for the new cul-de-sacs being built as part of the 'Transforming St Paul's' regeneration scheme. CBH junior wardens kept up their good work over the summer holidays by taking part in a variety of activities out and about in the community. The youngsters, aged 8 to 10 years old and all from the Hester's Way area enjoyed a competitive game of bowls on the Wii with sheltered scheme residents at Pope's Close and have started a recycling project.</p> <p>▶ At CBH's AGM Three current Board members; Justine Hurst, Dan Clutten and Graham Templeton were signed in as Tenant Board representatives for a further three year term</p>
	<p>Our residents enjoy a strong sense of community and are involved in resolving local issues.</p>

CBC Objectives	CBC Outcomes	CBH contribution for 2011/12
<p>Enhancing the provision of arts and culture.</p>		<ul style="list-style-type: none"> ▶ A new resident group has been launched offering the community a new and exciting way to give their neighbourhoods a voice. The Cheltenham Tenants and Leaseholders Voice (CTLV) has been created to offer residents the chance to become a neighbourhood ambassador and represent their community. After an excellent response to the call for volunteers there are now 13 neighbourhood ambassadors who undertook training at the CBH Community Academy. ▶ We support regular neighbourhood meetings that involved around 200 people and produce regular community newsletters ▶ We support ten fully accredited Tenant and Resident Associations (TARAs) and 34 street, scheme and block CBH Community Representatives ▶ We held around 122 community development activities ▶ Bespoke activities for older people tackled isolation and helped in developing strong communities in schemes.
<p>Ensuring we provide value for money services that effectively meet the needs of our customers.</p>	<p>Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment.</p>	<ul style="list-style-type: none"> ▶ Scott & Edward Wilson House Community Group designed and made a mosaic for display, demonstrating the history behind the blocks of flats. This was completed with the support of Gloucestershire Adult Education through the hub at Edward Wilson House. The mural has been fitted to a wall at Edward Wilson House
	<p>The council delivers cashable savings, as well as improved customer satisfaction overall and better performance through the effective commissioning of services.</p>	<ul style="list-style-type: none"> ▶ The CBH <i>Junior Warden Scheme</i> was named the best youth involvement project in the South of England at the TPAS Awards 2011 – the scheme now goes forward to the national finals. ▶ Our <i>Annual Report to Residents</i> was highlighted in the National Tenant Organisation's (NTO) 2011 annual report review as one of the highest rated reports produced by an ALMO. The NTO also praised CBH for allowing tenants the opportunity to feedback and said that they "particularly liked that it was tenant-led and that there was a good partnership between all the stakeholders involved."

CBC Objectives	CBC Outcomes	CBH contribution for 2011/12
		<ul style="list-style-type: none"> ▶ Our Housing Revenues team has successfully retained its ISOQAR 9001:2008 quality standard following a recent external audit. The audit returned no recommendations, which is seen as an excellent achievement. The standard reflects the high level of policies and processes in place and the adherence to these in the collection of tenants' rent. ▶ Cold weather emergency plans were activated in the winter, to support older and vulnerable people. This service is highly valued by residents of sheltered schemes and can prevent expenditure in other statutory areas. ▶ Our housing support team was awarded the Code of Practice from the Centre for Housing and Support (CHS). The CHS Code of Practice covers ten standards, which must be met including: independence and empowerment, environment, confidentiality, and having trained and supported staff. There must also be evidence of clear policies and procedures as well as evidence of how these are put into practice on a day to day basis by front line staff. Feedback from the assessment process identified areas of best practice in CBH's housing support service ▶ CBH signed a partnership deal with Travis Perkins to supply building materials for the next five years. Travis Perkins will provide a dedicated stores area for CBH at its Gloucester Road site and the use of a further store within the town. The five-year agreement, valued at approximately £500k per annum, also includes a possible 5 year extension subject to performance. The partnership will also give CBH access to materials during emergencies such as floods and extreme cold weather ▶ Responsive repairs review: Following a review a trial of a new work process that would support the use of PDAs (personal digital assistants) was launched. The PDA is a mobile working device which acts as a data store and a day planner. They also allow job orders to be sent to the

CBC Objectives	CBC Outcomes	CBH contribution for 2011/12
		<p>handheld device, completed job information to be sent back to the office and re-ordering of supplies direct to Travis Perkins. After a successful start to the trial, the project team is now going out to tender for the PDA software</p> <ul style="list-style-type: none"> ▶ CBH provides excellent services that return benchmarkable performance information which consistently places CBH in the top 25% nationally when compared to other ALMOs for key service areas. Customer satisfaction is very high, placing CBH among the highest rated ALMOs in the country. ▶ A large scale consultation with our customers was undertaken in order to arrive at agreed 'Local offers' for services

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Cheltenham Borough Council

Cabinet – 19 June 2012

Right to Buy – Scheme Changes and Agreement to Retain Receipts

Accountable member	Cabinet Member for Housing and Safety, Councillor Peter Jeffries
Accountable officer	Director of Commissioning, Jane Griffiths
Accountable scrutiny committee	Overview and Scrutiny Committee
Ward(s) affected	All
Key Decision	Yes
Executive summary	This report gives details of Government amendments to the Right to Buy (RTB) scheme for Council Housing tenants and seeks Cabinet approval to enter into an agreement with the Department of Communities and Local Government (DCLG) which will enable the local retention of additional receipts that may arise from the changes.
Recommendations	<ol style="list-style-type: none"> 1. Note the changes to the RTB scheme for housing tenants. 2. Approve the completion of an agreement with the Secretary of State enabling the retention of additional RTB receipts for investment in new affordable rented homes. 3. Authorise the Director of Commissioning to enter into the agreement referred to in recommendation 2 above

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>If the council wishes to retain RTB receipts for the provision of new affordable housing (as defined in s 68(1) (a) Housing and Regeneration Act 2008) then it must enter into the agreement referred to in this report. The agreement is a standard agreement made by the Secretary of State pursuant to s11 (6) of the Local Government Act 2003 (inserted by s174 of the Localism Act 2011).</p> <p>Contact officer: Shirin Wotherspoon</p> <p>E-mail: shirin.wotherspoon@tewkesbury.gov.uk</p> <p>Tel no: 01684 272017</p>

HR implications (including learning and organisational development)	<p>There are no direct HR implications arising from the report but should there be an influx of right to buy applications at any one time then additional resource in property and legal may be required, the cost of which would be paid for from the HRA.</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 ability to re-invest part of the receipt in further social housing assists in the council's objectives to deliver more affordable housing.
Environmental and climate change implications	Under the RTB scheme it would become the home owners responsibility to adapt their homes to address environmental and climate change issues. However any new homes funded through RTB receipts would be built to higher environmental standards than the older current stock.

2. Background

- 2.1 In March 2012, following a period of consultation, the Government announced final proposals for amendments to the RTB scheme for Council housing tenants.
- 2.2 The changes are designed to reinvigorate RTB - enabling more tenants achieve their aspiration of home ownership whilst using the receipts generated from additional sales to fund new affordable housing, replacing sold units on a one for one basis nationally.
- 2.3 In April the Government distributed marketing material designed to help Councils publicise the new scheme and on 12th May provided details of how local authorities can retain the additional receipts for local re-provision.

3. Details of the Changes

- 3.1 The key changes to the scheme, which came into force on 2nd April 2012, are:-
- An increase in the discount cap to £75,000 – this represents a £25,000 increase on the cap proposed in the original consultation document. In Cheltenham the previous cap was at £30,000.
 - Local authorities will be able to retain the additional receipts for replacement housing – provided they can sign up to an agreement with Government that they will limit the use of the net Right to Buy receipts to 30% of the cost of the replacement homes and that sufficient expenditure is incurred within three years from the date of receipt.
 - Councils will be able to deduct the necessary amount to cover the debt from the receipt but will not be required to use this part of the receipt to repay loans.
 - Councils will now be able to deduct a higher amount from each sale to cover the costs of administration. Authorities will now be able to retain £2,850 in London and £1,300 in the rest of England. This recognises the costs incurred when dealing with withdrawn applications.

- The Buy Back provision will continue, allowing local authorities to fund up to 50% of the cost of re-purchasing a former council home, up to a maximum of 6.5% of any additional net receipts (i.e. receipts available to support one-for-one replacement).
- The cost floor has been retained and extended from 10 years to 15 years for new homes subject to RTB. Councils will continue to be able to apply for exemption from pooling arrangements (and therefore one for-one replacement) for RTB receipts from new social homes built after 2008. Without these changes there could be a financial disincentive for local authorities to provide new affordable rented homes in future.

4. Calculation of the Council's share

- 4.1 The new scheme includes a complex calculation to determine the amount to be retained by the Council from future RTB sales. This recognises that the self-financing settlement assumed a base level of sales under the old scheme and an assumed income share for both the Council and HM Treasury (25%:75% after deducting administration costs).
- 4.2 The format of the calculation, which is most easily illustrated as an annual statement, is shown below:-

		£'000	Assumption	Comments
A	Total sales proceeds	1,000	20 sales @ £50,000	Value of receipt based on increased discount
B	Attributable debt on additional sales	-161	(20-6) @ £11,500	Retained by CBC, used to repay debt or other HRA purpose
C	Administration costs	-26	20 @ £1,300	Flat rate allowance retained by CBC for HRA purpose
D	Assumed income CBC	-116	Based on settlement, assumed 6 sales	Retained by CBC, assumed use for HRA investment in business plan, but can be any purpose
E	Assumed income HM Treasury	-278	Based on settlement	Paid to Government
F	Net receipt available to fund re-provision	419		Available to CBC subject to terms of agreement
G	Minimum programme of re-provision required to retain all net receipt	1,397	$G = F \times 100/30$	Must be spent within 3 years of receipt
H	Additional sum retained by CBC	303	B+C+D	Available for varying purposes as detailed above

- 4.3 It must be stressed that all figures used in the above example are for illustration only with the exception of D & E.

5. Agreement to retain receipts for stock replacement

- 5.1 The Council has been asked by the Government if it wishes to enter into an agreement which would enable the retention of potential net receipts from RTB sales (item F in the illustration above) for local stock replacement.

- 5.2** The Secretary of State would allow those receipts to be retained if:-
- Those receipts are used to fund replacement stock
 - Within 3 years of the date of receipt a sum of relevant expenditure is incurred which is sufficient so that the receipt is no more than 30% of that sum
- 5.3** Any receipts remaining unused after 3 years must be returned to DCLG with interest (at a rate of 4% above base rate). In March 2012 the Cabinet received a report from CBH on future new build identifying three potential schemes and they are currently putting together financial proposals for funding these schemes. Cheltenham is well placed to take advantage of the additional funding that may arise from sales and therefore there is little risk in having to return any unused receipts.
- 5.4** The Council is expected to fund the remaining 70% of expenditure on stock replacement from its own reserves or borrowing serviced by the anticipated rental income from the new stock. There is no requirement to replace stock on a one for one basis, the numbers provided can be more or less than the numbers sold as long as the 30% funding limit is not exceeded.
- 5.5** The Government favours the replacement through new build but the receipts can also be used to fund the purchase of existing units for conversion into affordable rent. It is also acceptable to fund new supply by grant funding another body such as a housing association (but not a body in which the Council has a controlling interest). The Council could contract with CBH to deliver the new homes but the stock must remain within the Housing Revenue Account.
- 5.6** There are no restrictions on the type, size, location or the rent that be must be charged on the new units. Rent rebate funding will be available for up to 80% of market rents.
- 5.7** The Council can apply for any new stock to be exempted from future pooling if sold under the RTB scheme – all the receipt could be retained locally if it is used to repay debt or invest in affordable housing or regeneration.
- 5.8** If the Council wishes to retain receipts from the first quarter, April to June 2012, the agreement must be signed and returned to DCLG by 27th June 2012.

6. Impact of the new scheme

- 6.1** The Government has estimated that up to 20,000 additional units will be sold in the first three years following the changes to the scheme. However it is impossible to gauge how those will be distributed nationally and to predict the type and value of stock that will be sold.
- 6.2** A number of factors may reduce the level of additional sales. These include:-
- The desire of tenants to purchase at a time of economic uncertainty
 - The limited availability of mortgages
 - Many of the more desirable properties have already been sold
 - A change in tenant mix
- 6.3** The changes have already stimulated an increase in enquiries but how many of those will lead to completion has yet to be seen. It is essential that progress is monitored very closely to assess future impact on the HRA business plan and to determine the size of a re-provision programme.

7. Conclusion

- 7.1 The changes to the RTB scheme will undoubtedly increase the overall number of sales but will realise a significantly reduced receipt per unit than previously. The actual number of sales is difficult to predict and can only be monitored.
- 7.2 The Government is giving local authorities the opportunity to use sale receipts to fund replacement stock locally. In March 2012 the Cabinet received a report from CBH on future new build identifying three potential schemes. Cheltenham is well placed to take advantage of the additional funding that may arise from sales and it is recommended that Cabinet approve the completion of an agreement with the Secretary of State to retain such receipts.

Report author	Bob Dagger, Strategic Financial Advisor, Cheltenham Borough Homes Tel. 01242 264225; <i>e-mail address bob.dagger@cheltborohomes.org</i>
Appendices	1. Risk assessment
Background information	DCLG agreement Section 11(6) of the Local Government Act 2003 – copy placed in members room

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 level of RTB sales increases significantly there may be a detrimental impact on the HRA business plan, in excess of the debt repayment available from the capital receipt	Jane Griffiths	June 2012	3	3	9	R	Close monitoring of RTB activity	Mar 2013	CBH through management agreement	
1.02	If the stock replacement programme is insufficient to enable the retention of available receipts they will be repaid to the Government with interest	Jane Griffiths	June 2012	3	3	9	R	Monitor progress of re-provision plans ensuring alignment to deadlines for use of receipts	Mar 2013	CBH through management agreement	

Agreement – Section 11(6) of the Local Government Act 2003

This agreement is made pursuant to section 11(6) of the Local Government Act 2003.

Parties

The Secretary of State for Communities and Local Government (“the Secretary of State”) and

..... (“the Authority”).

This agreement comprises 10 pages

General

1. In this agreement :

“the due date”, “quarter” and “the relevant quarter” have the same meaning as in the Regulations;

“receipts” means the receipts to which Schedule 1 to the Regulations applies;

“retained amount” means the amount calculated in Part 1;

“the Regulations” mean the Local Authority (Capital Finance and Accounting) (England) Regulations 2003;

“social housing” means low cost rental accommodation as defined by section 68(1)(a) of the Housing and Regeneration Act 2008;

“the sub-liability” means the sub-liability calculated under Schedule 1 to the Regulations;

the terms “A”, “E”, “F”, “G”, “J” and “K” used in this agreement have the same meaning as in Schedule 1 to the Regulations.

2. This agreement applies to receipts received on or after 1st April 2012 (“the commencement date”).

3. The Authority is not required to pay to the Secretary of State such portion of the sub-liability calculated in accordance with Part 1 of this agreement provided the Authority complies with the conditions set out in this agreement.
4. The Authority must use the retained amounts for the provision of social housing. Any amounts not used for this purpose must be paid to the Secretary of State and interest will be payable calculated in accordance with paragraph vi of Part 1.
5. The Authority must provide the information set out in Parts 1 and 4 of this agreement to the Secretary of State at the times and in any format the Secretary of State may request.
6. This agreement may be terminated by the Secretary of State by giving notice of one quarter.
7. This agreement may be amended by agreement.

Part 1 - Calculation of the portion of the sub-liability that the Authority may retain.

- i. Where in any quarter –

A is more than $(3.39847729 \times G) + E + F + J$

the Authority may retain an amount (“the retained amount”) up to–

K less $(2.398347729 \times G)$.

- ii. The Authority must inform the Secretary of State of the following by the due date of the relevant quarter-
 - (a) the value of K less $(2.398347729 \times G)$;
 - (b) the retained amount; and

(c) any amount not retained by the Authority.

- iii. Where the Authority has informed the Secretary of State (under paragraph ii(c)) that an amount will not be retained, the Authority must pay that amount to the Secretary of State by the due date of the relevant quarter.
- iv. Where the Authority has informed the Secretary of State that an amount will not be retained and fails to pay that amount on the due date of the relevant quarter, interest is payable and incurred from the due date until the Authority pays that amount to the Secretary of State.
- v. Where the Authority does not inform the Secretary of State of the amount it will not retain by the due date of the relevant quarter, it will be assumed that the retained amount for that quarter is the full amount the Authority may retain and where an amount is not retained and is paid to the Secretary of State, interest will be payable and incurred from the due date until the date the Authority pays that amount to the Secretary of State.
- vi. The Authority may pay any part of the retained amount to the Secretary of State and where it does so, interest is payable and incurred from the due date of the relevant quarter in which the retained amount was retained by the Authority until the date it is paid to the Secretary of State.

Part 2– Return of retained amounts

- i. This Part applies where 13 quarters have expired since the commencement date.
- ii. In this Part :
 - “the reckonable quarter” means the quarter 12 quarters prior to the relevant quarter;

“quarter 1” means the quarter in which the commencement date falls;

A is the total of the retained amounts for all quarters from quarter 1 to the reckonable quarter;

“the total amount spent on the provision of social housing” is the amount spent on the provision of social housing from quarter 1 to the last day of the relevant quarter;

R is the total of the returnable amounts calculated under paragraph iv of this Part and amounts paid to the Secretary of State under paragraph vi of Part 1 for all the quarters from quarter 1 to the reckonable quarter.

- iii. The total retained amount is calculated as follows –

$$A - R.$$

- iv. Where on the last day of the relevant quarter, the total retained amount exceeds 30% of the total amount spent on the provision of social housing, the Authority must pay to the Secretary of State the portion of the total retained amount in excess of 30% of the total amount spent on the provision of social housing (“the returnable amount”).
- v. Where the Authority must pay a returnable amount to the Secretary of State under paragraph iv of this Part, interest is payable, calculated and incurred from the due date of the reckonable quarter until the date the returnable amount is paid to the Secretary of State.

Part 3 - Calculation of interest

Where interest is payable under this agreement, it will be calculated at a rate of 4% above the base rate on a day to day basis compounded with three-monthly rests and “base rate” has the same meaning as in the Regulations.

Part 4 - Provision of information

On the due date of each relevant quarter the Authority must provide to the Secretary of State the details of the number of starts on site since the commencement date.

“Start on site” means the earlier of commencement of the following by the Authority or other body to which the Authority has paid all or part of the retained amount for the purpose of providing social housing:

- (a) excavation for strip or trench foundations or for pad footings;
- (b) digging out and preparation of ground for raft foundations;
- (c) vibrofloatation, piling, boring for piles or pile driving; or
- (d) drainage work specific to the buildings forming part of the scheme.

Part 5 – The amount spent on the provision of social housing

- i. The amount spent on the provision of social housing shall not include any expenditure which has been used or which the authority intends to use to-
 - (a) reduce a capital receipt under regulation 15(1)(c) of the Regulations (capital allowance); or
 - (b) buy back a relevant interest defined in paragraph 3(1)(b) of the Schedule to the Regulations and claim buy back allowance in respect of that expenditure under paragraph 3 of the Schedule to the Regulations.

- ii. The amount spent on the provision of social housing shall not include any expenditure on dwellings which are social housing at the time of the expenditure.
- iii. The amount spent on the provision of social housing is the amount spent by the Authority or by a body to which the Authority has paid some or all of the retained amounts (such body must not be a body in which the Authority holds a controlling interest) on the development costs associated with the provision of social housing for the benefit of the Authority's area.
- iv. Where the Authority has paid all or some of the retained amounts to a body for the purpose of contributing towards the cost of providing social housing, the Authority must ensure that only retained amounts provided by the Authority have been used by such body for the provision of social housing for the benefit of the Authority.
- v. Social housing is provided for the benefit of the Authority where it is situated in the area of the Authority or the Authority has nomination rights in respect of the social housing.
- vi. The amount spent on social housing includes the following:
 - (a) the development costs associated with the acquisition of dwellings to be used as social housing;
 - (b) the development costs associated with the acquisition of land for the construction of dwellings to be used as social housing;
 - (c) the development costs of the construction of dwellings to be used as social housing.
- vii. In this Part "development costs" means the costs set out in Part 6.

Part 6 – Development costs

Development costs means the costs relating to the development of social housing in respect to the heads of expenditure set out below.

Heads of expenditure

1 Acquisition

1.1 *Purchase price of land/site.*

1.2 *Stamp Duty Land Tax on the purchase price of land/site.*

2 Works

2.1 *Main works contract costs (excluding any costs defined as on costs).*

2.2 *Major site development works (where applicable). These include piling, soil stabilisation, road/sewer construction, major demolition.*

2.3 *statutory agreements, associated bonds and party wall agreements (including all fees and charges directly attributable to such works) where applicable.*

2.4 *Additional costs associated with complying with archaeological works and party wall agreement awards (including all fees, charges and claims attributable to such works) where applicable.*

2.5 *Irrecoverable VAT on the above (where applicable).*

3 On costs

3.1 *Legal fees and disbursements.*

3.2 *Net gains/losses via interest charges on development period loans.*

3.3 *Building society or other valuation and administration fees.*

3.4 *Fees for building control and planning permission.*

3.5 *Fees and charges associated with compliance with European Community directives, and any requirements relating to energy rating of dwellings, Eco-Homes certification and Housing Quality Indicators.*

- 3.6 *In-house or external consultants' fees, disbursements and expenses (where the development contract is a design and build contract) (see note 1 below).*
- 3.7 *Insurance premiums including building warranty and defects/liability insurance (except contract insurance included in works costs).*
- 3.8 *Contract performance bond premiums.*
- 3.9 *Borrowing administration charges (including associated legal and valuation fees).*
- 3.10 *An appropriate proportion of the development and administration costs of the Authority or the body in receipt of funding from the Authority.*
- 3.11 *Irrecoverable VAT on the above.*

Note 1

Where the development contract is a design and build contract, the on-costs are deemed to include the builder's design fee element of the contract sum. The amount included by the builder for design fees should be deducted from the works cost element referred to above, as should other non-works costs that may be submitted by the builder such as fees for building and planning permission, building warranty, defects liability insurance, contract performance bond and energy rating of dwellings.

Note 2

Some items will not qualify as development costs unless the Authority can clearly demonstrate that such costs are properly chargeable to the social housing, i.e. for the sole use of the residents or to comply with any statutory obligations that may have been imposed.

Examples of these are as follows:

- *works to any roads which do not exclusively serve the social housing;*

- *landscaping to areas of land which lie outside the boundaries of the land on which the social housing is situated;*
- *district heating systems;*
- *trunk sewers and sewage disposal works;*
- *special refuse treatment buildings;*
- *public conveniences;*
- *community halls, club rooms, recreation rooms.*

Note 3

Subject to the above, where any cost incurred or to be incurred by the Authority or a body in receipt of funding from the Authority is common both to the development of the social housing and to any other activity, asset or property of the Authority or a body in receipt of funding from the Authority, only such part of that cost as is attributable to the development of the social housing may be treated as a cost in respect of which the retained amount may be paid.

Signed on behalf of the Authority by

(insert name and position in capitals)

..... (add signature and date)

Signed on behalf of the Secretary of State by Graham Duncan – Deputy
Director – Affordable Housing Regulation and Investment

.....(add signature
and date)

Cheltenham Borough Council

Cabinet – 19 June 2012

Council – 25 June 2012 (if necessary)

Nominations to Outside Bodies

Accountable member	Leader, Councillor Steve Jordan
Accountable officer	Director of Commissioning, Jane Griffiths
Accountable scrutiny committee	O&S
Ward(s) affected	All
Key Decision	No
Executive summary	Following each Selection Council, and at other times when vacancies arise, the Cabinet takes the opportunity to nominate and, in limited cases, appoint persons to various roles within bodies external to the Council. The current list of outside bodies and nominations is set out in the attached Appendix A.
Recommendations	<p>Cabinet make nominations/appointments to the bodies in Appendix A respectively in accordance with the following principles:</p> <ul style="list-style-type: none"> • all nominations are made on the basis that the nominee/appointee is a representative of Cheltenham Borough Council insofar as that is compatible with any overriding legal duty to the outside body; and • Cabinet reserves the right at any time to withdraw/terminate a nomination/appointment which it has made • Cabinet should refer a nomination/appointment to Council for determination where consensus on that nomination/appointment cannot be achieved between all the political groups on the Council
Financial implications	<p>There are no financial implications associated with this report.</p> <p>Contact officer: Mark Sheldon E-mail: mark.sheldon@cheltenham.gov.uk Tel no: 01242 264123</p>

<p>Legal implications</p>	<p>See body of the report.</p> <p>Two general powers are relevant to nomination/appointment to outside bodies, these being the 'Well Being' power found in the Local Government Act 2000 and the power of an authority to do anything conducive, incidental to or facilitative of the discharge of any of their functions found in the Local Government Act 1972.</p> <p>Guidance for Members appointed to outside bodies can be found at Part 5G of the Council Constitution.</p> <p>Contact officer: Peter Lewis E-mail: peter.lewis@tewkesbury.gov.uk Tel no: 01684 272012</p>
<p>HR implications (including learning and organisational development)</p>	<p>None</p> <p>Contact officer: Julie McCarthy , HR Operations Manager julie.mccarthy@cheltenham.gov.uk, 01242 26 4355</p>
<p>Key risks</p>	<p>Members appointed should be aware of their roles and responsibilities.</p>
<p>Corporate and community plan Implications</p>	<p>Supports all the community priorities and supports community engagement.</p>
<p>Environmental and climate change implications</p>	<p>None</p>

1. Background

- 1.1** The bodies to which nominations/appointments are made comprise a variety of organisations and groups. A traditional distinction can be drawn between incorporated and unincorporated bodies; the former being distinct legal entities such as companies, having a legal personality and a framework imposing obligations upon those who become involved by appointment; the latter being bodies which, albeit without formal legal foundation, play an important role in representing interests within the local community. Involvement in these unincorporated organisations will often carry few or no legal obligations on those appointed.
- 1.2** In the majority of cases Cheltenham Borough Council decides who to nominate to the body concerned and it is then for that body to decide on whether to accept the nomination and make the appointment. There are some limited exceptions to this, such as Cheltenham Borough Homes and Gloucestershire Airport, where the Council has the right (by virtue of its interests in those companies) to make the appointments to the boards of directors.

2. Legal issues

- 2.1** Table 3 of Part 3A of the Constitution refers to local choice functions (i.e. functions which the Council can exercise through Cabinet or Full Council). Paragraph 19 of table 3 refers to 'the appointment of any individual(b) to any body other than – (i) the authority...and the revocation of any such appointment'. Paragraph 19 indicates that the function is to be exercised by the 'The Executive except where any such appointment concerns a council function listed in Table 1 to Part 3A'. i.e. a function which cannot be exercised by the Executive. None of the outside bodies in Appendix A relate to functions listed in Table 1. The power to Cabinet is subject to the proviso that if all political groups on the Council cannot agree a particular nomination/appointment then it will be referred to full Council for determination.
- 2.2** Whilst nominations/appointments are made on the general basis that the nominee/appointee is the Council's representative on the outside body, it is important to note that in many cases the overriding duty is to the outside body. For example, a company director has a primary duty of care towards the company and to act in the best interests of the company as a whole and a trustee must act in accordance with the trust deed and uphold the trust's objectives.
- 2.3** The Council is able to indemnify members (and officers) in the course of their activities on outside bodies provided they are acting within the scope of their authority as Council representatives. Outside bodies, such as companies, that are legal entities in their own right must have their own appropriate insurance arrangements in place. It is important that members (and officers) clarify the position in each particular case.
- 2.4** Under the revised Executive functions set out in Part 3E and Appendix A of the Council's constitution, the Leader has the power to make appointments to outside bodies where they relate to an Executive function provided there is Group Leader agreement to the appointments. The Leader exercised these powers and has already taken decisions on the appointments to Cheltenham Borough Homes, the Cheltenham Development Task Force and other bodies where the nomination is normally the Cabinet Member with the appropriate portfolio. These are included in Appendix A for completeness, shaded in blue (grey on printed copy) but are not the subject of the decision in this report.

3. Nomination/appointment of external persons

- 3.1** Historically Cheltenham Borough Council has nominated/appointed external persons to some outside bodies. On 29th June 2006 Council specifically agreed that 'All nominees are elected Members of Cheltenham Borough Council unless there are exceptional reasons justifying the appointment of a non Member'. Relevant examples of outside bodies to whom external persons have been appointed are; Gloucestershire Airport, Pate's Grammar School Foundation. The

reasons for these appointments have been the specialist knowledge skills and experience that have been brought to the outside body and/or the lack of Member nomination to that body.

- 3.2** External persons are not, of course, subject to the Code of Members' Conduct nor are they under any general obligation to act in the best interests of the Council or the broader public interest. Also, they are not covered by the Council's insurance. Whilst these factors do not prevent the nomination of external persons they should be borne in mind when considering whether to make such nominations/appointments.

4. Reasons for recommendations

- 4.1** It is in the interests of the council to ensure representation on all these outside bodies.

5. Alternative options considered

- 5.1** None

6. Consultation and feedback

- 6.1** Appendix A was circulated to Group Leaders on 21 May 2012 with a request for nominations by Friday 8 June 2012.

Report author	Rosalind Reeves, Democratic Services Manager, 01242 774937, Rosalind.reeves@cheltenham.gov.uk
Appendices	<ol style="list-style-type: none">1. Risk Assessment2. List of outside Bodies
Background information	<ol style="list-style-type: none">1. Exec decision made on 21 May for appointments to CBH and 29 May 2012 for other appointments to outside bodies.2. Constitution Part 5G

The risk				Original risk score (impact x likelihood)			Managing risk					
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register	
	If elected members are not aware of their roles and responsibilities they may compromise their position		1/06/2012	3	2	6	Control	Ensure members are aware of guidance set out in Constitution Ensure members understand their role on the outside body and have a copy of relevant constitution or terms of reference of the body concerned		Democratic Services Manager		
<p>Explanatory notes</p> <p>Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p>Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p>Control - Either: Reduce / Accept / Transfer to 3rd party / Close</p>												

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CABINET NOMINATIONS TO OUTSIDE BODIES 2012-14

APPENDIX 2

N.B. Where there are more nominations than places, this will be the subject of further discussion with the Group Leaders before the meeting

Name of body	Name of previous representative	Nominee/s	No. reps.	Notes
Brizen Young People's Centre	Councillor Jo Teakle	Councillor Jo Teakle	1	Member of management committee
Cheltenham Art Gallery and Museum Development Trust	Councillor Andrew McKinlay		1	Ex-officio trustee
Cheltenham Arts Council	Councillor John Rawson	Councillor Jon Walklett	3	Executive member
	Councillor Diggory Seacome	Councillor Diggory Seacome		
	Councillor Klara Sudbury	Councillor Andrew Lansley		
Cheltenham Borough Homes	Councillor Jon Walklett	Councillor Andrew Lansley	5	Board Members
	Councillor Barbara Driver	Councillor Barbara Driver		
	Councillor Colin Hay	Councillor Colin Hay		
	Vacancy	Councillor Suzanne Williams		
	vacancy	Councillor Duncan Smith		
Cheltenham Business Partnership	Councillor Steve Jordan	Councillor Steve Jordan	1	Leader
Cheltenham Development Task Force	Councillor John Rawson	Councillor Rob Garnham	2	One appointment is Cabinet Member Built Environment
		Councillor Andy McKinlay		
Cheltenham Festivals	Councillor John Rawson	Councillor Wendy Flynn	2	Attend Board meetings as observers
	Councillor Diggory Seacome	Councillor Diggory Seacome		
Cheltenham in Bloom	Councillor Diggory Seacome	Councillor Diggory Seacome	2	Members have voting rights
	Councillor Garth Barnes	Councillor Wendy Flynn		
	Councillor John Rawson	Councillor Andy McKinlay		
Cheltenham Parking Board	Councillor Steve Jordan	Councillor Steve Jordan	2	Cabinet Member Built Environment is one member
	Councillor Jacky Fletcher	Councillor Jacky Fletcher		
Cheltenham Pensioners Forum	Councillor Jacky Fletcher		1	No constitutional requirement for CBC member
Cheltenham Road Safety Liaison Group	Councillor Colin Hay	Councillor Helena McCloskey	2	Proposed to discontinue as no administrative support being offered by GCC so no longer an outside body
		Councillor Colin Hay		
Cheltenham Theatre & Arts Club (Playhouse)	Councillor Diggory Seacome	Councillor Diggory Seacome	1	Can attend committee responsible for admin and events
		Councillor Pat Thornton		
Cheltenham West End Partnership Ltd	Councillor Jon Walklett	Councillor Jon Walklett	1	Observer status
Cheltenham, Cirencester & Tewkesbury Citizens Advice Bureau	Councillor Helena McCloskey	Councillor Helena McCloskey	1	
Cleeve Common Board of	Councillor Simon Wheeler	Councillor Simon Wheeler	3	Entitlement to 3 board members in return for

Name of body	Name of previous representative	Nominee/s	No. reps.	Notes
Conservators	Councillor Bernard Fisher	Councillor Pat Thornton		public access to common
Coronation Old Peoples Housing Society	Councillor Anne Regan	Councillor Anne Regan	1	On management Committee
Cotswold Conservation Board	Vacancy	Councillor Penny Hall Councillor Helena McCloskey	1	One of 15 Local Authority members
Countywide Strategic Planning Issues group	Councillor John Rawson	Councillor Andy McKinlay		
District Councils' Network	Councillor Steve Jordan	Councillor Steve Jordan	1	Leader
Everyman Theatre	Councillor Garth Barnes	Councillor Garth Barnes Councillor Tim Harman	1	Observer on Board
Friends of Leckhampton Hill	Councillor Klara Sudbury	Councillor Andrew Chard	2	Executive Committee Member but no formal rights on board
Gloucestershire Airport Consultative Committee	Councillor Pat Thornton	Councillor Pat Thornton	1	Committee member
Gloucestershire Airport Ltd	Councillor Malcolm Stennett	Councillor Malcolm Stennett	3	Full Board members
	Councillor Jacky Fletcher Mr David Lawrence	Councillor Jacky Fletcher Mr David Lawrence		
Gloucestershire Association Voluntary Community Action	Councillor Jo Teakle	Councillor Helena McCloskey	1	Observer status
Gloucestershire Playing Fields Association	Vacancy		1	
Gloucestershire Safer Stronger Justice Commission	Councillor Klara Sudbury	Councillor Peter Jeffries	1	Cabinet Member Housing and Safety
Gloucestershire Shadow Joint Waste Board	Councillor Roger Whyborn	Councillor Roger Whyborn Councillor Steve Jordan	2	Normally Cabinet Member Sustainability takes one seat
Gloucestershire Waste Partnership	Councillor Roger Whyborn	Councillor Roger Whyborn	1	Cabinet Member Sustainability
Hesters Way Partnership Ltd	Councillor Pat Thornton Councillor Wendy Flynn	Councillor Pat Thornton Councillor Wendy Flynn	2	Cllr Thornton is currently a Director
Higgs and Cooper (and Relief in Need)	Councillor Duncan Smith	Councillor Duncan Smith	2	Trustee
Hillview Community Centre	Councillor Helena McCloskey	Councillor Helena McCloskey		
Leadership Gloucestershire	Vacancy		1	Attends committee meetings
Local Government Group Urban Commission	Councillor Steve Jordan Councillor John Rawson	Councillor Steve Jordan Councillor Andy McKinlay	1 2	Leader Cabinet Member Built Environment
Low Carbon Partnership	Councillor Roger Whyborn	Councillor Roger Whyborn	1	Cabinet Member Sustainability

Name of body	Name of previous representative	Nominee/s	No. reps.	Notes
Oakley Regeneration Partnership Ltd	Councillor Rowena Hay	Councillor Rowena Hay	1	
Parking and Traffic Regulations Outside London Adjudications Joint Committee	Councillor John Rawson	Councillor Andy McKinlay	1	Normally Cabinet Member Built Environment
Parklands Community Association	Councillor Colin Hay	Councillor Colin Hay	1	
Pates Grammar School Foundation	Mr John Harkness	Mr John Harkness Mr Lloyd Surgenor	2	
Positive Lives Partnership	Councillor Klara Sudbury	Councillor Rowena Hay	1	Cabinet Member Sport and Culture
Positive Participation Partnership		Councillor Peter Jeffries	1	Cabinet Member Housing and Safety
Positive Development Partnership		Councillor Andy McKinlay	1	Cabinet Member Built Environment
Prestbury United Charities	Councillor Pat Thornton	Councillor Pat Thornton	1	
South West Councils	Councillor Steve Jordan	Councillor Steve Jordan	1	Leader of Council
South West Councils' Employers Panel	Councillor Colin Hay	Councillor Jon Walklett	1	Cabinet Member Corporate Services
St Margarets Hall User Group	Councillor Andrew McKinlay	Councillor Andrew McKinlay	1	CBC representative must be a "sitting councillor living within the area of benefit" of St Margarets Hall in order to have voting rights
St Marks & Hesters Way Community Association	Councillor Sandra Holliday Councillor Simon Wheeler	Councillor Sandra Holliday Councillor Simon Wheeler	2	
Strategic Leadership Group	Councillor Steve Jordan	Councillor Steve Jordan	1	Member of partnership (Leader of Council)
Supporting People Partnership	Councillor Klara Sudbury	Councillor Peter Jeffries	1	Cabinet Member Housing and Safety
Third Sector Services	Vacancy		1	Committed to/ experienced in areas of
UBICO	Councillor Colin Hay	Councillor Tim Harman Councillor Colin Hay	1	Member Observer to Board of Directors
Whaddon Lynworth & Priors Neighbourhood Project	Councillor Rowena Hay Councillor Colin Hay	Councillor Rowena Hay Councillor Colin Hay	2	

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Cheltenham Borough Council

Cabinet – 19 June 2012

Gambling Act 2005 – Review of Licensing Policy Statement of Principles

Accountable member	Cabinet Member Housing and Safety - Councillor Peter Jeffries
Accountable officer	Director of Wellbeing and Culture – Sonia Phillips
Accountable scrutiny committee	Overview and Scrutiny Committee
Ward(s) affected	All
Key Decision	No
Executive summary	<p>Under section 349 of the Gambling Act 2005 the Council must, before each successive period of three years, prepare a statement of the principles that they propose to apply in exercising their functions under the Gambling Act 2005 during that period and publish the statement.</p> <p>The Council's current policy statement was adopted by Full Council in December 2009. To comply with the statutory requirements, the current policy statement must be reviewed and adopted by December 2012.</p>
Recommendations	<p>It is recommended that Cabinet: -</p> <ol style="list-style-type: none"> 1. note the contents of the report and revised draft Statement of Principles and RESOLVE to approve the attached revised draft of the three year Statement of Principles for the purpose of formal consultation with all relevant parties; and 2. subject to there being no substantive amendments being made following consultation, that the draft Statement of Principles be recommended to full Council for approval and adoption.
Financial implications	<p>There are no financial implications arising from this report.</p> <p>Contact officer: Sarah Didcote, sarah.didcote@cheltenham.gov.uk, 01242 26 4125</p>

<p>Legal implications</p>	<p>The licensing authority must before each successive period of 3 years prepare a statement of principles that it proposes to apply in exercising its functions under the Gambling Act 2005 during that period, and must publish the statement.</p> <p>The form of the statement and the procedures to be followed for its preparation, consultation and publication must be in accordance with the Gambling Act 2005 and subordinate legislation.</p> <p>Contact officer: Sarah Farooqi, sarah.farooqi@teWKesbury.gov.uk, 01684 272693</p>
<p>HR implications (including learning and organisational development)</p>	<p>No direct HR implications arising from this report.</p> <p>Contact officer: Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 26 4355</p>
<p>Key risks</p>	<p>As outlined in Appendix 1</p>
<p>Corporate and community plan Implications</p>	<p>Communities feel safe and are safe</p> <p>Our residents enjoy a strong sense of community and are involved in identifying and resolving local issues</p>

1. Background

- 1.1 Under section 349 of the Gambling Act 2005 ("2005 Act") a licensing authority shall, before each successive period of three years, prepare a statement of the principles that they propose to apply in exercising their functions under the 2005 Act during that period and publish the statement.
- 1.2 The Council's current policy statement was adopted by Full Council in December 2009. To comply with the statutory requirements, the current policy statement must be reviewed and adopted by December 2012.
- 1.3 The current policy statement has been reviewed by officers and a draft policy statement is attached at **Appendix 2**.
- 1.4 The amendments to the current policy statement have been minimal as a result of the fact that legislation, insofar as it relates to the scope of the policy, has largely remained unchanged since the adoption of the current policy statement. The amendments are highlighted in yellow in the draft policy statement (shaded grey in printed document).

2. Consultation

- 2.1 The Council is required under section 349 of the Gambling Act 2005 to review and republish its policy statement every three years. When reviewing its policy statement, the Council is required to consult with:-
 - the chief officer of police for the authority's area,
 - one or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area, and
 - one or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under this Act.
- 2.2 The Council must ensure that it complies with the Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006. These regulations govern the form statements must take, the procedure to be followed in relation to the preparation, review or revision of statements and the publication of statements.
- 2.3 These regulations require that a statement is published by being made available for a period of at least 4 weeks before the date on which it will come into effect:-
 - on the Authority's website, and
 - for public inspection in one or more public libraries or other premises in the Borough such as the Council Offices.
- 2.4 The Council must also advertise the publication of the reviewed Statement of Principles by publishing a notice on the Authority's website and in one or more of the following places:-
 - a local newspaper circulating in the area covered by the statement,
 - a local newsletter, circular, or similar document circulating in the area covered by the statement,
 - a public notice board in or near the principal office of the authority,
 - a public notice board on the premises of public libraries in the area covered by the statement.

2.5 Furthermore, the Council will carry out the consultation in accordance with the Government's Code of Practice on Consultation which recommends that consultations should last at least 12 weeks.

2.6 A list of consultees is listed on page 25 of the draft policy statement.

3. Statutory Guidance

3.1 The Gambling Commission has issued guidance to local authorities under section 25 of the 2005 Act. The Council is required to have regard to this guidance when discharging its duties under the legislation. The current version of the guidance is May 2009.

3.2 Attached at **Appendix 3** is part 6 of the guidance entitled "Licensing authority Statement of Policy" for the information of the committee.

4. Adoption

4.1 Delegations permitted under the 2005 Act prescribe that the Licensing Authority Policy Statement under section 349 of the Gambling Act 2005 are to be the shared responsibility of the full council and the executive.

5. Reasons for recommendations

5.1 To comply with the Council's statutory duty under section 349 of the 2005 Act.

6. Alternative options considered

6.1 The Council can decide not to review its current policy but it will be failing in its statutory duty in doing so.

Report author	Contact officer: Louis Krog, louis.krog@cheltenham.gov.uk, 01242 77 5200
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Draft Licensing Policy Statement of Principles 3. Part 6 - Guidance to Licensing Authorities 3rd Edition (May 2009)
Background information	<ol style="list-style-type: none"> 1. Cheltenham Borough Council Gambling Policy Statement of Principles (adopted 14/12/2009) 2. Gambling Act 2005 3. Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006 4. Gambling Commission Guidance to Licensing Authorities 3rd Edition (May 2009)

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
1	The Council can decide not to review its current policy but it will be failing in its statutory duty in doing so. This could open the Council to legal challenge.	Licensing & Business Support Team Leader	29/05/12	3	6	18	Adopt Policy	Adopt policy within statutory time limits.	Dec 2012	Licensing & Business Support Team Leader	

Explanatory notes

Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)

Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)

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

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Gambling Policy

Statement of Principles

DRAFT

Approved by Council xxxx

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This Statement of Principles has been drafted at a time when a number of regulations, Operating / Personal Licence conditions, Codes of Practice and guidance are not yet published. Should anything in these impact upon the content of this document it will need to be borne in mind and amended at a later stage, bearing in mind resource implications for the authority. All references to the Gambling Commission's Guidance for local authorities refer to the Guidance published in May 2009.

PART A

1. The Licensing Objectives

In exercising most of their functions under the Gambling Act 2005, licensing authorities must have regard to the licensing objectives as set out in section 1 of the Act. The licensing objectives are:

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime;
- Ensuring that gambling is conducted in a fair and open way;
- Protecting children and other vulnerable persons from being harmed or exploited by gambling.

It should be noted that the Gambling Commission has stated: "The requirement in relation to children is explicitly to protect them from being harmed or exploited by gambling".

This licensing authority is aware that, as per Section 153, in making decisions about premises licences and temporary use notices it should aim to permit the use of premises for gambling in so far as it thinks it:

- in accordance with any relevant code of practice issued by the Gambling Commission;
- in accordance with any relevant guidance issued by the Gambling Commission;
- reasonably consistent with the licensing objectives; and
- in accordance with the authority's statement of licensing policy.

2. Introduction

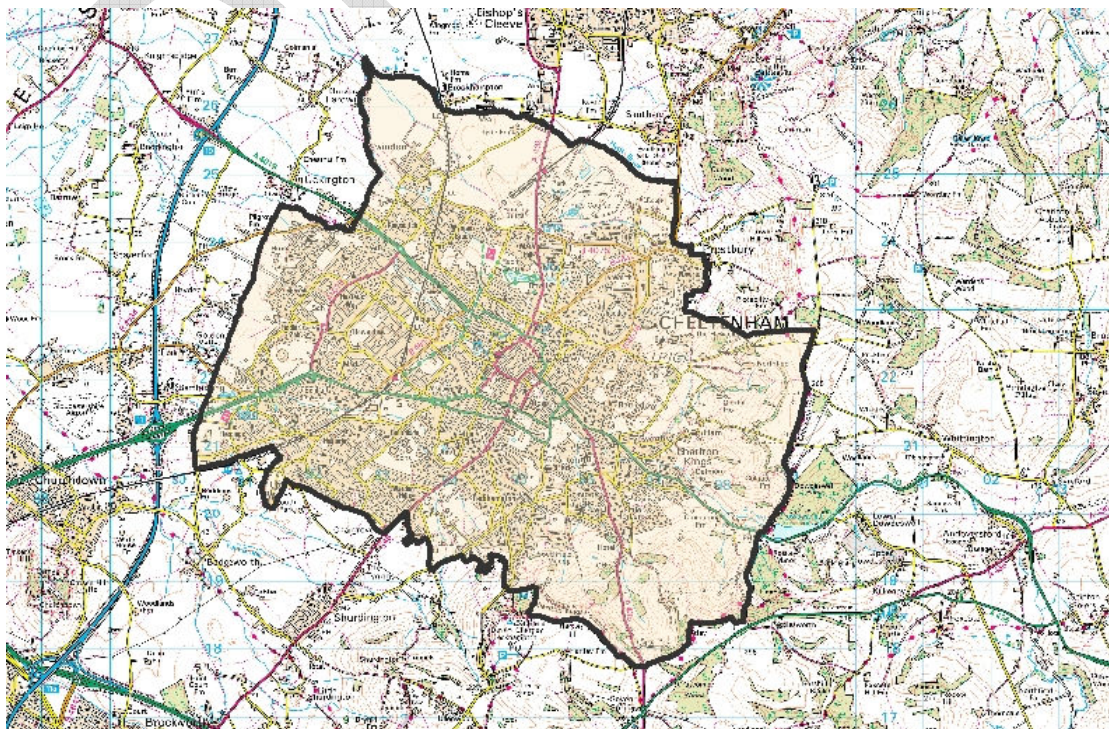
The Area

Until the late 1700s, Cheltenham was a small market town that became a fashionable resort after spa waters were discovered. Over the years it has attracted major employers and has gained a reputation for being an international festival town. This, together with its architectural heritage, educational facilities and quality environment, makes Cheltenham an attractive place to live, work and play.

The borough, which includes 5 parishes, has a population of approximately 114,000 who live in 20 wards. The borough is mainly urban with some areas of surrounding countryside. It covers an area of approximately 4,680 hectares of which 17 % is designated as green belt and 22 % as an area of outstanding natural beauty.

Demography

The population is approximately 114,000, and these figures will continue to rise over the next 20 years.



At the time of writing, June 2009, the borough has 1 Track Licence, 2 Premises licence for Adult Gaming Centres, 1 Bingo Premises Licence, and 16 Betting Office premises licences.

Licensing authorities are required by the Gambling Act 2005 to publish a statement of the principles which they proposed to apply when exercising their functions. This statement must be published at least every three years. The statement must also be reviewed from "time to time" and any amended parts re-consulted upon. The statement must be then re-published.

The Gambling Act requires that the following parties are consulted by Licensing Authorities:

- The Chief Officer of Police;
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area;
- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Gambling Act 2005.

It should be noted that this policy statement will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

3. Declaration

In preparing its statement of principles the Licensing Authority is required to:

- Adhere to regulations issued by the Secretary of State under Section 349(4) of The Act; and
- Have regard to guidance issued to local authorities by the Gambling Commission (Section 25(2) of The Act); and
- Recognise the need to be consistent with the licensing objectives where applicable.

4. Responsible Authorities

The licensing authority is required by regulations to state the principles it will apply in exercising its powers under Section 157(h) of the Act to designate, in writing, a body which is competent to advise the authority about the protection of children from harm. The principles are:

- the need for the body to be responsible for an area covering the whole of the licensing authority's area; and
- the need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.

In accordance with the suggestion in the Gambling Commission's Guidance for local authorities, this authority designates the Gloucestershire Safeguarding Children Board for this purpose.

A list of "Responsible Authorities" can be found in the glossary of terms in Appendix B to this document. Contact details of the Responsible Authorities can be found at the Authority's website link at www.cheltenham.gov.uk/licensing.

5. Interested parties

Interested parties can make representations about licence applications, or apply for a review of an existing licence. These parties are defined in the Gambling Act 2005 as follows:

"For the purposes of this Part a person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the licensing authority which issues the licence or to which the applications is made, the person-

- lives sufficiently close to the premises to be likely to be affected by the authorised activities;
- has business interests that might be affected by the authorised activities; or
- represents persons who satisfy paragraph (a) or (b).

The licensing authority is required by regulations to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether a person is an interested party. The principles are:

Each case will be decided upon its merits. This authority will not apply a rigid rule to its decision making. It will consider the examples of considerations provided in the Gambling Commission's

Guidance for local authorities at 8.14 and 8.15. It will also consider the Gambling Commission's Guidance that "has business interests" should be given the widest possible interpretation and include partnerships, charities, faith groups and medical practices.

The Gambling Commission has recommended that the licensing authority states that interested parties include trade associations and trade unions, and residents' and tenants' associations (Gambling Commission Guidance for local authorities 8.17). This authority will not however generally view these bodies as interested parties unless they have a member who can be classed as an interested person under the terms of the Gambling Act 2005 i.e. lives sufficiently close to the premises to be likely to be affected by the activities being applied for.

Interested parties can be persons who are democratically elected such as councillors and MP's. No specific evidence of being asked to represent an interested person will be required as long as the councillor / MP represents the ward likely to be affected. Likewise, parish councils likely to be affected, will be considered to be interested parties. Other than these however, this authority will generally require written evidence that a person/body (e.g. an advocate / relative) 'represents' someone who either lives sufficiently close to the premises to be likely to be affected by the authorised activities and/or has business interests that might be affected by the authorised activities. A letter from one of these persons, requesting the representation is sufficient.

If individuals wish to approach councillors to ask them to represent their views then councillors should take care that they are not part of the Licensing Committee dealing with the licence application. If there are any doubts then please contact the licensing department on 01242 77 5200.

6. Information exchange

Section 29 of the Act entitles the Commission to seek information from licensing authorities, and places an obligation on authorities to comply with its information requests, providing the information is:

- art of a register;
- in the licensing authority's possession in connection with a provision of the Act.

Premises licences and temporary permissions generated by licensing authorities and operating and personal licences issued by the Commission are interdependent functions of the licensing regime introduced by the Act. It is essential for both parties to establish a framework by which information and knowledge can be exchanged between all parties to the regime.

'Advice to licensing authorities on information exchange with the Gambling Commission' provides further information about the protocols by which the information exchange is managed, and sets out the nature of the returns that are required to forward to the Commission each quarter. The paper is available from the Commission's website at www.gamblingcommission.gov.uk.

7. Enforcement

This licensing authority has noted the Gambling Commission's Guidance for local authorities states that; Licensing authorities are required by regulation under the Gambling Act 2005 to state the principles to be applied by the authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified.

This licensing authority's principles are that; it will be guided by the Gambling Commission's Guidance for local authorities and will endeavour to be:

- Proportionate: regulators should only intervene when necessary: remedies should be appropriate to the risk posed, and costs identified and minimised;
- Accountable: regulators must be able to justify decisions, and be subject to public scrutiny;
- Consistent: rules and standards must be joined up and implemented fairly;
- Transparent: regulators should be open, and keep regulations simple and user friendly; and
- Targeted: regulation should be focused on the problem, and minimise side effects.

As per the Gambling Commission's Guidance for local authorities this licensing authority will endeavour to avoid duplication with other regulatory regimes so far as possible.

This licensing authority will also adopt a risk-based inspection programme. Whilst the Gambling Commission's Guidance suggests that the criteria the authority will utilise in this respect are included in this statement.

The main enforcement and compliance role for this licensing authority in terms of the Gambling Act 2005 will be to ensure compliance with the premises licences and other permissions which it authorises. The Gambling Commission will be the enforcement body for the operating and personal licences. Concerns about manufacture, supply or repair of gaming machines will not be dealt with by the licensing authority but will be notified to the Gambling Commission.

This licensing authority will also keep itself informed of developments as regards the work of the Better Regulation Executive in its consideration of the regulatory functions of local authorities.

Bearing in mind the principle of transparency, this licensing authority's Corporate Enforcement Policy will be available upon request to the Licensing Section at Cheltenham Borough Council, Municipal Offices, Promenade, Cheltenham, GL50 9SA.

8. Licensing Authority Functions

Licensing Authorities are required under the Act to:

- Be responsible for the licensing of premises where gambling activities are to take place by issuing
- *Premises Licences*;
- Issue *Provisional Statements*;
- Regulate *members' clubs* and *miners' welfare institutes* who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits;
- Issue *Club Machine Permits to Commercial Clubs*;
- Grant permits for the use of certain lower stake gaming machines at *unlicensed Family Entertainment Centres*;
- Receive notifications from alcohol licensed premises (under the Licensing Act 2003) for the use of two or fewer gaming machines;
- Issue *Licensed Premises Gaming Machine Permits* for premises licensed to sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where there are more than two machines;
- viii) Register *small society lotteries* below prescribed thresholds;
- Issue *Prize Gaming Permits*;
- Receive and Endorse *Temporary Use Notices*;
- Receive *Occasional Use Notices*;
- Provide information to the Gambling Commission regarding details of licences issued (see section above on 'information exchange');
- Maintain registers of the permits and licences that are issued under these functions.

It should be noted that local licensing authorities will not be involved in licensing remote gambling at all. This will fall to the Gambling Commission via operating licences.

A list of licensable activities licensable by this authority:

Premises Licences;

- Betting Shops
- Tracks
- Adult Gaming Centres
- Family Entertainment Centres
- Unlicensed Family Entertainment Centres
- Bingo Halls

Other;

- Gaming Machine Permits
- Occasional Use Notices

- Temporary Use Notices
- Small Society Lotteries

PART B PREMISES LICENCES

1. General Principles

Premises licences will be subject to the requirements set-out in the Gambling Act 2005 and regulations, as well as specific mandatory and default conditions which will be detailed in regulations issued by the Secretary of State. Licensing authorities are able to exclude default conditions and also attach others, where it is believed to be appropriate.

This licensing authority is aware that in making decisions about premises licences it should aim to permit the use of premises for gambling in so far as it thinks it:

- in accordance with any relevant code of practice issued by the Gambling Commission;
- in accordance with any relevant guidance issued by the Gambling Commission ;
- reasonably consistent with the licensing objectives; and
- in accordance with the authority's statement of licensing policy.

It is appreciated that as per the Gambling Commission's Guidance for local authorities "moral objections to gambling are not a valid reason to reject applications for premises licences" (except as regards any 'no casino resolution' - see section on Casinos below – page 10) and also that unmet demand is not a criterion for a licensing authority.

Definition of "premises" - Premises is defined in the Act as "any place". Different premises licences cannot apply in respect of a single premises at different times. However, it is possible for a single building to be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises. Whether different parts of a building can properly be regarded as being separate premises will always be a question of fact in the circumstances. However, the Gambling Commission does not consider that areas of a building that are artificially or temporarily separate can be properly regarded as different premises.

This licensing authority takes particular note of the Gambling Commission's Guidance for local authorities which states that:

- licensing authorities should take particular care in considering applications for multiple licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular they should be aware that entrances and exits from parts of a building covered by one or more licences should be separate and identifiable so that the separation of different premises is not compromised and that people do not 'drift' into a gambling area.
- licensing authorities should pay particular attention to applications where access to the licensed premises is through other premises (which themselves may be licensed or unlicensed). Clearly, there will be specific issues that authorities should consider before granting such applications, for example, whether children can gain access; compatibility of the two establishments; and ability to comply with the requirements of the Act. But, in addition an overriding consideration should be whether, taken as a whole, the co-location of the licensed premises with other facilities has the effect of creating an arrangement that otherwise would, or should, be prohibited under the Act.

It should also be noted that an applicant cannot obtain a full premises licence until the premises in which it is proposed to offer the gambling are constructed. The Gambling Commission has advised that reference to "the premises" are to the premises in which gambling may now take place. Thus a licence to use premises for gambling will only be issued in relation to premises that are ready to be used for gambling. This authority agrees with the Gambling Commission that it is a question of fact and degree whether premises are finished to a degree that they can be considered for a premises licence. The Gambling Commission emphasises that requiring the building to be complete ensure that the authority can, if necessary, inspect it fully, as can other responsible authorities with inspection rights.

Location - This licensing authority is aware that demand issues cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives can. As per the Gambling Commission's Guidance for local authorities, this authority will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder. Should any specific policy be decided upon as regards areas where gambling premises should not be located, this statement will be updated. It should be noted that any such policy does not preclude any application being made and each application will be decided on its merits, with the onus upon the applicant showing how potential concerns can be overcome.

This licensing authority has noted the Gambling Commission's Guidance for local authorities states that; In determining applications the licensing authority has a duty to take into consideration all relevant matters and not to take into consideration any irrelevant matters, in effect those not related to gambling and the licensing objectives. One example of an irrelevant matter would be the likelihood of the applicant obtaining planning permission or building regulations approval for their proposal. Licensing authorities should bear in mind that a premises licence, once it comes into effect, authorises premises to be used for gambling.

Accordingly, a licence to use premises for gambling should only be issued in relation to premises that the licensing authority can be satisfied are going to be ready to be used for gambling in the reasonably near future, consistent with the scale of building or alterations required before the premises are brought into use. This is why the Act allows a potential operator to apply for a provisional statement if construction of the premises is not yet complete, or they need alteration, or he does not yet have a right to occupy them.

Duplication with other regulatory regimes - In determining applications this licensing authority has a duty to take into consideration all relevant matters and not to take into consideration any irrelevant matters, in effect those not related to gambling and the licensing objectives. One example of an irrelevant matter would be the likelihood of the applicant obtaining planning permission or building regulations approval for their proposal. Licensing authorities should bear in mind that a premises licence, once it comes into effect, authorises premises to be used for gambling.

Accordingly, a licence to use premises for gambling should only be issued in relation to premises that the licensing authority can be satisfied are going to be ready to be used for gambling in the reasonably near future, consistent with the scale of building or alterations required before the premises are brought into use. This is why the Act allows a potential operator to apply for a provisional statement if construction of the premises is not yet complete, or they need alteration, or he does not yet have a right to occupy them.

Licensing objectives - Premises licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, this licensing authority has considered the Gambling Commission's Guidance to local authorities and some comments are made below.

Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime - This licensing authority is aware that the Gambling Commission will be taking a leading role in preventing gambling from being a source of crime. The Gambling Commission's Guidance does however envisage that licensing authorities should pay attention to the proposed location of gambling premises in terms of this licensing objective. Thus, where an area has known high levels of organised crime this authority will consider carefully whether gambling premises are suitable to be located there and whether conditions may be suitable such as the provision of door supervisors. This licensing authority is aware of the distinction between disorder and nuisance and will consider factors such as whether police assistance was required and how threatening the behaviour was to those who could see it, so as to make that distinction.

Ensuring that gambling is conducted in a fair and open way - This licensing authority has noted that the Gambling Commission has stated that it would generally not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way as this will be addressed via operating and personal licences. There is however, more of a role with regard to tracks which is explained in more detail in the 'tracks' section below – page 11).

Protecting children and other vulnerable persons from being harmed or exploited by gambling - This licensing authority has noted the Gambling Commission's Guidance for local authorities states that this objective means preventing children from taking part in gambling (as well as restriction of advertising so that gambling products are not aimed at or are, particularly attractive to children). The licensing authority will therefore consider, as suggested in the Gambling Commission's Guidance, whether specific measures are required at particular premises, with regard to this licensing objective. Appropriate measures may include supervision of entrances / machines, segregation of areas etc.

This licensing authority will also make itself aware of the Codes of Practice which the Gambling Commission issues as regards this licensing objective, in relation to specific premises such as casinos.

As regards the term “vulnerable persons” it is noted that the Gambling Commission is not seeking to offer a definition but states that “it will for regulatory purposes assume that this group includes people who gamble more than they want to; people who gambling beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs.” This licensing authority will consider this licensing objective on a case by case basis.

Conditions - Any conditions attached to licences will be proportionate and will be:

- relevant to the need to make the proposed building suitable as a gambling facility;
- directly related to the premises and the type of licence applied for;
- fairly and reasonably related to the scale and type of premises; and
- reasonable in all other respects.

Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures this licensing authority will consider utilising should there be a perceived need, such as the use of supervisors, appropriate signage for adult only areas etc. There are specific comments made in this regard under some of the licence types below. This licensing authority will also expect the licence applicant to offer his/her own suggestions as to way in which the licensing objectives can be met effectively.

This licensing authority will also consider specific measures which may be required for buildings which are subject to multiple premises licences. Such measures may include the supervision of entrances; segregation of gambling from non-gambling areas frequented by children; and the supervision of gaming machines in non-adult gambling specific premises in order to pursue the licensing objectives. These matters are in accordance with the Gambling Commission's Guidance.

This authority will also ensure that where category C or above machines are on offer in premises to which children are admitted:

- all such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- only adults are admitted to the area where these machines are located;
- access to the area where the machines are located is supervised;
- the area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and
- at the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.

These considerations will apply to premises including buildings where multiple premises licences are applicable.

This licensing authority is aware that tracks may be subject to one or more than one premises licence,

provided each licence relates to a specified area of the track. As per the Gambling Commission's Guidance, this licensing authority will consider the impact upon the third licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

It is noted that there are conditions which the licensing authority cannot attach to premises licences which are:

- any condition on the premises licence which makes it impossible to comply with an operating licence condition;
- conditions relating to gaming machine categories, numbers, or method of operation;
- conditions which provide that membership of a club or body be required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated); and
- conditions in relation to stakes, fees, winning or prizes.

Door Supervisors - If this licensing authority is concerned that a premises may attract disorder or be subject to attempts at unauthorised access (for example, by children and young persons) then it may require that the entrances to the premises are controlled by a door supervisor, and is entitled to impose a premises licence condition to this effect.

Section 178 of the Gambling Act 2005 sets out a definition of 'door supervisor', and provides that where a person employed in such a role is required to hold a licence issued by the Security Industry Authority (SIA), that requirement will have force as though it were a condition on the premises licence.

The SIA regulates the private security industry in England, Wales and Scotland, and is responsible for licensing individuals working within the various industry sectors, by virtue of the Private Security Industry Act 2001 (PSIA). The majority of persons employed to work as door supervisors at premises licensed for gambling, and carrying out the functions listed under Schedule 2 Part 1 of the PSIA, will need to be licensed by the SIA. There are, however, exceptions to this requirement.

The PSIA requires that all contract staff (those employed under a contract for services) carrying out the functions set out under Schedule 2 Part 1 of the PSIA require licensing by the SIA. However, certain premises also need to have their in-house employees (those employed under a contract of service), who carry out these functions, licensed. These premises include those holding a premises licence for the supply of alcohol or regulated entertainment under the Licensing Act 2003.

This requirement is relaxed when applied to door supervisors at casino and bingo premises. Where 'contract' staff are employed as door supervisors at casino or bingo premises, such staff will need to be licensed by the SIA. However, 'in-house' employees working as door supervisors at casino and bingo premises are exempt from these requirements.

For premises other than casinos and bingo premises, operators and licensing authorities may decide that supervision of entrances / machines is appropriate for particular cases but it will need to be decided whether these need to be SIA licensed or not. It will not be automatically assumed that they need to be.

Division of premises and access between premises

The relevant access provisions for each premises type is as follows:

Casinos

- the principal entrance to the premises must be from a street as defined in paragraph 7.23 of the Guidance.
- no entrance to a casino must be from premises that are used wholly or mainly by children and/or young persons
- no customer must be able to enter a casino directly from any other premises which holds a gambling premises licence.

Adult gaming centres

- no customer must be able to access the premises directly from any other licensed gambling premises.

Betting shops

- access must be from a street as defined in paragraph 7.23 or from other premises with a betting premises licence
- no direct access from a betting shop to another premises used for the retail sale of merchandise or services. In effect there cannot be an entrance to a betting shop from a shop of any kind and you could not have a betting shop at the back of a café – the whole area would have to be licensed.

Tracks

- no customer should be able to access the premises directly from:
 - a casino
 - an adult gaming centre.

Bingo premises

- no customer must be able to access the premises directly from:
 - a casino
 - an adult gaming centre
 - a betting premises, other than a track.

Family entertainment centres

- no customer must be able to access the premises directly from:
 - a casino
 - an adult gaming centre
 - a betting premises, other than a track.

2. Adult Gaming Centres

This licensing authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to, for example, ensure that under 18 year olds do not have access to the premises.

This licensing authority will expect applicants to offer their own measures to meet the licensing objectives however appropriate measures / licence conditions may cover issues such as:

- Proof of age schemes;
- CCTV;
- Supervision of entrances / machine areas;
- Physical separation of areas;
- Location of entry;
- Notices / signage;
- Specific opening hours;
- Self-barring schemes;
- Provision of information leaflets / helpline numbers for organisations such as GamCare.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

3. (Licensed) Family Entertainment Centres:

This licensing authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority, for example, that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machine areas.

This licensing authority will expect applicants to offer their own measures to meet the licensing objectives however appropriate measures / licence conditions may cover issues such as:

- Proof of age schemes;
- CCTV;

- Supervision of entrances / machine areas;
- Physical separation of areas;
- Location of entry;
- Notices / signage;
- Specific opening hours;
- Self-barring schemes;
- Provision of information leaflets / helpline numbers for organisations such as GamCare.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

This licensing authority will, as per the Gambling Commission's guidance, refer to the Commission's website to see any conditions that apply to operating licences covering the way in which the area containing the category C machines should be delineated. This licensing authority will also make itself aware of any mandatory or default conditions on these premises licences, when they have been published.

4. Casinos

There are currently no casinos operating within the Borough.

At present the Licensing Authority has not passed a resolution not to issue casino premises licences generally in the District. However the Licensing Authority reserves the right to review this situation and may, at some time in the future, make such a resolution. Any such resolution will be made by the Full Council and this policy document will be updated.

In considering whether or not to pass a resolution relating to casinos The Licensing Authority will take into account the licensing objectives and may have regard to any relevant principle or other matter

5. Bingo premises

The Licensing Authority notes that the Gambling Commission's Guidance states:

Bingo is not given a statutory definition in the Act other than that it means any version of the game irrespective of by what name it is described. It is to have its ordinary and natural meaning. Two types of bingo are commonly understood:

- cash bingo, where the stakes paid make up the cash prizes that are won;
- prize bingo, where various forms of prizes are won, not directly related to the stakes paid.

Cash bingo is the main type of bingo played in commercial bingo halls. They also offer prize bingo, largely as interval games. The distinction between the two versions of the game is abolished for commercial operators, and the holder of a bingo operating licence will be able to offer any type of bingo game, whether cash or prize. This means that premises with a bingo premises licence, or a casino premises licence (where the operator holds a bingo as well as a casino operating licence), will be able to offer bingo in all its forms.

Apart from commercial bingo halls, prize bingo is traditionally a game played in arcades, especially seaside amusement arcades, or at travelling funfairs. For these operators, prize bingo is being subsumed within the allowances for prize gaming in the Act. This means that, subject to limits on participation fees and prizes, adult gaming centres, both licensed and unlicensed family entertainment centres, and travelling fairs, (or any premises with a prize gaming permit) are able to offer prize gaming, which includes prize bingo. In this form of gaming, the nature of the prize must not be determined by reference to the number of people playing the game, and the nature or the size of the prize must not be determined by reference to the amount paid for or raised by the gaming. See part 27 of this Guidance for a fuller discussion of prize gaming.

Licensing authorities need to satisfy themselves that bingo can be played in any bingo premises for which they issue a premises licence. This is a relevant consideration where the operator of an existing bingo premises applies to vary their licence to exclude an area of the existing premises from its ambit and then applies for a new premises licence, or multiple licences, for that or those excluded areas.

6. Betting premises

Betting machines - This licensing authority will, as per the Gambling Commission's Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer.

7. Tracks

This licensing authority is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. As per the Gambling Commission's Guidance, this licensing authority will especially consider the impact upon the third licensing objective (i.e. the protection of children and vulnerable persons from being harmed or exploited by gambling) and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

This authority will therefore expect the premises licence applicant to demonstrate suitable measures to ensure that children do not have access to adult only gaming facilities. It is noted that children and young persons will be permitted to enter track areas where facilities for betting are provided on days when dog-racing and/or horse racing takes place, but that they are still prevented from entering areas where gaming machines (other than category D machines) are provided.

This licensing authority will expect applicants to offer their own measures to meet the licensing objectives however appropriate measures / licence conditions may cover issues such as:

- Proof of age schemes;
- CCTV;
- Supervision of entrances / machine areas;
- Physical separation of areas;
- Location of entry;
- Notices / signage;
- Specific opening hours;
- Self-barring schemes;
- Provision of information leaflets / helpline numbers for organisations such as GamCare.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

Gaming machines - In consideration of the guidance published by the Commission, a track premises licence does not of itself entitle the holder to have gaming machines, because this type of premises licence can be held without a holding a operating licence from the Commission.

However, under section 172(9) of the Act, track owners holding both a track premises licence and a pool betting operating licence (greyhound tracks only), may site up to four gaming machines within categories B2 to D on the track. These should be located in areas from which children are excluded.

Certain tracks will also qualify for an alcohol licence and as such they will be automatically entitled, under section 282 of the Act, to two gaming machines of category C or D. This permission is activated by notifying the licensing authority and paying the required fee. If a track premises licence holder has both an alcohol licence and a pool betting operating licence, then they will be entitled to six gaming machines in total.

Betting machines - This licensing authority will, as per the Gambling Commission's Guidance, take into account the size of the premises and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer. It will also take note of the Gambling Commission's suggestion that licensing authorities will want to consider restricting the number and location of such machines in respect of applications for track betting premises licences.

Condition on rules being displayed - The Gambling Commission has advised in its Guidance for local authorities that "...licensing authorities should attach a condition to track premises licences requiring the track operator to ensure that the rules are prominently displayed in or near the betting areas, or that other measures are taken to ensure that they are made available to the public. For example, the rules could be printed in the race-card or made available in leaflet form from the track office."

Applications and plans - Section 151 of the Act requires applicants for premises licences to submit plans of the premises with their application. This ensures that licensing authorities have the necessary information to make an informed judgement about whether the premises are fit for gambling. The plan also informs future premises inspection activity.

Plans for tracks need not be in a particular scale, but should be drawn to scale and should be sufficiently detailed to include the information required by regulations.

In the majority of cases, such as greyhound tracks, racecourses, football stadia and cricket grounds, defining the extent of boundaries may be assisted by reference to existing plans already submitted to obtain other permissions. These could include:

- the obtaining of a safety certificate under 'Safety at Sports Ground' legislation (this applies in respect of sports grounds with capacity to accommodate more than 10,000 spectators);
- the approval of a racecourse by the Horserace Betting Levy Board;
- the historic boundaries under previous legislation such as, the approval of tracks under Schedule 3 of the Betting, Gaming and Lotteries Act 1963.

Some tracks may be situated on agricultural land where the perimeter is not defined by virtue of an outer wall or fence, such as point-to-point racetracks. In such instances, where an entry fee is levied, track premises licence holders may erect temporary structures to restrict access to premises.

In the rare cases where the outer perimeter cannot be defined, it is likely that the track in question will not be specifically designed for the frequent holding of sporting events or races. In such cases betting facilities may be better provided through occasional use notices where the boundary premises do not need to be defined.

The Commission appreciates that it is sometimes difficult to define the precise location of betting areas on tracks. The precise location of where betting facilities are provided is not required to be shown on track plans, both by virtue of the fact that betting is permitted anywhere on the premises and because of the difficulties associated with pinpointing exact locations for some types of track. Licensing authorities should satisfy themselves that the plan indicates the main areas where betting might take place. For racecourses in particular, any betting areas subject to the 'five times rule' (commonly known as betting rings, and discussed later in this section) must be indicated on the plan.

As the plan forms part of the licence document, it also needs to be sufficiently flexible to ensure that a relatively small change in the premises layout would not require an operator to submit an application to vary the track premises licence. Only a significant change to the track layout would require a licence variation. For example, moving a category C gaming machine from one end of a bar that had been marked on the plan as a gaming machine area to another may not necessitate a full variation to a tracks premises licence, nor would the establishment of a new betting ring at a racetrack, as neither of these events have any impact on the purpose of the licence or the conditions attached to it. However, relocating category C machines to entirely different parts of a track or relocating an existing betting ring protected by the 'five times rule' would generally need to be the subject of an application to vary the premises licence.

Some tracks extend across the geographical boundaries of licensing authority areas. In such cases applications can only be made to licensing authorities in whose area the premises is wholly or partly situated, although the Act contains no rules about cases where premises lie across multiple authority areas. In such cases, applicants will note this on the application form, and the application can be made to any of the authorities that the track extends over. The applicant is then required to notify the other licensing authorities covered by the track location about the application (as they would be designated as

responsible authorities and therefore entitled to make representations about the application). The Commission expects applicants will apply to the licensing authority in whose area the greater or greatest part of the track site is situated, although ultimately the Act does not entitle an authority to reject an application because it is responsible for a smaller area of the premises than another authority.

8. Travelling Fairs

It will fall to this licensing authority to decide whether, where category D machines and / or equal chance prize gaming without a permit is to be made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.

The licensing authority will also consider whether the applicant falls within the statutory definition of a travelling fair.

It has been noted that the 27-day statutory maximum for the land being used as a fair, is per calendar year, and that it applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. This licensing authority will work with its neighbouring authorities to ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

9. Provisional Statements

The Licensing Authority notes the Guidance for the Gambling Commission which states that; “a licence to use premises for gambling should only be issued in relation to premises that the licensing authority can be satisfied are going to be ready to be used for gambling in the reasonably near future, consistent with the scale of building or alterations required before the premises are brought into use” and that “requiring the building to be complete” ensures that the Licensing Authority could, if necessary, inspect it fully.

In terms of representations about premises licence applications, following the grant of a provisional statement, no further representations from relevant authorities or interested parties can be taken into account unless they concern matters which could not have been addressed at the provisional statement stage, or they reflect a change in the applicant’s circumstances. In addition, the authority may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:

- which could not have been raised by way of representations at the provisional licence stage which, in the authority’s opinion, reflect a change in the operator’s circumstances where the premises has not been constructed in accordance with the plan and information submitted with the provisional statement application. This must be a substantial change to the plan and licensing authorities should discuss any concerns they have with the applicant before making a decision.

Section 210 of the Act (which applies to premises licences and provisional statements) makes it clear that a licensing authority must not have regard to whether or not a proposal by the applicant is likely to be permitted in accordance with planning or building law.

10. Reviews

A premises licence may be reviewed by the licensing authority of its own volition or following the receipt of an application for a review, which is essentially a request by a third party to the licensing authority to review a particular licence. Licensing authorities should note that reviews cannot be delegated to an officer of the licensing authority – the lowest level of delegation permitted is to a licensing sub-committee.

10.1 Initiation of review by licensing authority

Section 200 of the Act provides that licensing authorities may initiate a review in relation to a particular class of premises licence or in relation to particular premises. Officers may be involved in the initial investigations of complaints leading to a review, or may try informal mediation or dispute resolution techniques prior to a full-scale review being conducted. Licensing authorities may wish to consider in

their scheme of delegation who initiates reviews, and whether a 'filter' system should be implemented to prevent unwarranted reviews from being conducted.

In relation to a class of premises, the licensing authority may review the use made of premises and, in particular, the arrangements that premises licence holders have made to comply with licence conditions. In relation to these general reviews, the authority would most likely be acting as a result of specific concerns or complaints about particular types of premises, which would cause them to want, for example, to look at the default conditions that apply to that category of licence.

In relation to particular premises, the licensing authority may review any matter connected with the use made of the premises if it has reason to suspect that premises licence conditions are not being observed, or for any other reason (such as a complaint from a third party) which gives them cause to believe that a review may be appropriate.

A formal review would normally be at the end of a process of ensuring compliance by the operator. If the operator does not meet the requirements then, after a formal review, the licensing authority may impose additional conditions or revoke the licence.

The licensing authority must give notice in writing to the licence holder that it intends to undertake a review, and must also publish notice of its intention to carry out the review. Regulations for reviews state that the notice should be published in a local newspaper at least once in the ten working days following the day on which the application to review was made to the authority, or should be published on the licensing authority's website and remain there for 28 consecutive days starting from eight days after the application to review was made. In addition, regulations state that the notice must also be displayed outside the premises itself, and remain there for the 28 days referred to above.

10.2 Application for a review

Section 197 of the Act provides that an application for review may be made by a responsible authority or an interested party. Such applications must be submitted to the licensing authority in the prescribed form and state the reasons why a review is being requested, together with any supporting information and documents.

The regulations referred to above require the applicant for a review to provide notice in writing of their application to the premises licence holder, and to all responsible authorities, within seven days of making their application. Failure to do this will mean that the application process is halted until notice is received by all parties.

Representations must be made within 28 days, commencing seven days after the date on which the application was received. During these seven days the licensing authority is required to publish notice of the application, as per the process set out in the regulations referred to above.

10.3 Decision whether to grant an application for a review

The decision to grant a review must not, and if properly managed will not, amount to prejudging the outcome of a review.

Section 199 provides that an authority must grant an application for a review, unless it decides to reject the application under section 198 of the Act. An application for a review may be (but need not be) rejected if the licensing authority thinks that the grounds on which the review is sought:

- are not relevant to the principles that must be applied by the licensing authority in accordance with section 153 - so, if the application raises issues that are not relevant to the Commission Guidance/codes of practice, the Licensing Authority Statement of Policy, or the licensing objectives, then the licensing authority may reject it. In addition, if the application raises general objections to gambling as an activity, that is likely to be irrelevant to the principles in section 153, given that a licensing authority is required to permit the use of premises for gambling insofar as it thinks that permission is in accordance with the matters set out in that section. Examples that are

likely to be irrelevant include demand for gambling premises, issues relating to planning, public safety, and traffic congestion

- are frivolous
- are vexatious
- 'will certainly not' cause the authority to revoke or suspend a licence or to remove, amend or attach conditions on the premises licence
- are substantially the same as the grounds cited in a previous application relating to the same premises. Here the licensing authority must take into account how much time has passed since the earlier application in reaching a judgement about whether it is reasonable to rely on this as a reason not to review the licence
- are substantially the same as representations made at the time the application for a premises licence was considered. As with sub-section (e) the licensing authority will need to take into account the period of time that has passed since the representations were made, but the underlying requirement is that the licensing authority should not review the licence on the basis of the same arguments considered on the grant of the premises licence.

Most applications for a review are likely to be the result of a public complaint or a complaint from the police. It is important that licensing authorities process applications for review without delay, so that both the review applicant and the premises operator know where they stand.

10.4 Carrying out a review

Having given notice of their intention to initiate a review or having determined that a review initiated by a third party should go ahead, section 201 of the Act requires the licensing authority to carry out the review as soon as possible after the 28 day period for making representations has passed.

The purpose of the review will be to determine whether the licensing authority should take any action in relation to the licence. If action is justified, the options are to:

- add, remove or amend a licence condition imposed by the licensing authority;
- exclude a default condition imposed by the Secretary of State or Scottish Ministers;
- (relating to, for example, opening hours) or remove or amend such an exclusion;
- suspend the premises licence for a period not exceeding three months;
- revoke the premises licence.

In determining what action, if any, should be taken following a review, the licensing authority must have regard to the principles set out in section 153 of the Act, as well as any relevant representations.

In particular, the licensing authority may take action as described above on the grounds that a premises licence holder has not provided facilities for gambling at the premises. This is to prevent people from applying for licences in a speculative manner without intending to use them.

The licensing authority must hold a hearing, unless the applicant and any person who has made representations that have not been withdrawn (that are not vexatious, frivolous or irrelevant) consent to the review being conducted without one.

Once the review has been completed, the licensing authority must, as soon as possible, notify its decision to:

- the licence holder
- the applicant for review (if any)
- the Commission
- any person who made representations
- the chief officer of police or chief constable
- HM Revenue and Customs.

11. Complaints against Licensed Premises

The Licensing Authority will investigate complaints against licensed premises in relation to matters relating to the licensing objectives for which it has responsibility. In the first instance, complainants are

encouraged to raise the complaint directly with the licence holder or business concerned to seek a local resolution.

Where an interested party has made either a valid representation about licensed premises or a valid application for a licence to be reviewed, the Licensing Authority will, where appropriate, seek to arrange a conciliation meeting to address and clarify the issues of concern.

This process will not override the right of any interested party to ask the Licensing Authority to consider their objections, or for any licence holder to decline to participate in a conciliation meeting.

PART C

Permits / Temporary & Occasional Use Notice

1. Unlicensed Family Entertainment Centre gaming machine permits (Statement of Principles on Permits - Schedule 10 paragraph 7)

Premises that do not hold a premises licence but wish to provide gaming machines may apply to the Licensing Authority for an Unlicensed Family Entertainment Centres permit. The applicant must show that the premises will be wholly or mainly used for making gaming machines available for use (Section 238 of The Act).

The Act states that a licensing authority may prepare a statement of principles that they propose to consider in determining the suitability of an applicant for a permit and in preparing this statement, and/or considering applications, it need not (but may) have regard to the licensing objectives and still have regard to any relevant issued by the Commission under section 25.

The Guidance also states that "In its Licensing Authority Statement of Policy, a licensing authority may include a statement of principles that it proposes to apply when exercising its functions in considering applications for permits. In particular it may want to set out the matters that it will take into account in determining the suitability of the applicant. Given that the premises will particularly appeal to children and young persons, licensing authorities may want to give weight to matters relating to child protection issues."

Statement of principles - this Licensing Authority will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The efficiency of such policies and procedures will each be considered on their merits. However, they may include appropriate measures / training for staff as regards suspected truant school children on the premises, measures / training covering how staff would deal with unsupervised very young children being on the premises, or children causing perceived problems on / around the premises.

The Licensing Authority will also expect applicants to demonstrate a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs; that the applicant has no relevant convictions (those that are set out in Schedule 7 of the Act); and that staff are trained to have a full understanding of the maximum stakes and prizes.

It should be noted that the licensing authority cannot attach conditions to this type of permit.

If the operator of a family entertainment centre wants to make category C machines available in addition to category D machines, the operator will need to apply for a gaming machine general operating licence (Family Entertainment Centre) from the Commission and a premises licence from the licensing authority (see part 23 of this Guidance).

2. (Alcohol) Licensed premises gaming machine permits - (Schedule 13 paragraph 4(1))

There is provision in the Act for premises licensed to sell alcohol for consumption on the premises, to automatically have 2 gaming machines, of categories C and/or D. The premises merely need to notify the licensing authority.

The licensing authority can remove the automatic authorisation in respect of any particular premises if:

- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
- gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act (i.e. that written notice has been provided to the licensing authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with);
- the premises are mainly used for gaming; or
- an offence under the Gambling Act has been committed on the premises.

If a premises wishes to have more than 2 machines, then it needs to apply for a permit and the licensing authority must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission issued under Section 25 of the Gambling Act 2005, and “*such matters as they think relevant.*” This licensing authority considers that “such matters” will be decided on a case by case basis but generally there will be regard to the need to protect children and vulnerable persons from harmed or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machines. Measures which will satisfy the authority that there will be no access may include the adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by those under 18. Notices and signage may also be help. As regards the protection of vulnerable persons, applicants may wish to consider the provision of information leaflets / helpline numbers for organisations such as GamCare.

It is recognised that some alcohol licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would most likely need to be applied for, and dealt with as an Adult Gaming Centre premises licence.

It should be noted that the licensing authority can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached.

It should also be noted that the holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine.

3. Prize Gaming Permits - (Statement of Principles on Permits - Schedule 14 paragraph 8 (3))

The Gambling Act 2005 states that a licensing authority may “prepare a statement of principles that they propose to apply in exercising their functions under this Schedule” which “may, in particular, specify matters that the licensing authority propose to consider in determining the suitability of the applicant for a permit”.

This licensing authority has prepared a Statement of Principles which is that the applicant should set out the types of gaming that he or she is intending to offer and that the applicant should be able to demonstrate:

- that they understand the limits to stakes and prizes that are set out in Regulations;
- and that the gaming offered is within the law;
- clear policies that outline the steps to be taken to protect children from harm.

In making its decision on an application for this permit the licensing authority does not need to have regard to the licensing objectives but must have regard to any Gambling Commission guidance.

It should be noted that there are conditions in the Gambling Act 2005 by which the permit holder must comply, but that the licensing authority cannot attach conditions. The conditions in the Act are:

- the limits on participation fees, as set out in regulations, must be complied with;
- all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
- the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
- participation in the gaming must not entitle the player to take part in any other gambling.

4. Club Gaming and Club Machines Permits

Members Clubs and Miners' welfare institutes (but not Commercial Clubs) may apply for a Club Gaming Permit or a Clubs Gaming machines permit. The Club Gaming Permit will enable the premises to provide gaming machines (3 machines of categories B, C or D), equal chance gaming and games of chance as set-out in regulations made by the Secretary of State. A Club Gaming machine permit will enable the premises to provide gaming machines (3 machines of categories B, C or D).

Gambling Commission Guidance states: "Members clubs must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming, unless the gaming is permitted by separate regulations. It is anticipated that this will cover bridge and whist clubs, which will replicate the position under the Gaming Act 1968. A members' club must be permanent in nature, not established to make commercial profit, and controlled by its members equally. Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations."

The Commission Guidance also notes that "licensing authorities may only refuse an application on the grounds that:

- the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied;
- the applicant's premises are used wholly or mainly by children and/or young persons;
- an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
- a permit held by the applicant has been cancelled in the previous ten years; or
- an objection has been lodged by the Commission or the police.

There is also a 'fast-track' procedure available under the Act for premises which hold a Club Premises Certificate under the Licensing Act 2003 (Schedule 12 paragraph 10). As the Gambling Commission's Guidance for local authorities states: "Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the police, and the ground upon which an authority can refuse a permit are reduced." and "The grounds on which an application under the process may be refused are:

- that the club is established primarily for gaming, other than gaming prescribed under schedule 12;
- that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
- that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled."

There are statutory conditions on club gaming permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.

5. Temporary Use Notices

There are a number of statutory limits as regards temporary use notices. Gambling Commission Guidance is noted that "The meaning of "premises" in part 8 of the Act is discussed in Part 7 of this guidance. As with "premises", the definition of "a set of premises" will be a question of fact in the particular circumstances of each notice that is given. In the Act "premises" is defined as including "any place". In considering whether a place falls within the definition of "a set of premises", licensing authorities will need to look at, amongst other things, the ownership/occupation and control of the premises.

This Licensing Authority notes the Guidance for the Gambling Commission which states that; Part 9 of the Act sets out the position in relation to temporary use notices. These allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be suitable for a temporary use notice include hotels, conference centres and sporting venues.

A temporary use notice may only be granted to a person or company holding a relevant operating licence, in effect a non-remote casino operating licence.

Regulations state that temporary use notices may only be used to permit the provision of facilities for equal chance gaming, where the gaming is intended to produce a single overall winner. However, the facilities may not be provided in circumstances where any person participating in the gaming does so by means of a gaming machine. Equal chance gaming is gaming which does not involve playing or staking against a bank and gives equally favourable chances to all participants. Examples of equal chance gaming include games such as backgammon, mah-jong, rummy, kalooki, dominoes, cribbage, bingo and poker.

6. Occasional Use Notices:

The licensing authority has very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. This licensing authority will though consider the definition of a 'track' and whether the applicant is permitted to avail him/herself of the notice.

7. Further information

Further information about the Gambling Act 2005, this Policy Document or the application process can be obtained from:-

Licensing Team Cheltenham Borough Council Municipal Offices Promenade Cheltenham GL50 9SA	Tel: 01242 775200 Fax: 01242 264210 E-mail: licensing@cheltenham.gov.uk Website: www.cheltenham.gov.uk/licensing
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Further information may also be obtained from:-

Gambling Commission Victoria Square House Victoria Square Birmingham B2 4BP	Tel: 0121 230 6500 Email: info@gamblingcommission.gov.uk Website: www.gamblingcommission.gov.uk Fax: 0121 233 1096
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Department for Culture Media & Sport 2-4 Cockspur Street London, SW1Y 5DH	Tel: 020 7211 6200 General Enquiries Open Monday to Friday 9:30 a.m. – 4:30 p.m. Email: enquiries@culture.gov.uk Website: www.culture.gov.uk
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TABLE OF DELEGATIONS OF LICENSING FUNCTIONS

MATTER TO BE DEALT WITH	Full Council	Licensing & Regulation Sub-committee (Licensing Panel)	Officers
Licensing policy	X		
Policy not to issue casino premises licences	X		
Fee Setting - when appropriate			X (to be approved by Executive Committee)
Application for premises licences		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Application for a variation to a licence		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Application for a transfer of a licence		Where representations have been received from the Commission	Where no representations received from the Commission
Application for a provisional statement		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Request to review a premises licence			X (in consultation with the Head of Legal Services)
Review of a premises licence		X	
Application for club gaming /club machine permits		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Cancellation of club gaming/ club machine permits		X	
Applications for other permits			X
Cancellation of licensed premise gaming machine permits			X
Consideration of temporary use notice			X
Decision to give a counter notice to a temporary use notice		X	

GLOSSARY OF TERMS

Application(s):	Application(s) for licences and permits as required by The Gambling Act 2005 and defined in section 1.5 of this draft policy or an application for a review of such a licence
Code of Practice:	Means any relevant code of practice under section 24 of the Gambling Act 2005.
Default Condition:	Means a specified condition provided by regulations to be attached to a licence, unless excluded by The Licensing Authority.
Interested Party:	As defined in Section 158 of The Gambling Act 2005. <i>“For the purposes of this Act, a person is an interested party in relation to a premises licence if, in the opinion of the Licensing Authority which issues the licence or to which the application is made, the person:-</i> <ol style="list-style-type: none"> a) <i>Lives sufficiently close to the premises to be likely to be affected by the authorised activities;</i> b) <i>Has business interests that might be affected by the authorised activities;</i> c) <i>Represents persons who satisfy a) or b) above.”</i>
Licences:	As defined in The Gambling Act 2005 and section 1.5 of this draft policy.
Licensing Objectives:	As defined in The Gambling Act 2005.
Mandatory Condition:	Means a specified condition provided by regulations that are required to be attached to a licence.
Notifications:	Means notification of temporary and occasional use notices.
Premises:	As defined in The Gambling Act 2005, being, <i>“Any place, including a vehicle, vessel or moveable structure”</i>
Regulations:	Regulations made under the Gambling Act 2005.
Responsible Authority:	For the purposes of this Act, the following are responsible authorities in relation to premises: <ol style="list-style-type: none"> 1. The Licensing Authority in whose area the premises are wholly or mainly situated (“Cheltenham Borough Council”); 2. The Gambling Commission; 3. Gloucestershire Constabulary; 4. Gloucestershire Fire and Rescue Service; 5. Built Environment Division, Cheltenham Borough Council; 6. Environmental Health Section, Cheltenham Borough Council; 7. Gloucestershire Safeguarding Children Board; 8. HM Customs and Excise.
The Act:	The Gambling Act 2005.
The Borough of Cheltenham:	The area of Gloucestershire administered by Cheltenham Borough Council.
The Licensing Authority	Cheltenham Borough Council in its capacity as Licensing Authority
The Policy Document	Cheltenham Borough Council's statement of principles.

Track

A horse-race course, dog track or other premises on any part of which a race or other sporting event takes place or is intended to take place.

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LIST OF CONSULTEES

Responsible Authorities

Built Environment Division, Cheltenham Borough Council
Environmental Health Section, Cheltenham Borough Council
Gloucestershire Area Child Protection Agency
Gloucestershire Fire and Rescue Service
The Chief Officer of Police

Trade Organisations

Association of British Bookmakers Ltd (ABB)
ASTRA Games Limited
Austin Leisure
British Amusement Catering Trade Association (BACTA)
The British Association of Leisure Parks, Piers & Attractions Limited (BALPA)
British Beer and Pub Association
British Casino Association (BCA)
Business In Sport and Leisure
Casino Operators' Association
Crown Leisure Limited
Gala Bingo
Gamestec Leisure Limited
Ladbrooks
Leisure Link
Paddy Power
Ral Limited
Recaf Equipment Limited
Serendipity Holdings Limited
Steeplechase Company (Cheltenham) Limited
Touch-Tec
The Bingo Association
William Hill

Specialist Licensing Solicitors (National and Local)

Blake Laphorn
Bond Pearce
Christopher Davidson
Gosschalks
Kuit Stewart Levy
Maitland Walker
Popleston Allen
Woods Whur

Other Consultees

Cheltenham Borough Council – Directors
Cheltenham Borough Council – Strategic Land Use Team
Cheltenham Borough Council Members
Cheltenham Business Partnership
Cheltenham Chamber of Commerce
Cheltenham Crime and Disorder Reduction Partnership
Cheltenham Strategic Partnership
Gamblers Anonymous
Gloucestershire Magistrates Court
Parish Councils
Cheltenham Borough Council Licensing Committee

Machine category	Maximum stake (from July 2011)	Maximum prize (from July 2011)
A	Unlimited	Unlimited
B1	£2	£4,000
B2	£100 (in multiples of £10)	£500
B3	£2	£500
B3A	£1	£500
B4	£1	£250
C	£1	£70
D non-money prize (other than crane grab machine)	30p	£8
D non-money prize (crane grab machine)	£1	£50
D money prize	10p	£5
D combined money and non-money prize (other than coin pusher or penny falls machines)	10p	£8 (of which no more than £5 may be a money prize)
D combined money and non-money prize (coin pusher or penny falls machine)	10p	£15 (of which no more than £8 may be a money prize)

Part 6: Licensing authority Statement of Policy

- 6.1** Section 349 of the Act requires all licensing authorities to prepare and publish a statement of the principles that they propose to apply in exercising their functions under the Act during the three-year period to which the policy applies.
- 6.2** The Licensing Authority Statement of Policy will last for a maximum of three years, but can be reviewed and revised by the authority at any time. The statement must be produced following consultation with those bodies and persons set out in subsection (3) of section 349 of the Act. Regulations made by the Secretary of State, or Scottish Ministers in Scotland, prescribe the form of statements, and the procedure to be followed in relation to them and their publication⁷. The detail of the regulations is further explained below. An order of the Secretary of State means that licensing authorities have to publish their second statement by 14 January 2010.

Fundamental principles

- 6.3** All Licensing Authority Statements of Policy should begin by stating the three licensing objectives, which the policy will promote. The statement should also state that the licensing authority shall aim to permit the use of premises for gambling as set out in section 153 of the Act.
- 6.4** Licensing Authority Statements of Policy should include a firm commitment to avoid duplication with other regulatory regimes so far as possible. For example, a range of general duties are imposed on the self-employed, employers and operators of gambling premises, both in respect of employees and of the general public, by legislation governing health and safety at work and fire safety. Therefore such requirements need not be included in the Licensing Authority Statement of Policy.
- 6.5** In determining its policy, the licensing authority must have regard to this Guidance, and give appropriate weight to the views of those it has consulted. In determining what weight to give particular representations, the factors to be taken into account will include:
- who is making the representations (what is their expertise or interest)
 - relevance of the factors to the licensing objectives
 - how many other people have expressed the same or similar views
 - how far the representations relate to matters that the licensing authority should be including in its policy statement.
- 6.6** In relation to premises licensing, licensing authorities can only consider matters within the scope of the Guidance, Act and Codes of Practice. Even if there is a large response regarding a certain issue, an authority may be unable to deal with the issue under the Gambling Act. However the issue may be a matter for other legislation, for example planning.
- 6.7** It will be up to the licensing authority to ensure that it looks at the views of consultees and considers carefully whether they should be taken into account and to what extent (having regard to the above factors). A licensing authority should always be able to give reasons for the decisions it has made following consultation. Having regard to this Guidance will be important for consistency, especially where licensing authority boundaries meet.
- 6.8** As with the Commission, it is expected that local licensing authorities will regulate gambling in the public interest.
- 6.9** While statements of policy may set out a general approach to the exercise of functions under the Act, no statement of policy should override the right of any person to make an

⁷ SI No. 636: The Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006
SI No. 154: The Gambling Act 2005 (Licensing Authority Policy Statement) (Scotland) Regulations 2006

application under the Act and to have that application considered on its merits. Additionally, a statement of policy must not undermine the right of any person to make representations on an application or to seek a review of a licence where provision has been made for them to do so. However if a 'no-casino' resolution has been passed by an authority it does not have to consider applications for new casino premises licences in its area.

'Demand' for gaming premises

- 6.10** Previous legislation required that the grant of certain gambling permissions should take account of whether there is unfulfilled demand for the facilities. Absence of unmet demand is not a criterion for a licensing authority in considering an application for a premises licence under the Gambling Act. Each application must be considered on its merits without regard to demand.
- 6.11** The Licensing Authority Statement of Policy should reflect this situation and not comment on the need for gambling premises.
- 6.12** However, the licensing authority may comment on the location of premises in so far as the location relates to the licensing objectives. So, for example, a Licensing Authority Statement of Policy could, and should, set out the general principles that the licensing authority will apply when determining whether the location of proposed gambling premises is acceptable (with or without conditions) in light of the licensing objectives. For example, a Licensing Authority Statement of Policy might set out that the authority will consider very carefully whether applications for premises licences in respect of certain gambling premises located very close to a school or a centre for gambling addicts should be granted in light of the third licensing objective. Any such policy must, however, come with the qualification that each case will be decided on its merits, and will depend to a large extent on the type of gambling that it is proposed will be offered on the premises. If an applicant for a premises licence can show how licensing objective concerns can be overcome, that will have to be taken into account.

Consultation

- 6.13** Section 349 (3) requires the licensing authority to consult the following on the Licensing Authority Statement of Policy or any subsequent revision:
- in England and Wales, the chief officer of police for the authority's area
 - in Scotland, the Chief Constable of the police force maintained for the police area comprising that area
 - one or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area
 - one or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under this Act.
- 6.14** The list of persons to be consulted when preparing the Licensing Authority Statement of Policy is deliberately wide. This enables licensing authorities to undertake a comprehensive consultation exercise with anyone who may be affected by or otherwise have an interest in the Licensing Authority Statement of Policy.
- 6.15** Licensing authorities will develop their own consultation practices but they may like to consider the following:
- consultation with a range of organisations including faith groups, voluntary and community organisations working with children and young people, organisations working with people who are problem gamblers, medical practices or primary care trusts, and advocacy organisations (such as the Citizen's Advice Bureau and trade unions)
 - consultation with other tiers of local government (where they exist)

- consultation with businesses that are, or will be, holders of a premises licence
- consultation with the organisations named as responsible authorities in the Act
- using a variety of consultation methods including meetings with gambling businesses in the local authority area and open forums for the public.

6.16 Any written consultation should follow best practice as set out by the Department for Business, Enterprise and Regulatory Reform including allowing 12 weeks for responses to the consultation⁸. Consultation documents could be provided on the licensing authority's website.

Form and content of the Licensing Authority Statement of Policy

6.17 Regulations made by the Secretary of State or Scottish Ministers set out requirements as to the form and publication of Licensing Authority Statements of Policy and subsequent revisions of statements. In addition to the requirements set out by the regulations (below), this Guidance sets out certain information that the Commission considers should be included in all Licensing Authority Statements of Policy.

6.18 The regulations provide for the form of the statement to be determined by the licensing authority subject to the following requirements:

- Licensing Authority Statement of Policy must contain an introductory section summarising the matters contained within the statement, describing the geographical area to which the statement applies, and listing the persons consulted in preparing the statement.

6.19 As required by the regulations, the statement should make clear the geographical area that it covers. This may be achieved by including a plan of the area covered by the statement.

6.20 The statement should also set out the licensable activities that are covered.

6.21 Statements of principles to be applied by the licensing authority in exercising its functions must be contained in four separate sections within the Licensing Authority Statement of Policy as set out below:

- 1) Licensing Authority Statements of Policy must contain a section that sets out the principles to be applied by the authority in designating, in writing, a body which is competent to advise the authority about the protection of children from harm.

6.22 Section 157 of the Act sets out the responsible authorities. Within this section, the licensing authority has discretion to determine the most appropriate body competent to advise the authority about the protection of children from harm. Such a body may, but not necessarily, be the Local Safeguarding Children Board in England and Wales, or the Child Protection Committee in Scotland. The licensing authority must consider which body best fulfils this function and the Licensing Authority Statement of Policy should set out this consideration, or the criteria the authority intends to use, in order to designate that body in writing.

- 2) Licensing Authority Statements of Policy must contain a section that sets out the principles to be applied by the authority to determine whether a person is an interested party in relation to a premises licence, or in relation to an application for or in respect of a premises licence.

6.23 Section 158 of the Act defines interested parties as persons who:

- (a) live sufficiently close to the premises to be likely to be affected by the authorised activities
- (b) have business interests that might be affected by the authorised activities or
- (c) represent persons who satisfy paragraph a) or b).

⁸ Further information is available at www.berr.gov.uk

- 6.24** Licensing authorities must consider whether a person is an interested party with regard to particular premises on a case by case basis, judging each on its merits. However, an authority may have regard to a number of factors when making its decision. These factors should be set out in this part of the Licensing Authority Statement of Policy. An authority may take into account, for example, the size of the premises and the nature of the activities taking place. Larger premises may be considered to affect people over a broader geographical area compared with smaller premises offering similar facilities.
- 6.25** Licensing authorities should include guidance in their Licensing Authority Statements of Policy whom they consider comes within the category of those who represent persons living close to premises, or have business interests that may be affected by it. For example, this category could include trade associations and trade unions and residents' and tenants' associations. It is expected that the types of organisations that may be considered to have business interests will be given a wide interpretation to include, for example, partnerships, charities, faith groups and medical practices etc.
- 3) Licensing Authority Statements of Policy must contain a section that sets out the principles to be applied by the authority in exercising the functions under Sections 29 and 30 of the Act with respect to the exchange of information between it and the Commission, and the functions under section 350 of the Act with respect to the exchange of information between it and the other persons listed in Schedule 6 of the Act.
- 6.26** The Act empowers the Commission to seek information from licensing authorities, and places an obligation on authorities to comply with information requests. Specifically, section 29 of the Act entitles the Commission to request information from licensing authorities and to set out the manner in which the information is compiled, collated and provided, providing it:
- forms part of a register maintained under the Act
 - is in the possession of the authority in connection with a provision of the Act.
- 6.27** Section 350 of the Act allows licensing authorities to exchange information with other persons or bodies listed in Schedule 6 (1) for use in the exercise of functions under the Act as follows:
- a constable or police force
 - an enforcement officer
 - a licensing authority
 - HMRC
 - the Gambling Appeal Tribunal
 - the Secretary of State
 - Scottish Ministers.
- 6.28** The licensing authority must set out how it will approach information exchange with other regulatory bodies under the Act, and whether it intends to establish any protocols in this regard. The statement should also include the authority's approach to data protection and freedom of information. In particular, how information will be protected, whether the confidentiality of those making representations will be maintained, what information will be shared with other agencies or persons and how information can be accessed by data subjects.
- 6.29** Further information regarding the exchange of information can be found in part 13 of this Guidance.
- 6.30** For the purposes of their Licensing Authority Statement of Policy, licensing authorities should confirm that they will act in accordance with the relevant legislation and Guidance from the Commission and will adopt the principles of better regulation.
- 4) Licensing Authority Statements of Policy must contain a section that sets out the principles to be applied by the authority in exercising the functions under Part 15 of

the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified in that section.

- 6.31** Licensing authorities are referred to what has been said at paragraphs 5.23 to 5.25 above concerning the Regulators' Compliance Code.
- 6.32** Further guidance on licensing authorities' compliance and enforcement responsibilities is available in part 36 of this Guidance. This has been developed following discussions between the Commission, the police, licensing authorities and other law-enforcement and regulatory agencies to agree respective roles in relation to particular types of gambling and licensed premises.
- 6.33** It is recommended that licensing authorities adopt a risk-based inspection programme. This would include targeting high-risk premises which require greater attention, whilst operating a lighter touch in respect of low-risk premises, so that resources are more effectively concentrated on problem premises. The policy statement should set out the principles to be applied by the authority in respect of such a programme and the criteria the authority is likely to use to determine the level of risk in respect of premises.
- 6.34** Many licensing authorities in England and Wales will have general enforcement policies which are in accordance with the codes of practice developed with the Crown Prosecution Service. Licensing authorities in England and Wales may wish to include in their Licensing Authority Statements of Policy that they will apply these codes in the management of criminal cases.
- 6.35** Part 36 of this Guidance covers more detailed issues such as the agreement of protocols with the local police and the Commission on enforcement issues.

Other matters to be covered in policy statements

- 6.36** In addition to these requirements as set out in regulations, a number of other matters should be included in Licensing Authority Statements of Policy.

Consideration of applications

- 6.37** The authority should set out in its statement what factors it may take into account when considering applications for premises licences, permits and other permissions and matters that it will consider relevant when determining whether to review a licence. This is where considerations such as the proximity of gambling premises to schools and vulnerable adult centres, or to residential areas where there may be a high concentration of families with children, should be detailed. Any such policy must, however, come with the qualification that each case will be decided on its merits, so if an applicant can show how they might overcome licensing objective concerns, that will have to be taken into account.

Statement regarding casino resolution

- 6.38** Under section 166(5) of the Gambling Act, any resolution not to issue casino licences must be published in the Licensing Authority Statement of Policy. In addition, the Licensing Authority Statement of Policy should include details about how the authority has taken or will take a decision to pass (or not to pass) a casino resolution.

Statement of principles

- 6.39** If an authority intends to apply a statement of principles when considering applicant suitability for applications for FEC permits under paragraph 7 of Schedule 10, or prize gaming permits under paragraph 8 of Schedule 14 of the Act, it is not obliged to include

those statements as part of the Licensing Authority Statement of Policy, but may want to consider doing so to make them available in one place.

Declaration by licensing authority

- 6.40** Each Licensing Authority Statement of Policy should include a declaration which sets out that in producing the final Licensing Authority Statement of Policy, the authority has had regard to the licensing objectives of the Gambling Act 2005, the Guidance issued by the Commission, and any responses from those consulted on the policy statement. To avoid later challenge, it would be sensible if the licensing authority demonstrated how the licensing objectives and Commission Guidance have been taken into account when drawing up the statement.
- 6.41** Authorities should note that the regulations and this Guidance do not prevent authorities from including any additional information that the authority considers necessary or helpful.

Advertisement of the Licensing Authority Statement of Policy or Revisions

- 6.42** Before publishing a statement or revision, the regulations made by the Secretary of State or Scottish Ministers require authorities to publish a notice of their intention to publish a statement or revision (this must be done no later than the date on which the statement or revision is to be published). The notice must:
- (a) specify the date on which the statement or revision is to be published
 - (b) specify the date on which the statement or revision will come into effect
 - (c) specify the internet address where the statement or revision will be published and the address of the premises at which it may be inspected
 - (d) be published on the authority's website and in/on one or more of the following places:
 - a local newspaper circulating in the area covered by the statement
 - a local newsletter, circular, or similar document circulating in the area covered by the statement
 - a public notice board in or near the principal office of the authority
 - a public notice board on the premises of public libraries in the area covered by the statement.

Publication of the Licensing Authority Statement of Policy or revisions

- 6.43** The regulations stipulate that the Licensing Authority Statement of Policy or any subsequent revision of the statement must be published on the authority's website and be made available at reasonable times for inspection by members of the public either in the principal office of the authority, at one or more public libraries in the area covered by the statement or in other premises situated in that area. The statement or revision must be published at least four weeks before it takes effect.

Review of the Licensing Authority Statement of Policy

- 6.44** The Licensing Authority Statement of Policy will have effect for three years but the licensing authority may review and alter the policy in that period.
- 6.45** Licensing authorities will need to consider, in the event of a change of policy, whether a review of the statement is necessary. For example, a change in planning policy could lead to a review and subsequent revision of a statement (if, for example, a change in planning policy led to family entertainment centres (FECs) where previously there were none, the statement may then be required to make reference to FECs where it was previously silent). Where the statement is reviewed and changes made, authorities must consult on any revision.

- 6.46** Authorities should note that where a statement is revised, it is only the revision that needs to be published and consulted on. So, for example, an authority may consult separately on whether to pass a casino resolution and then subsequently publish the resolution as part of the statement. This can be done without any need to review and reopen consultation on the main body of the statement. Any revisions must be published and advertised in the same way as a new statement.
- 6.47** Regulations provide for the form and content of revisions to the Licensing Authority Statement of Policy to be determined by the licensing authority, subject to the following requirements:
- revisions to Licensing Authority Statements of Policy must include an introductory section at or near the beginning, summarising the matters dealt with in the statement and listing the persons consulted in preparing the revision.
- 6.48** Where the revision deals with any of the matters below, these must be presented in separate sections:
- 1) the principles to be applied by the authority in exercising the powers under section 157(h) of the Act to designate, in writing, a body which is competent to advise the authority about the protection of children from harm
 - 2) the principles to be applied by the authority in exercising the powers under section 158 of the Act, to determine whether a person is an interested party in relation to a premises licence, or an application for or in respect of a premises licence
 - 3) the principles to be applied by the authority in exercising its functions under sections 29 and 30 of the Act with respect to the exchange of information between it and the Gambling Commission, and the functions under section 350 of the Act with respect to the exchange of information between it and the other persons listed in Schedule 6 to the Act or
 - 4) the principles to be applied by the authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified in that section.

Additional information to be made available

- 6.49** In order to ensure that applicants and persons who wish to make representations have the necessary information to be able to do so, the information set out below should be made available by licensing authorities as part of their communications strategy.
- 6.50** It should be noted that, unlike the Licensing Act, the Gambling Act does not include as a specific licensing objective the prevention of public nuisance. There is however other relevant legislation which deals with public nuisance. It would be helpful if licensing authorities could explain that objections to new premises or requests for a review should be based on the licensing objectives of the Gambling Act.
- 6.51** It is open to licensing authorities to include any of this information in their Licensing Authority Statement of Policy. However, authorities might think it more appropriate to make it available in another form, such as on the authority website.

Registers

- 6.52** Section 156 of the Act requires licensing authorities to maintain a register of the premises licences that it has issued. The register must be made available, at any reasonable time, to the public who may request copies of the entries. Authorities should ensure that

information regarding the location of the registers (ie on the website, in the council offices etc), when they can be viewed, and the cost of obtaining copies is made available to the public.

Fees

- 6.53** Authorities should ensure that information regarding the fees to be charged, including the level of fees, for applications for premises licences and other permissions under the Act is available to the public.
- 6.54** Separate guidance relating to the calculation of fees and accounting procedures has been produced by the Secretary of State available from the Department for Culture, Media and Sport website (www.culture.gov.uk). In Scotland, all of the equivalent fees will be set centrally by Scottish Ministers⁹.

Applications

- 6.55** Authorities should ensure that information is available on how to make applications for licences and other permissions under the Act. In particular, it would be helpful if authorities ensure that a full list of responsible authorities and their appropriate contact details, is readily available. Application forms, where appropriate, should also be made available. Authorities should note that there will be no prescribed application forms for family entertainment centre, prize gaming or licensed premises gaming machine permits. As such, the authority will need to make clear how applications for these permits should be made and in what form. Additionally, authorities will need to ensure that information regarding making representations, and applying for a review of a premises licence, is also made available.

Delegation

- 6.56** Information should be provided as to how functions are delegated under the Act (ie whether decisions are to be taken by a licensing officer, licensing sub-committee or full committee etc). A table setting out the scheme of delegation required by the Act may be the most appropriate method for this and is located in part 4 of this Guidance.

⁹ Gambling Act 2005 (Premises Licence Fees) (Scotland) Regulations 2007; Gambling Act 2005 (Fees) (Scotland) Regulations 2007; Gambling Act 2005 (Fees No.2) (Scotland) Regulations 2007; Gambling Act 2005 (Fees No.3) (Scotland) Regulations 2007 and Gambling Act 2005 (Fees No.4) (Scotland) Regulations 2007.

Cheltenham Borough Council

Cabinet – 19 June 2012

Regulating Direct Debit “Face to Face” Fundraising in Cheltenham

Accountable member	Cabinet Member Housing and Safety - Councillor Peter Jeffries
Accountable officer	Director of Culture and Wellbeing – Sonia Phillips
Accountable scrutiny committee	Overview and Scrutiny Committee
Ward(s) affected	All
Key Decision	No
Executive summary	<p>There are currently no statutory provisions in place for local authorities to formally regulate or licence direct debit face to face fundraising.</p> <p>The Public Fundraising Regulatory Association (“PFRA”) is the charity-led self-regulatory membership body for all types of face to face fundraising. The PFRA regulates face to face fundraising through Site Management Agreements with local authorities.</p> <p>Cabinet is asked to approve such a scheme in Cheltenham and further to approve the Site Management Agreement.</p>
Recommendations	<p>That Cabinet RESOLVE to:</p> <ol style="list-style-type: none"> 1) Approve the adoption of the scheme for Cheltenham; and 2) Approve the Site Management Agreement attached at Appendix 2; and 3) Delegate authority to the Director of Culture and Wellbeing to sign the Site Management Agreement on behalf of the Council.
Financial implications	<p>There are no financial implications arising from this report.</p> <p>Contact officer: Sarah Didcote, sarah.didcote@cheltenham.gov.uk, 01242 26 4125</p>

Legal implications	<p>Traditional charity street collectors who collect money typically in a tin or box are controlled by permits issued by the Licensing Section under provision laid down in The Police, Factories Etc (Miscellaneous Provisions) Act 1916. This form of fundraising described in the report which collects Direct Debit information amounting to a promise of money has raised questions over whether funds collected amount to money for the purpose of the 1916 Act and therefore whether this activity can be controlled using permits issued under the Act.</p> <p>This has led to a situation where it is difficult to control this type of activity. A voluntary agreement with the PFRA has been devised as a means of trying to control the level of fundraising activity and the conduct of the collectors. It should be noted however that this is voluntary agreement rather than a legal agreement and therefore the provisions are not legally binding upon the PFRA or the fundraisers.</p> <p>The Local Government Act 2000 section 2 gives every local authority power to do anything, to include the power to enter into agreements or arrangements, which they consider is likely to achieve any one or more of the following objects:</p> <ul style="list-style-type: none"> • the promotion or improvement of the economic well-being of their area, • the promotion or improvement of the social well-being of their area, and • the promotion or improvement of the environmental well-being of their area. <p>Entering into this Agreement may promote the economic and environmental well-being of the Town Centre.</p> <p>Contact officer: Sarah Farooqi, sarah.farooqi@teWKesbury.gov.uk, 01684 272693</p>
HR implications (including learning and organisational development)	<p>There are no HR implications arising from this report.</p> <p>Contact officer: Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 26 4355</p>
Key risks	As outlined in Appendix 1
Corporate and community plan Implications	<p>Attract more visitors and investors to Cheltenham</p>

1. Background

- 1.1 There are currently no statutory provisions in place for local authorities to formally regulate or licence direct debit face to face fundraising (sometimes referred to as “chuggers”).
- 1.2 This has rendered the Council unable to formally control this form of fundraising activity in the borough. Strictly speaking, the Council does not have any official power to restrict face to face fundraisers from visiting Cheltenham or ability to prescribe the location or conditions under which they may operate within the borough.

2. Direct Debit Face to Face Fundraising

- 2.1 This form of fundraising is normally undertaken by individuals who approach members of the public with a request to make a regular donation to a particular charity by way of a monthly direct debit.
- 2.2 These individuals are clearly identified through the tabards they wear identifying the charity they are collecting for.

3. Council’s Current Approach

- 3.1 The Council benefits from a good working relationship with face to face fundraising agencies and organisations. This type of fundraising activity has been informally managed by the Council through a diary booking system to ensure that they do not clash with other charitable collectors such as street collectors (charity buckets). In 2011, the Council diarised 189 visits by face to face fundraisers to visit Cheltenham.
- 3.2 The Council’s current system works well in terms of ensuring fair access for all types of charitable collections. However, as a result of the fact that there are currently no statutory provisions in place to formally prohibit face to face fundraisers from visiting Cheltenham, the Council’s current system is limited in terms of effectiveness to properly regulate face to face fundraising.
- 3.3 For example, the Council is unable to formally deal with complaints from members of the public and/or local businesses relating to face to face fundraisers. Furthermore, face to face fundraising agencies are unrestricted in terms of where they can fundraise and can choose to visit Cheltenham despite the Council’s request not to.
- 3.4 In order to control face to face fundraising more effectively in Cheltenham, officers have approached the Public Fundraising Regulatory Association (“PFRA” hereafter) to draw up a draft Site Management Agreement (“SMA” hereafter) for Cheltenham.
- 3.5 The SMA will stipulate the conditions under which face to face fundraisers can visit Cheltenham and will be discussed in more detail at paragraph 6 of this report.

4. The Public Fundraising Regulatory Association (PFRA)

- 4.1 The PFRA is the charity-led, self-regulatory membership body for all types of face to face fundraising.
- 4.2 It currently has 95% of the organisations, both charity and fundraising agency members, currently involved in all types of face to face fundraising activity signed up to the self-regulatory scheme. A full list of members is available on the PFRA’s website at http://www.pfra.org.uk/control_and_regulation/who_we_are/members/.

4.3 The PFRA has a dual role in regulating face to face fundraising;

- 1) **Professional standards** – by enforcing the Institute of Fundraising’s Face to Face Activity Code of Fundraising Practice, running a mystery shopping programme, and ensuring our members complete an accreditation process.
- 2) **Ensuring Fair Allocation of Fundraising** – via a fair and equitable site allocation programme and work with local councils to negotiate ‘site management agreements’ (SMAs) that contain guarantees about the locations and times that fundraising can take place.

5. Site Management Agreement (SMA)

5.1 Although the Council is effectively unable to restrict face to face fundraisers from visiting Cheltenham, the Council can manage access, location, times and numbers through an agreed SMA.

5.2 A typical SMA will:

- Delineate the location in which fundraisers may work.
- Specify which days of the week fundraisers may attend.
- Specify how many fundraisers may attend.
- Include various other criteria and stipulations, such as whether or not bags may be left on the pavement, or whether a non-fundraising team leader is allowed to be present.

5.3 Officers in conjunction with the PFRA have drawn up a draft SMA for Members to consider. A draft copy of the SMA is attached at **Appendix 2**.

5.4 The draft SMA for Cheltenham proposes;

- 1) That face to face fundraising activity be restricted to the pedestrianised area of the High Street between Pittville Street and Winchcombe Street.
- 2) The maximum permitted capacity would be 6 fundraisers.
- 3) Where fundraisers are found to be working outside of the agreed locations, they must comply with requests made by Council officers and reposition themselves correctly or as directed on-site.
- 4) Only one charity will be permitted a day.
- 5) Fundraising will only be permitted on Tuesdays, Thursdays and Fridays, between the hours of 9am and 7pm.
- 6) In addition, the Council has discretion to notify the PFRA of any “Exclusion Dates” which are extra dates on which the Council can restrict fundraising if there are special events etc. where the Council considers it necessary to not permit fundraising.

5.5 In addition to the SMA, fundraisers will be expected to also adhere to the Face-to-Face Activity Code of Fundraising Practice (**Appendix 3**), the PFRA/Institute of Fundraising abridged code of practice (**Appendix 4**), and any other rules promulgated by the PFRA.

5.6 This SMA will be reviewed 6 months after it is signed, and then once every 12 months, if necessary, or earlier if there is just cause to do so. There is no cost for the Council to sign up to a SMA.

- 5.7 There will be a lead time of up to 8 weeks before the SMA will take effect in Cheltenham. This is to account for the PFRA's bidding/allocation cycle.
- 5.8 A number of other towns have already adopted the scheme and SMA's. These include Manchester, Nottingham, Leeds, Gloucester and Glasgow. Feedback from these towns and cities have been positive in terms of the effect the scheme has had in their areas.

6. Benefits of a SMA

6.1 A SMA will bring a number of benefits to the Council;

- 1) It will enable to the Council to better control this type of fundraising activity in the borough.
- 2) The PFRA will be sole responsible for dealing with all complaints resulting from face to face fundraising whether the complaint be from a Council Officer, town centre manager, a member of the public or local businesses.
- 3) The PFRA will be responsible for maintaining a diary management system which will minimise the administration currently undertaken by officers.
- 4) The PFRA will monitor member organisations, through a programme of random spot-checks and other mechanisms, to ensure fundraisers' adherence to the code of practice and SMA, from time to time.
- 5) Should fundraisers breach the terms of the SMA the PFRA offers a single point of contact for the local authority to rectify this. They can usually ensure SMA breaches are put right within the hour and if necessary, impose penalties and sanctions on member organisations.

7. Penalties Imposed by the PFRA

7.1 The PFRA enforces its rules through financial penalties. Transgressions of the rules attract penalty points (of 20, 50 or 100 points), which will be converted into a monetary fine of £1 per point once a 1,000 point threshold is reached.

8. Reasons for recommendations

8.1 To ensure that the Council is better able to control face to face fundraising in the borough.

9. Alternative options considered

9.1 Members can decide not to support this scheme but this is not a desirable option for the reasons outlined in this report.

Report author	Contact officer: Louis Krog, louis.krog@cheltenham.gov.uk, 01242 775200
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Appendices	<ol style="list-style-type: none">1. Risk Assessment2. Draft Site Management Agreement (SMA)3. Face to Face Activity Code of Fundraising Practice4. PFRA/Institute of Fundraising abridged code of practice
Background information	<ol style="list-style-type: none">1. Service Records

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
1	The Council will be unable to effectively control this form of fundraising which could have an adverse effect on the Council's reputation.	Senior Licensing Officer	19 Jun 2012	2	2	4	Accept	Adopt the PFRA scheme and accompanying SMA.	TBC	Licensing & Business Support Team Leader	
<p>Explanatory notes</p> <p>Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p>Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p>Control - Either: Reduce / Accept / Transfer to 3rd party / Close</p>											

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Site Management Agreement between PFRA and Cheltenham Borough Council

The purpose and spirit of this voluntary Site Management Agreement (SMA) is to facilitate face-to-face fundraising in Cheltenham town centre and provide balance between the rights of charities or not-for-profit organisations to fundraise and the rights of the public to go about their business without the impression of undue inconvenience. For the avoidance of doubt, this document does not constitute a legal contract.

Once this agreement is in place it should minimise the administration for all concerned, providing just one channel for information and support, as nominated 'gatekeepers' only have to deal with one organisation, the PFRA, instead of dealing with each individual charity and fundraising organisation separately.

Statement of Conformity

- 1) All fundraisers will abide at all times by the Institute of Fundraising [Face-to-Face Activity Code of Fundraising Practice](#), the PFRA / Institute of Fundraising abridged code of practice (Appendix 1), and any rules [promulgated by the PFRA](#) from time to time.

Access Details

Sites and team sizes

- 1) Sites may be used as follows, as shown in the map at Appendix 2:

High St:

Pedestrianised area between Pittville St and Winchcombe St

Capacity: maximum of 6 fundraisers

- 2) Where fundraisers are found to be working outside of the agreed locations, they must comply with requests made by Local Authority Officers and reposition themselves correctly or as directed on-site. Failure to do so may result in the imposition of penalties or sanctions according to rules promulgated by the PFRA.
- 3) Only one charity will be present on any one day.

Frequency

- 4) Fundraising will only be permitted on Tuesdays, Thursdays and Fridays, between the hours of 9am and 7pm.
- 5) Exclusion Dates etc are to be announced by the Council (e.g specific event days) and must be pre booked as part of the PFRA Diary Management System. Any exclusion dates to give a minimum of 4 weeks notice to the PFRA from date of diary delivery.

Other Conditions

- 6) Fundraisers should be positioned in such a way as to offer an adequate 'comfort zone' to those users of the public highway who do not wish to engage and should endeavour at all times not to impede the egress of any member of the public. In furtherance of this, it is desirable that a minimum footway channel of 1.8 metres be maintained between fundraisers and the kerb / shop frontage / bollards where it is reasonable to do so.
- 7) Fundraisers are at no point to be within 3-metres of any shop entrance or, where permitted, within 6-metres of the frontage of any licensed market/street trader. Every effort must be expended to maintain a reasonable distance of 3-metres between fundraisers and any other legitimate street activities (e.g. Big Issue sellers, buskers, newspaper stands, promotional activities and market researching).
- 8) All fundraisers must wear official tabards or other official distinctive clothing to enable shoppers and other pedestrians to identify them from a distance. All fundraisers must wear official identity cards clearly visible on the upper body with personal details and photograph of the fundraiser in accordance with the activity being undertaken at the time.

Information Required

Nominated Gatekeeper

- 1) The nominated gatekeeper for Cheltenham Borough Council is the Senior Licensing Officer and his/her contact details are 01242 775200, licensing@cheltenham.gov.uk.

Required Information

2) The PFRA Allocations Officer will maintain and manage the diary schedule. Diary/Schedule information will include: contact details for the agency (if applicable); and charity being fundraised for.

3) Copies of the diary are to be made available to the following persons every four weeks:

Senior Licensing Officer, Cheltenham Borough Council
email: licensing@cheltenham.gov.uk

Cheltenham Town Centre Manager
e-mail: manager@cheltenhambp.org.uk

4) These contact details shall be updated as and when necessary.

Transition and continuity

5) Should the nominated gatekeeper move on or responsibilities otherwise change, the gatekeeper will inform his/her successor of the detail of this agreement, the relationship with the PFRA, arrangements for the regulation of face-to-face fundraising, and provide the PFRA with contact details for the successor.

Complaint Management

1) The PFRA will log, manage and monitor all complaints relating to fundraisers and will inform the Council of complaints received on an annual basis, if requested. The Council and town centre manager will provide the PFRA with real time notification of individual complaints. Where the collection agencies themselves receive complaints it is expected that they will provide information to the PFRA including information about the identities of any individual collector the subject of a complaint and of the action taken (if any) by the collection agency.

Working Together

- 1) The local authority agrees to work with the PFRA to raise awareness regarding this site management scheme where appropriate.
- 2) The PFRA will monitor member organisations, through a programme of random spot-checks and other mechanisms, to ensure fundraisers' adherence to the code of practice and Site Management Agreements, from time to time.



- 3) Cheltenham Borough Council will be notified of the results of any spot checks carried out.
- 4) This SMA will be reviewed 6 months after it is signed, and then once every 12 months, if necessary, or earlier if there is just cause to do so. All amendments will be agreed in writing before becoming effective. Either party can withdraw from this agreement, giving 3 months' notice in writing.
- 5) Depending on when this agreement is signed, in relation to the PFRA's bidding/allocation cycle, there will be a lead-time of up to 8 weeks before the agreement can be fully implemented.

Signed For and On Behalf Of PFRA:

Dr Toby Ganley, Head of Policy

Date:

Signed For and On Behalf Of Cheltenham
Borough Council:

Print name:

Job title:

Dated:

Appendix 1 – Abridged Code of Practice

- 1) We always tell potential donors clearly that we are paid to speak with them, and that we are not volunteers - if this is the case - and we explain the basis on which we are paid.
- 2) We always carry and display ID so that any potential donor can verify who we are, whom we are working for and on whose behalf we are fundraising.
- 3) We always represent our charity or Not for Profit Organisation (NPO) at the time, in the place, and in the manner that has been previously agreed both with the charity / NPO and with the relevant site owner or Local Authority, and as directed by our team leader or other responsible agency personnel.
- 4) We always explain to a donor how the Charity or NPO will communicate with them after subscribing, and if they are likely to receive a follow up phone call we inform them of this.
- 5) We always ensure that forms with personal details provided by donors are handled at all stages in a secure manner.
- 6) We always end a conversation in a polite and respectful manner as soon as we are asked to.
- 7) We always ensure, wherever possible, that if a member of the public has a complaint, a full and accurate record of the complaint and the complainant's contact details are taken so that action can be taken promptly and appropriately. We will also offer the complainant contact details for a person in authority who can respond to their concerns.
- 8) We never say or do anything that could pressurise or harass people and we do not use manipulative techniques.
- 9) We never confuse or mislead the public and we never say, do or display anything for which we have not been given permission by the charity or NPO
- 10) We never behave whilst on duty in any way that might bring the charity / NPO or our employer into disrepute.

Appendix 2

Plan showing the area(s) where fundraising is to be permitted:

[\[insert map\]](#)

DRAFT

Appendix 3

Know your rights - The Direct Debit Guarantee

Direct Debit is one of the safest ways of making charitable donations. Organisations using the Direct Debit Scheme go through a careful vetting process before they're authorised, and are closely monitored by the banking industry. The efficiency and security of the Scheme is monitored and protected by your own bank or building society.

The Direct Debit Scheme applies to all Direct Debits. It protects you in the rare event that anything goes wrong.

The Direct Debit Guarantee

- The Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits.
- If there are any changes to the amount, date or frequency of your Direct Debit the organisation will notify you (normally 10 working days) in advance of your account being debited or as otherwise agreed. If you request the organisation to collect a payment, confirmation of the amount and date will be given to you at the time of the request.
- If an error is made in the payment of your Direct Debit, by the organisation or your bank or building society, you are entitled to a full and immediate refund of the amount paid from your bank or building society.
 - If you receive a refund you are not entitled to, you must pay it back when the organisation asks you to.
- You can cancel a Direct Debit at any time by simply contacting your bank or building society. Written confirmation may be required. Please also notify the organisation.

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Face-to-Face Activity Code of Fundraising Practice

Check-list: key questions to ask

- Has sufficient planning and research taken place? (3.0)
- Are other Codes consulted where necessary? (2.0, 5.2)
- Is the activity compliant with the law? (5.1, 6.3, 8.0)
- Are all parties aware of their responsibilities? (2.1, 2.2)
- Could the activity bring the fundraising organisation or provider into disrepute? (3.0)
- Could the activity confuse or obstruct the public? (3.0)
- Have the access management requirements been checked? (5.1)
- Has the PFRA been contacted to establish who is responsible for managing the site? (6.1, 6.2)
- Is the project manager satisfied that access for the approaches has been agreed by the relevant access authority/ies? (6.1, 6.3)
- Is a Site Agreement in place? (6.2)
- Are there any Cold Calling Control Zones in the area? (6.3)
- Is the relationship between the provider and fundraising organisation and scope of specific roles clear? (2.2, 4.1, 5.2)
- Are appropriate contracts in place? (5.2, 8.0)
- Have suitable agents/fundraisers been recruited? (5.2)
- Is a satisfactory payment structure in place? (5.2)
- Do professional fundraisers abide by the relevant regulations? (5.2, 8.0)
- Has training been provided in person and did it involve the fundraising organisation? (5.3, 5.3.1)
- Has the fundraising organisation briefed the fundraisers/agents? (5.3.2)
- Has a briefing manual been agreed with the fundraising organisation? (5.3.2)
- Is information about the cause clear and agreed with the fundraising organisation? (4.1)
- Has the importance of the longevity of the gift been stressed to all agents/fundraisers? (5.3.2)
- Do agents inform supporters of potential future donation requests? (5.3.2)
- Has the fundraising organisation approved the materials for use in the approach? (5.3.1)
- Does the activity comply with data protection regulations? (5.2)
- Has the ownership of copyright and databases been agreed? (8.0)
- Is all personal information returned to the project manager promptly and securely? (7.0)
- Has a process for administering collected information been agreed? (7.0)
- Is there an agreed process for addressing questions and complaints? (7.0)

December 2009

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- 1.0 The Codes of Fundraising Practice Explained
- 2.0 Face-to-Face Activity Code Introduction
- 3.0 Considering Face-to-Face Activity
- 4.0 Conduct of Fundraisers/Agents
- 5.0 Planning a Face-to-Face Campaign
- 6.0 Identification and Management of Operating Locations
- 7.0 After the Face-to-Face Activity has Taken Place
- 8.0 Key Legal Points
- 9.0 Appendices

1.0 The Codes of Fundraising Practice Explained

The Institute of Fundraising's **Codes of Fundraising Practice** are structured in order to highlight what is mandatory at law, what the Institute regards as a mandatory requirement for its members and what constitutes advice on best practice.

In this Code a phrase where the word:

MUST is in bold indicates a requirement that is mandatory at law.

OUGHT in bold indicates a requirement that is mandatory for members and affiliated organisations of the Institute.

SHOULD in bold indicates a course of action that is recommended as best practice.

Organisations engaged in fundraising **SHOULD** join the Fundraising Standards Board and **SHOULD** follow their complaints procedure.

This **Code of Fundraising Practice** is intended to address fundraising

activity throughout the UK. Legal requirements can vary between different jurisdictions (England & Wales; Northern Ireland; Scotland).

In this Code, **MUST*** in bold indicates a legal requirement within one jurisdiction but not in others.

The Institute recommends that organisations adhere to the most rigorous interpretation of the law applicable to an activity.

Users should be aware that this Code addresses the law as it stands at the date of publication throughout the UK.

Reviews of the law relating to fundraising and fundraising activities, governance and charitable status are ongoing in Scotland, England and Wales.

This **Code** will be revised to take into account any developments or changes in the law that may result from these initiatives.

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2.0 Introduction

Face-to-Face activity is the commonly used term for both the personal solicitation in public places of committed gifts by direct debits and/or standing orders, and for all other forms of personal engagement in such places where that engagement is designed to initiate a lasting relationship with a given fundraising organisation.

Face-to-Face activity can provide an effective means by which members of the public can demonstrate their committed support, whether financially or otherwise, to a wide range of charities and other voluntary organisations. Not all Face-to-Face activity results in a request for money; it may simply seek to record belief in a cause or support for a campaign. A request for money may follow at a later date.

Undertaken within the parameters of this Code of Fundraising Practice, Face-to-Face activity can enable charities and other voluntary organisations to communicate with existing and potential supporters in an effective and sensitive manner without causing public nuisance or disturbance.

This Code of Fundraising Practice concerns itself specifically with unsolicited personal approaches to members of the public for support to fundraising organisations however and wherever that is undertaken.

- Due to the necessarily broad definition of 'Face-to-Face', some Face-to-Face activity may apparently or actually overlap with other established fundraising methods (for instance lotteries, Payroll Giving etc.), therefore care **SHOULD** be taken when planning a campaign to cross reference with other Codes which may be applicable such as the House-to-House Collections Code of Fundraising Practice.

2.1 Definitions

There are a number of different individuals and organisations potentially involved in planning and managing Face-to-Face activities. Each will have different roles and responsibilities in the appropriate conduct of the activity. Therefore, it is important at the outset of the Code of Practice to have clarity of the definition of these individual roles and organisations.

Face-to-Face Activity

This describes both the personal solicitation of committed gifts by direct debits and/or standing orders in public places and all other forms of personal engagement in such places designed to initiate a lasting relationship with a given fundraising organisation. For the purpose of this Code, it does not include pre-arranged meetings such as with potential legators.

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- Care **SHOULD** be taken when visiting certain places such as businesses or other places of work – see the ‘House-to-House Collections’ Code of Fundraising Practice.

Face-to-Face Engagement

This specifically describes a situation whereby a personal engagement takes place, initiated in order to begin a lasting relationship with the given fundraising organisation. Together with Face-to-Face fundraising, it falls within ‘Face-to-Face activity’.

Face-to-Face Fundraising

This specifically describes the personal solicitation of committed gifts by direct debits and/or standing orders in public places. Together with Face-to-Face engagement, it falls within ‘Face-to-Face activity’.

Fundraising Organisation

A fundraising organisation is a charity or other not-for-profit making body that benefits from the fundraising activity.

Organiser

The organiser has overall responsibility for the campaign. An organiser might be a fundraising organisation or professional fundraising organisation, or an individual from such an organisation.

Provider

This is an organisation that implements the fundraising activity. Sometimes this may also be the fundraising organisation itself (when it will usually be referred to as an “In-House”) but it is usually a professional fundraising organisation.

Public Place

England and Wales

This is any place where members of the public generally go even if they have no legal right to do so or any place where they are invited to go. For the purpose of this Code it should be treated as including such spaces as station forecourts, shopping malls and supermarket car parks.

It does not include any place to which members of the public are permitted to have access only if any payment or ticket required as a condition of access has been made or purchased; or any place to which members of the public are permitted to have access only by virtue of permission given for the purposes of the activity in question.

The definition of ‘public place’ in England and Wales is due to change with the introduction of new public collection regulations under the Charities Act 2006. In England and Wales a public place will be:

- any highway; and

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- any other place to which, at any time when the appeal is made, members of the public have, or are permitted to have, access (other than on payment or with a ticket and other than by way of permission granted for the specific appeal) and which either is not within a building, or, if within a building, is an area to which the public are generally admitted within any station, airport or shopping precinct or any other similar place.

Scotland

Any place (whether a thoroughfare or not) to which the public have unrestricted access and includes:

- a) the door ways or entrances of premises abutting on any such place; and
- b) any common passage, close, court, stair, garden or yard pertinent to any tenement or group of separately owned houses.

The definition of public place will change in Scotland when the Public Benevolent Collections provisions contained in the Charities and Trustee Investment (Scotland) Act 2005 are commenced.

UK

- Organisers **SHOULD** verify whether the new definition and/or regulations are in place.

2.2 Individual Role Descriptions

This Code uses the following definitions for individual roles. In some cases an individual may have more than one role. The scale and form of Face-to-Face activity that a fundraising organisation plans to conduct will determine the extent to which different people play each of these different roles. However:

- the key tasks **OUGHT** to be identifiable within specific individuals' roles and responsibilities.

Agent

A person who enters into a dialogue with a member of the public with the aim of engaging them in a cause or belief, with a view to initiating any form of long term relationship other than an immediate financial one (see 'Fundraiser' below).

Fundraiser

For the purpose of this Code, 'fundraiser' refers only to those people that make a direct solicitation of money or property.

Professional Fundraiser

See definition in Section 8.

Fundraiser/Agent Manager

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The person within the fundraising organisation who has responsibility for the overall activity. They *commission* the activity, agree the campaign budget and monitor progress against budgets and objectives including the stewardship of new, regular donors or supporters to ensure long term support.

Campaign Manager

The person within the fundraising organisation who on a day-to-day basis is *managing* the activity, e.g. who holds information on site usage, responds to enquiries/complaints.

Project Manager

The person within the Provider who has day-to-day responsibility for the *delivery* of the activity, e.g. who is responsible for access to sites, briefing of fundraisers/agents, responds to enquiries/complaints.

Team Leader

The person within the Provider or the fundraising organisation who has immediate and on-site *supervision* of the activity (e.g. manages the team, ensures sites are appropriately and safely used, ensures appropriate conduct of fundraisers/agents); or the person within the Provider or the fundraising organisation who supervises the activity for door-to-door but may not be on site.

3.0 Considering Face-to-Face Activity

- Before embarking on a Face-to-Face campaign, fundraising organisations **SHOULD** consider the following:
 - the length and long-term objectives of the campaign;
 - what internal resources can the organisation devote to this form of fundraising? In order to be effective, Face-to-Face activity requires an investment of time and resources by the fundraising organisation. The activity requires a campaign manager and, depending on the scale of the activity, it may become a substantial part of their role;
 - who are the stakeholders within the fundraising organisation who need to be engaged or informed about this activity? It can be high profile, which may attract media attention. The stakeholders may include trustees, local volunteers, service providers, other fundraising staff, public relations practitioners and 'help-line' and general reception staff;
 - will the fundraising organisation conduct the Face-to-Face activity itself or will it use an agency to conduct it on its behalf? If using a Provider, the fundraising organisation **SHOULD** refer to the Institute of Fundraising's Best Practice for Fundraising Contracts Code of Fundraising Practice; and
 - the impact of the activity on members of the public and other legitimate activities that take place in public places.

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4.0 Conduct of Fundraisers/Agents

4.1 Conduct of Approaches

- Fundraising organisations **OUGHT**:
 - to undertake Face-to-Face activity in such a manner that neither the fundraising organisation nor the provider is brought into disrepute; and
 - to never deliberately confuse, mislead or obstruct the public – see the Accountability and Transparency Code of Fundraising Practice.
- In conducting Face-to-Face activity fundraising organisations **SHOULD**:
 - give potential donors clear information about the cause and fundraising organisation they are being asked to support and, where appropriate, the need for funds and the importance of the long term nature of that support;
 - ensure that the name of the fundraising organisation is prominently displayed on the agents'/fundraisers' person; and
 - never use communication mediums (printed, visual or verbal) other than those agreed previously with the fundraising organisation.

All of the above apply to approaching groups of people as well as individuals.

5.0 Planning a Face-to-Face Campaign

5.1 General

- As with other street activities such as public collections, ultimately the organiser **OUGHT** to always check the access management requirements with the relevant local authority(/ies) beforehand and comply with those requirements where reasonable and applicable.
- Fundraising organisations and providers **MUST** ensure that they are compliant with the law.

5.2 Recruitment and Payment of Fundraisers/Agents

- The project manager of the activity **SHOULD** be responsible for the recruitment, training and adequate supervision of all fundraisers/agents.
- To ensure public trust and confidence in the security of personal data, fundraisers handling financial information and/or sensitive data **OUGHT** to be strongly scrutinised to ensure their suitability for such important tasks.

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There are different requirements for people under 18, under the Working Time Regulations.

- The project manager of the activity **OUGHT** to ensure that the agents'/fundraisers' recruitment process identifies and eliminates potential recruits with a criminal record indicating unsuitability, subject to Data Protection regulations and Human Rights legislation.

In practice, a declaration on application forms and interview will suffice.

- Where remunerated, fundraisers/agents **MUST** be legally entitled to work in the United Kingdom, within the terms of their work status.
- If volunteers are used, Providers and fundraising organisations **OUGHT** to comply with the Volunteer Fundraising Code of Fundraising Practice.
- The project manager of the activity **OUGHT** to be clear about the relationship between the Provider and the fundraising organisation during the recruitment and training process, if the Provider and fundraising organisation are different organisations.

This is especially important in the context of "In-House" operations where a fundraising organisation may be its own 'Provider'. In certain cases, agents/fundraisers may not be employed by the fundraising organisation but through an agency in what is sometimes called an "arm's-length" relationship.

- Fundraising organisations **OUGHT** to be aware that the perception that the agents/fundraisers are actually working for the fundraising organisation rather than the agency can raise problems in terms of management and maintenance of morale.
- The project manager of the activity **SHOULD** ensure, where paid, all fundraisers/agents are contracted with appropriate contracts in place.
- These **SHOULD** include a clause stipulating compliance with this Code of Fundraising Practice.
- Then, where all fundraisers/agents are employed by the fundraising organisation, the organiser **MUST** be responsible for ensuring that the fundraisers/agents are remunerated within any minimum wage regulations that are applicable and work within hours as permitted by the Working Time Regulations.

The Institute of Fundraising does not recommend the payment of fundraisers/agents on a commission-only basis in most circumstances but recognises there is a range of

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different ways of structuring remuneration, including 'performance-related' methods.

- The fundraising organisation **OUGHT** to be satisfied that an appropriate payment structure is in place that safeguards the income it will receive from the fundraising activity.

See the Payment of Fundraisers Code of Fundraising Practice for further information.

England and Wales

- The Institute of Fundraising recognises that transparency to the public is paramount (see the Accountability and Transparency Code of Fundraising Practice) and notes that in England and Wales Professional Fundraisers as well as officers, employees and trustees of a charitable institution (if paid) **MUST*** comply with certain transparency requirements set out in the Charities Act 1992. They **MUST*** make a statement specifying:
 - the institution or institutions for which they are raising funds;
 - if there is more than one institution, the proportions in which they are to benefit; and
 - if they are Professional Fundraisers, the method by which their remuneration is determined and the “notifiable amount” of that remuneration (this will be the remuneration of the professional fundraising organisation if the fundraiser is employed by such an organisation); or
 - if they are paid officers, employees or trustees of the institution acting as collectors in a public charitable collection, the fact that they hold those positions and that they are receiving remuneration (where applicable). A public charitable collection is a charitable appeal which is made in any public place or by means of visits to houses or business premises (or both). A charitable appeal is an appeal to members of the public for them to give money or other property or involves offering to sell or supply goods or services or exposing goods for sale. For these purposes, a public place is defined as under the Charities Act 2006 (see definitions).

The notifiable amount is the actual amount if known at the time or the estimated amount calculated as accurately as possible. Further information and guidance is available from the Office of the Third Sector website.

- This guidance may be subject to change so clarification from the Office of the Third Sector and/or professional legal advice **SHOULD** be sought.
- Such a statement **MUST*** be made at the time of the solicitation and so, in practice, before a donor has authorised an agreement to donate.

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Scotland

- In Scotland, the Charities and Benevolent Fundraising (Scotland) Regulations 2009 set out what professional and benevolent fundraisers **MUST*** state regarding their remuneration.

Further information about the detail of these statements is available in Section 8.0.

Northern Ireland

In Northern Ireland, the new Charity Act will introduce new controls on professional fundraisers and commercial participants, similar to those in England and Wales.

UK

- Managers of fundraisers/agents that are **not** professional fundraisers (e.g. those not occupied in soliciting “money or other property”, such as those involved in data capture or other engagement strategies) **SHOULD** carefully consider the benefits of absolute clarity in making an appropriate statement if they are paid to solicit and/or collect information.
- There is a growing public awareness that disclosures will be given and careful thought **SHOULD** be given to the potential effect on the fundraising organisation’s brand of a failure to do so, even where not legally required.

Further information about the sorts of statement that could be made is available on the Office of the Third Sector website (see 9.2).

5.3 General Training and Professionalism

- Fundraising organisations **OUGHT NOT** to undertake Face-to-Face activity without a prior, structured training and briefing programme for all fundraisers/agents.
- Training **OUGHT** to be refreshed and appraised at regular intervals.

5.3.1 Basic Training

- Fundraising organisations **OUGHT** to ensure that all fundraisers/agents are properly trained before engaging in any personal approaches. Basic training needs to specify how to make approaches that comply with the law.
- Training **OUGHT** to be provided in person by an authorised and suitable appointee and **OUGHT** to include involvement from the fundraising

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organisation.

It is good practice to monitor, benchmark and improve such training at regular intervals.

- Precise content of training sessions will vary. However, as a minimum, basic training **OUGHT** to include:
 - an awareness of the Charities Act 1992, the Charitable Institutions (FundRaising) Regulations 1994, Charities and Trustee Investment (Scotland) Act 2005 and the Charities and Benevolent Fundraising (Scotland) Regulations 2009;
 - the importance of providing clear written, or verbal information to the public about possible follow-up communications;
 - emphasis on the charitable, benevolent or philanthropic nature of the solicitation;
 - emphasis on the non-aggressive nature of all approaches;
 - the importance of making an appropriate and legally compliant solicitation statement (see the Office of the Third Sector's and OSCR's guidance for further information);
 - the importance of only carrying out the Face-to-Face activity within the time and location agreed with the project manager and any relevant access authority;
 - the importance of visible ID badges and branding;
 - matters of personal security;
 - the importance of appropriate positioning, body language and physical presence at the activity location;
 - procedures to avoid obstruction, congestion and nuisance to the public;
 - procedures to ensure that potential supporters are not placed under inappropriate pressure to give their support ;
 - the need to employ all best efforts not to approach members of the public under the age of 18 years for the solicitation of committed gifts;
 - procedures to ensure that appropriate common sense and courtesy are applied when considering approaching particular individuals such as the elderly, differently-abled etc., taking into consideration their possible personal circumstances (e.g. anxiety, communication difficulties) and the physical circumstances of the interaction (dark or noisy environments etc.);
 - knowledge and understanding of Data Protection principles governing the collection of personal data from supporters, particularly relating to the disclosure of 'Sensitive Personal Data' by a supporter e.g. their medical history. See the Data Protection Code of Fundraising Practice;
 - knowledge and procedures of the complaints procedure associated with the activity and the role of the Fundraising Standards Board;
 - an immediate agreement to terminate the approach in a polite manner at any stage during the course of the approach, when asked to do so;

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- clarification that on-going training will be provided to all fundraisers/agents together with an agreed programme of regular appraisal and briefing updates.

5.3.2 Briefing for Charity Campaigns

- Fundraising organisations **OUGHT** to brief all fundraisers/agents properly before they engage in any personal approaches.
- The fundraising organisation associated with the proposed approach **OUGHT** to approve the materials for use in the approach.

The type of briefing will vary in different contexts.

- However, as a minimum requirement, the project manager and campaign manager of the Face-to-Face activity **OUGHT** to ensure that briefing procedures are properly documented in a briefing manual agreed with the fundraising organisation, which includes:
 - the name and, where different, the name and contact details of the fundraising organisation(s) that will benefit from the approach and contact details of the organisation(s) making the approach;
 - an explanation of the objects and/or mission of the fundraising organisation;
 - if fundraising, why the money is needed (taking care as to whether or not such a statement creates restricted funds);
 - information about clarity of approach and instruction as to the tone, style and content of the approach;
 - details of all support and administrative literature connected with each approach;
 - details of the administrative procedures to be maintained during and following the Face-to-Face approach;
 - an explanation of how supporters' details will be used and emphasis that supporters have to be informed of how their details will be used at the time of data capture;
 - recognition that the fundraiser/agent will not disclose any information relating to the fundraising organisation other than that previously agreed with the fundraising organisation and contained within the context of the briefing given immediately prior to the Face-to-Face activity;
 - details of the complaints procedure associated with the activity and the role of the Fundraising Standards Board, where appropriate; and
 - details of the key contact directly responsible for the Face-to-Face activity within the fundraising organisation conducting it and/or the agency (which is usually the campaign manager).

It is good practice for the fundraising organisation's staff to provide some initial

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training and refresher training at regular intervals throughout the campaign.

- The importance of the longevity of any gift or commitment **OUGHT** to be stressed to all fundraisers/agents.
- In cases where the primary aim of the Face-to-Face activity is to secure a form of non-financial commitment, but there is a possibility that the fundraising organisation will subsequently ask for a financial commitment from anyone with whom a relationship has been established (i.e. 'engaged'), then all agents **MUST**:
 - be made aware of this fact at the briefing session; and
 - during the initial Face-to-Face activity, inform the individual being engaged of the possibility of a subsequent financial commitment request from the fundraising organisation in the future.

6.0 Identification and Management of Operating Locations

6.1. Identifying Appropriate Sites

Throughout the UK, different governing bodies have statutory and non-statutory requirements. In most instances, the local authority will be the relevant statutory body governing a public place and the police have responsibility for public protection. For example, in Northern Ireland the Northern Ireland Police Service licenses sites and the Metropolitan Police Service is the relevant authority in its area of operation.

In some cases, local authorities may delegate site allocation to the Public Fundraising Regulatory Association (PFRA).

- To clarify who is responsible for managing the site, organisers **OUGHT** to contact the PFRA.

Organisers may then be directed to the local authority or the police if the PFRA does not have responsibility for the site in question.

- If the PFRA has responsibility for the sites in question, organisers of Face-to-Face activity **SHOULD** refer to the PFRA's site allocation booking system.
- Fundraising organisations and professional fundraising organisations engaged in Face-to-Face activity **SHOULD** consider becoming members of the PFRA (see 9.1).
- No Face-to-Face activity **OUGHT** to be carried out unless the project manager

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is satisfied that access for the approaches has been agreed by the relevant access authority/ies (local authority, town centre manager or the police).

- This **SHOULD** include formal approval from all appropriate access authorities which in most cases will be the local authority and the police.

6.2 Accessing Sites in Streets and Places of General Public Access

- Where possible, a Site Agreement **OUGHT** to be in place between the Face-to-Face activity organisers and relevant access authority.

This seeks to establish a code of conduct that allows the agents to approach members of the public without inconveniencing them.

- Organisers **SHOULD** contact the PFRA and obtain details of any relevant Site Agreement.
- Where no PFRA Site Agreement exists, or for non-PFRA members, organisers **SHOULD** contact the relevant access authority directly and follow the guidance below.
- A Site Agreement **SHOULD** state:
 - the named identity, title and authority of a key contact within the appropriate access authority and, where possible, to have written notification from them;
 - the location of sites proposed to be used for the fundraising activity;
 - dates and times when approaches will be made;
 - the types of solicitation that will be made (for direct debits or for other forms of engagement);
 - the name and contact details of the organisation undertaking the activity;
 - the name and contact details of the project manager within the organisation; and
 - the name and contact details of the fundraising organisation(s) that will benefit from the activity.
- The project manager **SHOULD** maintain a written record of all relevant communications including the date, time, name, authority and contact details of correspondent(s) together with a note of the outcome of each contact.
- The project manager **SHOULD** confirm the agreement with the relevant contact, in writing, at the earliest opportunity and before the commencement of any Face-to-Face activity.
- The project manager **SHOULD** ascertain whether the local police require

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notification of Face-to-Face activity and abide by this policy, if requested.

6.3 Accessing Appropriate Operating Sites for House-to-House Activity

- The project manager of the Face-to-Face activity **MUST** comply with appropriate and relevant legislation.

In England and Wales, unless the fundraising organisation holds a National Exemption Order, a local authority licence is required if the fundraising organisation or agency is soliciting a commitment to donate at the point of interaction. If the initial visitation is only to deposit promotional literature and secure permission to return at a later date to effect a solicitation, then a licence is not required. In Scotland, a licence from the local authority is not needed for Face-to-Face fundraising although this may change with the introduction of the new public benevolent fundraising regulations.

- Until then, local authorities **OUGHT** to be informed of any Face-to-Face activity being carried out in the area.
- Wherever possible, project managers **SHOULD** ensure that only one unsolicited approach is made to a particular dwelling on behalf of a particular fundraising organisation in a six month period.
- Fundraisers wishing to carry out cold calling in a Cold Calling Control Zone (CCCZ) **OUGHT** first to establish whether fundraising is permitted in the zone.
- If it is not then they **SHOULD** seek further information from the local Trading Standards Service so that they can assess whether the zone has been established in accordance with the spirit of the Trading Standards Institute guidance on CCCZs and in particular whether:
 - a proportionate approach has been taken to implementing measures to benefit consumers;
 - the creation of the zone complies with the requirement that there be intervention only where there is a clear case for protection of consumers; and
 - the zone is tightly targeted, has the agreement of local people and is based on local need and the needs of vulnerable communities
- If a zone has been created legitimately, following the Trading Standards Institute's guidance, fundraisers **OUGHT NOT** to cold call.
- If a zone does not meet the requirements above or fundraisers are unable to obtain the information, the fundraisers **SHOULD** assess the risks of carrying out cold calling within the zone. In particular, they **SHOULD** consider:

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- the reputational risk arising from flouting local wishes. There may be adverse press comment as well as animosity from residents and complaints to the local Trading Standards Service and the Fundraising Standards Board;
 - many residents may believe that the zone is enforceable and has legal basis;
 - whether and how approaches should be made to houses which display a 'no cold callers' sticker;
 - how they will justify the fundraising organisation's position; and
 - whether the benefit to the fundraising organisation is likely to outweigh the detriment
- Fundraisers **SHOULD** ensure that their organisation's board or those with the appropriate delegated authority have approved a policy on this matter before carrying out cold calling in a CCCZ.

See also the House-to-House Collections Code of Fundraising Practice.

7.0 After the Face-to-Face Activity has Taken Place

- All personal information **MUST** be collated and returned to the project manager in a prompt and secure manner as agreed by the fundraising organisation and in compliance with Data Protection law.
- The project manager **OUGHT** to agree with the fundraising organisation an appropriate mechanism for the administration of collected information and the apportionment of responsibilities associated with them.
- The project manager **OUGHT** to agree with the fundraising organisation an appropriate mechanism for addressing questions and complaints associated with all aspects of the activity, and this **OUGHT** to be maintained in writing.
- The fundraising organisation **OUGHT** to transmit promptly complaints that it receives connected with the activity undertaken in its name to the project manager and vice versa.

8.0 Key Legal Points

- Organisers **MUST** check whether the new laws are in force before proceeding with the activity.

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England and Wales

This revision of the Code is based on the current law in the UK in May 2008.

Significant changes will occur when the Public Collections provisions of the Charities Act 2006 are implemented, which is not expected before 2010.

- Where the fundraising activity is undertaken by professional fundraising organisations on behalf of fundraising organisations, the professional fundraising organisation **MUST*** ensure that it complies in full with the requirements of Part II of the Charities Act 1992. See Section 5.2 for further information on the fundraising statement.
- There **MUST*** be a contract between the professional fundraising organisation and the fundraising organisation.

In England and Wales, a professional fundraiser is any person (apart from the charitable institution or a company connected with such an institution) who carries on a fundraising business for gain which is wholly or primarily engaged in soliciting or otherwise procuring money or other property for charitable, philanthropic or benevolent purposes; or any other person who solicits for reward money or other property apart from:

- any charitable institution or connected company;
- any officer, employee or trustee of a charity or connected company; acting in his capacity as such. Note, however, that although excluded from the definition, these people are now required to make statements as if they were professional fundraisers;
- any charity trustee;
- any public charitable collector – other than promoters;
- people who solicit funds on TV or radio; or
- any commercial participator.

In addition, the definition of a professional fundraiser in England and Wales does not apply to a fundraiser who does not carry on a fundraising business if the fundraiser receives £1,000 or less by way of remuneration in connection with a particular venture or £10 per day or £1,000 or less per year.

Scotland

Scottish law also requires there to be a written agreement between the fundraising organisation and professional fundraiser.

- Fundraising organisations **MUST*** make sure they comply with the law as it stands at the time of the campaign. The Office of the Scottish Charity Regulator (OSCR) can provide more information. The Institute of Fundraising

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also has a Code of Fundraising Practice for fundraising in Scotland which will be updated when appropriate.

- Professional fundraisers (or their employees) as well as officers, employees and trustees of a charitable institution **MUST*** make a statement specifying:
 - the institution or institutions for which they are raising funds and if there is more than institution, the proportions in which they are to benefit; or
 - if they are raising funds for general charitable, benevolent and philanthropic purposes (rather than a particular body), an indication of this fact and the details of how the distribution of funds will be determined; and:
 - if they are professional fundraisers (or their employees), details of whether they are to receive remuneration (if the solicitation is being conducted orally, the professional fundraisers (or their employees) **MUST*** also indicate that the information contained within the statements is also available in writing); and
 - if they are paid officers, employees or trustees of the institution, the fact that they are receiving remuneration.

Northern Ireland

Northern Ireland presently has no equivalent regulation of professional fundraisers or commercial participators nor requirement for written agreements. However, the new Charity Act will introduce new controls on professional fundraisers and commercial participators which will include a requirement for a written agreement, clarification of key information relating to the collection and its purposes. The aim is to increase accountability and provide greater transparency for donors and will be similar to the Regulations in England and Wales and Scotland.

UK

- For further information, see the Best Practice for Fundraising Contracts Code of Fundraising Practice.
- All activity **MUST** conform with Data Protection law. See the Data Protection Code of Fundraising Practice.
- The fundraising organisation **MUST** seek to clarify the ownership of copyright with respect to all materials and databases connected with the activity, prior to instigating that activity.
- The Provider of the activity **SHOULD** be mindful of its potential liabilities with respect to fundraisers/agents employed by it or by others who are engaged in the Face-to-Face activity on its behalf.

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9.0 Appendices

9.1 The Role of the PFRA

The Public Fundraising Regulatory Association (PFRA) is a UK-wide self-regulatory body for organisations involved in Face-to-Face activity in public places, (whether they be charities commissioning the activities (“Users”) or Professional Fundraising Organisations (PFOs) providing appropriate services (“Providers”). It exists to promote best practice in the execution of Face-to-Face.

In addition it seeks, where permitted by law or local authority agreement, to allocate effective operating sites and opportunities among its members on an equitable basis. It also operates an ‘overlap avoidance’ scheme for door-to-door practitioners (those involving an ongoing commitment, rather than traditional house-to-house collections).

9.2 Useful Contacts

- Charity Commission
www.charity-commission.gov.uk
- Fundraising Standards Board
www.frsb.org.uk
- Institute of Fundraising
www.institute-of-fundraising.org.uk
- Office of Fair Trading
www.oft.gov.uk
- Office of the Scottish Charity Register
www.oscr.org.uk
- Office of the Third Sector
www.cabinetoffice.gov.uk/third_sector
- PFRA
www.pfra.org.uk
- Trading Standards Institute
www.tradingstandards.gov.uk
- Working Time Regulations
www.berr.gov.uk

9.3 Working Party

- Milly Ahmed, Gift
- Mick Aldridge, PFRA

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- Chris Ashworth, Oxfam
- Alice Carter, British Red Cross
- Morag Flemming, Quarriers
- Nick Henry, Concern Worldwide
- Caroline Howe, Institute of Fundraising
- Ben McNaught, Shelter
- Megan Pacey, Institute of Fundraising
- Sharon Rasmussen, Dialogue Direct
- Judith Rich OBE (Chair)
- Rupert Tappin, Future Fundraising
- Claire Thomas, VSO
- Kathryn Toner, Cancer Research UK

Institute of Fundraising Code Working Parties provide advice and make recommendations to the Institute's Standards Committee in the process of Code development.

This Code was updated in December 2009.

Appendix 1 – Abridged Code of Practice

- 1) We always tell potential donors clearly that we are paid to speak with them, and that we are not volunteers - if this is the case - and we explain the basis on which we are paid.
- 2) We always carry and display ID so that any potential donor can verify who we are, whom we are working for and on whose behalf we are fundraising.
- 3) We always represent our charity or Not for Profit Organisation (NPO) at the time, in the place, and in the manner that has been previously agreed both with the charity / NPO and with the relevant site owner or Local Authority, and as directed by our team leader or other responsible agency personnel.
- 4) We always explain to a donor how the Charity or NPO will communicate with them after subscribing, and if they are likely to receive a follow up phone call we inform them of this.
- 5) We always ensure that forms with personal details provided by donors are handled at all stages in a secure manner.
- 6) We always end a conversation in a polite and respectful manner as soon as we are asked to.
- 7) We always ensure, wherever possible, that if a member of the public has a complaint, a full and accurate record of the complaint and the complainant's contact details are taken so that action can be taken promptly and appropriately. We will also offer the complainant contact details for a person in authority who can respond to their concerns.
- 8) We never say or do anything that could pressurise or harass people and we do not use manipulative techniques.
- 9) We never confuse or mislead the public and we never say, do or display anything for which we have not been given permission by the charity or NPO
- 10) We never behave whilst on duty in any way that might bring the charity / NPO or our employer into disrepute.

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Cheltenham Borough Council

Cabinet – 19 June 2012

Licensing of Rickshaws in Cheltenham

Accountable member	Cabinet Member Housing and Safety - Councillor Peter Jeffries
Accountable officer	Director of Wellbeing & Culture – Sonia Phillips
Accountable scrutiny committee	Overview and Scrutiny Committee
Ward(s) affected	All
Key Decision	No
Executive summary	<p>The Council has been approached with a request to licence rickshaws in the borough. A rickshaw is potentially licensable as a Hackney Carriage.</p> <p>The Council's current Licensing Policy, Guidance and Conditions for Private Hire and Taxis impose restrictions on the licensing of Hackney Carriages. A rickshaw would not meet these criteria.</p> <p>Cabinet is asked to consider whether in principle it agrees to the potential licensing of these types of vehicles and their drivers and, if so, to approve a draft policy, procedure and conditions for consultation.</p>
Recommendations	<ol style="list-style-type: none"> 1. That Cabinet approve in principle the licensing of these types of vehicles and their drivers. 2. Subject to recommendation 1 above, approve the draft policy for consultation at Appendix 2. 3. That subject to recommendation 1 that the approval in principle of the licensing of these types of vehicles and their drivers be subject to an initial trial period, if Members consider this to be necessary.
Financial implications	<p>There are no financial implications arising from this report. The number of additional licences issued in the first year is not expected to have a significant effect on existing budgets.</p> <p>Contact officer: Sarah Didcote, sarah.didcote@cheltenham.gov.uk, 01242 26 4125</p>

Legal implications	<p>The legal implications are contained in the body of the report. If Cabinet approves in principle the licensing of these types of vehicles and their drivers an application would have to be submitted to the Licensing Department. Each application will then have to be considered on its own merits.</p> <p>Contact officer: Sarah Farooqi, sarah.farooqi@tewkesbury.gov.uk, 01684 272693</p>
HR implications (including learning and organisational development)	<p>There are no HR implications arising from this report.</p> <p>Contact officer: Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 26 4355</p>
Key risks	As outlined in Appendix 1
Corporate and community plan Implications	<p>Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change</p> <p>Cheltenham has improved access and travel options</p> <p>Unemployed people are able to access employment and training</p> <p>Attract more visitors and investors to Cheltenham</p>
Environmental and climate change implications	<p>Rickshaws offer an environmentally friendly alternative form of public transport</p>

1. Background

- 1.1 Rickshaws (sometimes referred to as pedicabs) are pedal-powered cycles (typically with three or four wheels) used for the purpose of carrying fare paying passengers. Within this country they are a relatively new form of public transport and prominently feature in the London street scene. Outside London such vehicles are classified as hackney carriages (taxis) and are licensed as such.
- 1.2 Within the borough, rickshaws have never been licensed by the Council.

2. Legislative Framework

- 2.1 The Council has the discretion under the Town Police Clauses Act 1847 and the Local Government (Miscellaneous Provisions) Act 1976 to licence rickshaws as hackney carriages. The power to licence rickshaws as hackney carriages has been subject to some debate but the position was clarified in the Court of Appeal (R v Cambridge City Council ex parte Lane – 13 July 1998).
- 2.2 Section 38 of the Town Police Clauses Act 1847 explains the definition of a hackney carriage as being “Every wheeled carriage, whatever may be its form or construction, used in standing or plying for hire in any street within the prescribed distance”.
- 2.3 Furthermore the Local Government (Miscellaneous Provisions) Act 1976 permits the Council to impose conditions on the grant of a hackney carriage vehicle licence.

3. Policy Implications

- 3.1 The Council has a strict policy regarding the type and specification of vehicles, which may be licensed as hackney carriage vehicles.
- 3.2 Rickshaws would not meet this criterion. The Council can depart from its adopted policies if it considers there to be strong reasons for doing so. It is therefore possible for a rickshaw to be licensed.
- 3.3 As with Hackney Carriages, to ensure basic standards of fitness, certain requirements and conditions may need to be applied to any licence. A draft policy has been drawn up for consideration by Members. This policy is attached at **Appendix 2**.

4. Issues to Consider

- 4.1 The licensing of rickshaws in the borough would present a range of new and relevant issues, both negative and positive, for the Council to consider having no experience of such a service previously.
- 4.2 **Positive Considerations**
 - 4.2.1 Rickshaws offer an alternative and environmentally friendly form of public transport very much in keeping with the Council's priority of reducing carbon emissions in the borough.
 - 4.2.2 Operated on certain routes rickshaws may attract tourists wishing to use such a novel form of transport. Promoting Cheltenham as a tourist destination is also a Council priority and rickshaws could promote that priority.
 - 4.2.3 At certain times getting from one point to another in a rickshaw may well be quicker than in a car, especially during the busy summer season hour. Furthermore, taxi's in town are at times reluctant to accept short fares (for example from the Promenade to Montpellier) and rickshaws

may offer a pragmatic solution to this problem.

4.2.4 Rickshaws are unlikely to compete with existing licensed hackney carriages. The majority of their journeys will be for short distances and within a defined area of operation.

4.2.5 The licensing of rickshaws could help to enhance the Council's priority of reducing unemployment, by creating local jobs and providing another avenue for local businesses to advertise.

4.3 Negative Considerations

4.3.1 Fare Charges - The Council sets maximum Hackney Carriage fares and has a policy that all Hackney Carriage vehicles are fitted with taximeters.

Theoretically it is possible to fit a meter on a rickshaw, however this is considered impractical, as it would require a battery and waterproof enclosure, be expensive and inappropriate. Furthermore battery failure or loss of charge would require regular re-setting of the calendar control system.

Finally, a rickshaw is unlikely to ever go fast enough to allow charging by distance.

Members will note however that an alternative solution has been offered in draft policy.

4.3.2 Fare Refusal - A hackney carriage driver cannot refuse to take a fare within the district unless he has a reasonable excuse. If the driver is tired, or the distance considered too far, then there is the possibility that prospective passengers may not see this as a reasonable excuse. The Council will be obliged to investigate any complaints in this regard and take the appropriate action.

To alleviate the potential problem of drivers growing tired, it is proposed in the draft policy that the area of operation of rickshaws be limited.

4.3.3 Accessibility - The Council's current policy restricts the licensing of new hackney carriages to vehicles that are fully accessible by people with disability. Clearly rickshaws are not constructed to be wheelchair accessible neither would it be practical for them to be so. This will not enhance the Council's ability to offer more choices for people with disabilities in relation to public transport but neither would it detract as the current options available will be unaffected by any decision in relation to this report.

4.3.4 Also relevant to the issue of wheelchair accessibility and compliance with equalities legislation. Under the Government's current proposals at some point between 2010 and 2020 all hackney carriage vehicles in the borough must be wheelchair accessible. At this stage rickshaws do not appear to be exempt from this legislation. However, if the requirement to have a 100% wheelchair accessible fleet comes into force, the Council will be required to review its licensing policy in relation to rickshaws to comply with any new statutory regulations.

4.3.5 Taxi Ranks - Due to the town centre's layout and existing traffic management and flow arrangements, there would be insufficient highways infrastructure in place at present to accommodate multiple ranks for rickshaws. Although by consultation and changes to existing arrangements it may be possible to overcome the issue in the medium/long term.

Furthermore, the Council is permitted to control the number of hackney carriage vehicles, which use a particular taxi rank. However the legislation does not specifically indicate that the Council may appoint taxi ranks for specific types of hackney carriage vehicles. This may create difficulties if the Council attempt to appoint taxis ranks exclusively for the use of rickshaws. Any amendments to current taxi ranks or the introduction of a new rank is subject to statutory advertising and a period of time must be allowed for objections.

4.3.6 Safety – Rickshaws provide limited protection to passengers and driver. All makes/models of

motor vehicles normally undergo rigorous testing regimes and receive European approval before they are approved for use as a motor vehicle. Officers are not aware of any formal recognised safety standard for specifically rickshaws and it is a concern that the level of impact protection is negligible.

4.3.7 On the point of safety, Members must bear in mind that the ultimate aim of the licensing regime is public protection and safety and Members must be satisfied that public protection is not compromised by the introduction of such a licensing scheme.

4.3.8 Traffic Flow and Management - The Council recognise that rickshaws can present unique challenges with regards to traffic flow, highway access, obstruction and safety.

This is particularly relevant in Cheltenham town centre where:

a) a number of one way systems are in operation,

b) a significant section of the town centre being pedestrainised with limited vehicular access, and

c) on street parking combined with bus stops narrow the width of the road which can cause obstruction and difficulties with traffic flow.

4.3.8 In light of the above, Members may consider it appropriate to initially agree a trial period for the new licensing scheme.

5. Draft Policy – Proposals

5.1 Members are asked to also approve the draft policy for consultation attached at **Appendix 2**.

5.2 Although all the proposals are contained in the draft document, Member's attention is drawn in particular to the proposals below;

5.2.1 A requirement for drivers to provide evidence of having achieved *Level 3 of The National Standards for Cycle Training* using a rickshaw and must be able to provide certified documentary evidence of this achievement.

5.2.2 Level 3 Competence for all cycling trips - This level trains drivers to make journeys in a variety of traffic conditions competently, confidently and consistently. Cyclists reaching the Level 3 standard will be able to deal with all types of road conditions and more complex situations. The course covers dealing with hazards, making 'on-the-move' risk assessments and planning routes for safer cycling.

5.2.3 The Council considers it appropriate *to only licence purpose built tricycle rickshaws fitted with at least 2 passenger seats and of a design, which has the driver in the front or forward position and the passengers seated to the rear.*

5.2.4 It is not considered practical to licence mechanically propelled (to whatever extent) rickshaws in town. This is due to complication relating to parking, access and traffic flow.

5.2.5 With regards to fares, it is considered that the most simple and effective method of regulating the fares for rickshaws would be to *set a single maximum fare for each half hour or part thereof for each hiring.*

5.2.6 This would introduce a fare structure different from the Council's current adopted fares for Hackney Carriage. The Council can exercise discretion to adopt such a fare structure subject to it following the statutory procedure for adopting the fare structure. There will be a financial implication for doing so as the proposed fees will have to be approved, advertised and adopted but the cost will be recouped through licence fees.

- 5.2.7** For the reasons stipulated in the policy, it is proposed that the area of operation for licensed rickshaws be limited to the *core commercial area of the town and Evesham Road up to Walnut Close for access to Pittville Park*. A copy of the plan outlining the core commercial area is attached at **Appendix 3**.
- 5.2.8** *Driver Code of Conduct* for in respect of rickshaws is attached at Appendix A of the draft policy.
- 5.2.9** *Conditions attached the grant of a rickshaw hackney carriage licence* is attached at Appendix B of the draft policy.
- 5.2.10** A copy of the “certificate of fitness compliance sheet” referred to in the draft policy is attached at **Appendix 4**.
- 5.3** It is not proposed in the draft policy that rickshaw drivers be required, initially, to pass a knowledge test. The current knowledge test is not suitable for rickshaw drivers, largely due to the fact that they will be restricted to operate within a limited area and will be subject to different licence conditions.
- 5.4** However, if Members decide to approve the scheme subject to a successful trial, it will become necessary for the Council to introduce a special knowledge test. Alternatively, if Members consider a trial period to be unnecessary the scheme can be approved subject to the creation of a specific knowledge test.
- 5.5** Furthermore, in the event where Members may not wish to extend the scheme, it would be considered unreasonable to require drivers to complete a recognised NVQ qualification. This is largely due to the length of time it would take to obtain the NVQ and the possible financial burden on drivers to do so. However the requirement to obtain a NVQ could be imposed and applied retrospectively.
- 5.6** The vehicle and driver licences issued in respect of rickshaw hackney carriages will have effect in respect of rickshaws only and will not be transferable to be used for motor vehicles.

Licence Fees

- 5.7** It is proposed that the following fees apply;
- 5.7.1** Driver Licence – Adopt the current fee for taxi driver’s which is currently £90 for a one year licence or £215 for a three year licence. The Council is only entitled to charge for the cost of issuing a driver’s licence and the proposed application procedure for rickshaw drivers will not differ from the current procedure for licensing other taxi drivers and so the cost should remain the same.
- 5.7.2** Vehicle Licences – The Council is entitled to charge for enforcement, inspection and other costs associated with the issue of a vehicle licence but always on a cost neutral basis. It is not proposed that the application and ongoing admin procedures for rickshaw vehicles will substantially differ from the current procedure for licensing other taxi vehicles and so the cost should remain the same which is currently £200 which includes the cost of the licence plate.

6. Consultation

- 6.1** If Members are minded to approve the draft policy, it will be necessary to consult with a number of key stakeholders.
- 6.2** Formal consultation will be undertaken with the stakeholders to gain a wider view on the proposals in particular with reference to the impact, both positive and negative, licensing

rickshaws will have. These stakeholders are:

- Gloucestershire Highway
- Gloucestershire Constabulary
- Integrated Transport
- Town Centre Manager
- Hackney Carriage Trade
- Licensing Committee

6.3 It is not considered necessary to consult for the normal 12 weeks on this occasion. It is proposed that the consultation will run for 4 weeks.

6.4 A further report will be submitted to Cabinet following the consultation period to consider the outcome of the consultation.

6.5 Final adoption of the draft policy will be a Full Council function.

7. Equality Impact Assessment

7.1 There is a requirement on the Council to consider equalities as part of its decision making process and the effect decisions will have on different groups in the community.

7.2 To this end, the Council currently has a policy in place to restrict the issue of new hackney carriage licences to vehicles that are fully accessible by people with disability.

7.3 The Council, in deciding to licence rickshaws, will deviate from this policy since rickshaws are not, for example, constructed to be wheelchair accessible neither would it be practical for them to be so.

7.4 If Members are to approve the licensing of rickshaws, clearly then people with disabilities will be unable to use this form of public transport. Nevertheless, it is not considered that this will adversely impact on people with disability's access to public transport mainly because the current public transport options available for this group of people will not be affected by such a decision.

8. Reasons for recommendations

8.1 To seek Member agreement to issue licences in respect of rickshaws.

9. Alternative options considered

9.1 Members can decide that the licensing of rickshaws is not something that it considers appropriate for Cheltenham.

Report author	Contact officer: Louis Krog, louis.krog@cheltenham.gov.uk , 01242 77 5004
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Appendices	<ol style="list-style-type: none">1. Risk Assessment2. Draft Policy, Procedure and Conditions for Licensing Rickshaws3. Map of “Core Commercial Area”4. Proposed Certificate of Fitness Compliance Sheet
Background information	<ol style="list-style-type: none">1. Service Records

The risk				Original risk score (impact x likelihood)			Managing risk					
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register	
	If Cabinet approves the licensing of rickshaws there is a risk that the Council will be unable to effectively control this form of licensing unless it also adopts an appropriate policy.	Licensing & Business Support Team Leader	19/6/12	2	3	9	Accept	Adoption of the appropriate policy	TBC	Licensing & Business Support Team Leader		

Explanatory notes

Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being negligible and 5 critical)

Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)

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

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CHELTENHAM
BOROUGH COUNCIL

Cheltenham Borough Council

**Policy, Procedure and Conditions for Licensing
Rickshaws**

All enquiries should be directed to:-
Licensing Section
Municipal Offices
Promenade
CHELTENHAM
GL50 9SA
Tel: 01242 775200
E-mail: licensing@cheltenham.gov.uk
Website: www.cheltenham.gov.uk/licensing

This policy was adopted by Cheltenham Borough Council on **xxxx**.

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1. Procedure for Licensing Rickshaws

2. Policy

3. Conditions

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Introduction

It is an established fact (*R v Cambridge City Council* [1999] R.T.R. 182) that non-motorised vehicles are to be licensed as Hackney Carriages. For the purpose of this policy therefore, rickshaws will be understood to mean Hackney Carriages and riders as Hackney Carriage drivers.

The Council has the responsibility to regulate and control all drivers and vehicles used for carrying passengers for hire and/or reward within the borough under the provisions of the Town Police Clauses Act 1847 and the Local Government (Miscellaneous Provisions) Act 1976. This policy will provide guidance to applicants and other interested parties, officers and Members on the approach the Council will take when licensing rickshaws.

For the avoidance of doubt, this policy has been set and adopted in addition to the Council's general *Licensing Policy, Guidance and Conditions for Private Hire and Taxis*. Unless otherwise stated, the scope and provisions of this policy has no bearing on the Council's general policy and vice versa.

Definitions

"The 1847 Act"	The Town Police Clauses Act 1847
"The 1976 Act"	The Local Government (Miscellaneous Provisions) Act 1976
"The Council"	Cheltenham Borough Council
"The Borough"	The Borough of Cheltenham
"The Licence"	a licence granted in respect of a Rickshaw Hackney Carriage granted pursuant to Section 37 of the Act of 1847
"Rickshaw Hackney Carriage"	a vehicle in respect of which there is a licence in force under Section 37 of the Act of 1847
"Rickshaw Rider"	a driver licensed by the Local Authority to be in charge of a licensed rickshaw and which there is a licence in force under Section 46 of the Act of 1847
"Vehicle licence number"	the number allocated by the Council to a licence granted for a hackney carriage
"Vehicle plate"	the plate provided by the Council for affixing to a hackney carriage pursuant to Section 38 of the Act of 1847

“Core Commercial Area”

The said area as outlined in the
“Cheltenham Borough Local Plan”
adopted July 2006

References to the male gender shall be construed as including reference to the female gender where appropriate.

References to “rickshaw” shall be construed to also include Pedicabs or any other non-motorised vehicles.

All other words and phrases in these conditions shall bear the meanings ascribed to them (if any) in the 1976 Act and the 1847 Act.

All obligations contained in the Licence Conditions are to be construed as the obligations of the Licence.

1. Procedure for Licensing Rickshaws

- 1.1 The Council has a statutory duty to regulate Hackney Carriages and Hackney Carriage Drivers in the interest of public safety and protection. To this end, the Council will adopt the following procedures for licensing rickshaws and rickshaw riders.
- 1.2 Non-motorised vehicles will be subject to the same statutory provisions as motorised vehicles which includes the Council’s Hackney Carriage byelaws.

Riders

- 1.3 To apply for a licence, the applicant must be over 18 years of age, be a fit and proper person as defined by section 59(1)(a) of the 1976 Act, hold a full original DVLA driving licence for a period of no less than 12 months and be proficient in English.
- 1.4 In addition, the applicant must provide the Council with the following documents when making a first application:-
 - a) Licence application form completed in full;
 - b) The appropriate fee;
 - c) A full original DVLA driving licence (or equivalent driver’s licence) that has been issued for at least 12 months;
 - d) A passport sized, colour photograph which must be clear and concise, with no face or head covering;
 - e) CRB enhanced disclosure application form and fee;
 - g) Documentation regarding applicant's right to work in UK (if applicable);
 - h) Medical certificate (In accordance with DVLA Group 2 driver standard for medical fitness of Hackney and Private Hire drivers & by a practitioner who has access to the applicant’s medical history);
 - i) Provide evidence of having achieved Level 3 of The National Standards for Cycle Training using a rickshaw and must be able to provide certified documentary evidence of this achievement.
- 1.5 If convictions or charges are revealed, the Council will make a decision as to their relevance in reference to its adopted policy on the Relevance of

Convictions (from the Council's general policy available at www.cheltenham.gov.uk/licensing). The Council may require further information from the Police or Crown Prosecution Service prior to making a decision.

- 1.6 Applicants who have previous criminal convictions, cautions, fixed penalty notices or charges pending will be interviewed and details of that interview may be included in any report which is referred to the Licensing Committee.
- 1.7 If the information received is deemed relevant the licence may be refused.
- 1.8 Failure to disclose any previous convictions, cautions fixed penalty notices or pending charges maybe construed as an attempt to deceive and appropriate and proportionate action will be taken.
- 1.9 All riders will be issued with 2 driver badges detailing the licence number, expiry date and a photograph of the licence holder. One badge must be worn at all times when the rider is working and be clearly visible and the other must be displayed inside the rickshaw in a prominent position so that it can be clearly seen by passengers.

Renewal Applications

- 1.10 Holders of existing licences must apply to renew their licence in the month preceding the expiry date and ideally should be submitted as early as possible prior to the expiry of the previous licence. The Council has no duty to notify riders that their licence is due for renewal, but as a courtesy and part of the Council's customer service will send reminders generally four to six weeks in advance of the expiry of the licence.
- 1.11 Upon renewal, the applicant will be required to produce the following:-
 - a) Completed renewal application form completed in full;
 - b) Current valid DVLA Driving Licence;
 - c) DVLA mandate form completed in black;
 - d) Correctly completed enhanced CRB form and fee;
 - e) Medical certificate (In accordance with DVLA Group 2 driver standard for medical fitness of Hackney and Private Hire drivers & by a practitioner who has access to the applicant's medical history);
 - f) The appropriate fee;
 - g) A passport sized, colour photographs which must be clear and concise, with no face or head covering.
- 1.12 All riders will be issued with 2 driver badges detailing the licence number, expiry date and a photograph of the licence holder. One badge must be worn at all times when the rider is working and be clearly visible and the other must be displayed inside the rickshaw in a prominent position so that it can be clearly seen by passengers.

Rickshaw Vehicles

- 1.13 The applicant must provide the Council with the following documents when making a first application:-
 - a) Licence application form completed in full;

- b) Policy of public liability insurance which covers use for hire and reward with passenger risks of no less than £5 million (The insurance certificate must have effect for the duration of the licence);
- c) Signed and completed certificate of fitness compliance sheet.

1.14 All vehicles will be issued with a window badge outlining the vehicle licence number, the vehicle licence expiry date, vehicle make, model and number of passengers permitted to be conveyed in the vehicle. The window badge must be displayed inside the vehicle in a visible position to passengers.

Renewal Applications

1.15 Holders of existing licences must apply to renew their licence in the month preceding the expiry date and ideally should be submitted as early as possible prior to the expiry of the previous licence. The Council has no duty to notify licence holders that their licence is due for renewal, but as a courtesy and part of the Council's customer service will send reminders generally four to six weeks in advance of the expiry of the licence.

1.16 Upon renewal, the applicant will be required to produce the following:-

- a) Licence application form completed in full;
- b) Policy of public liability insurance which covers use for hire and reward with passenger risks of no less than £5 million (The insurance certificate must have effect for the duration of the licence);
- c) Signed and completed certificate of fitness compliance sheet.

1.17 All vehicles will be issued with a window badge outlining the vehicle licence number, the vehicle licence expiry date, vehicle make, model and number of passengers permitted to be conveyed in the vehicle. The window badge must be displayed inside the vehicle in a visible position to passengers.

2. Policy

General

- 2.1 Each application will be determined on individual merits.

Vehicle Types to be Licensed

- 2.2 The Council recognise that Rickshaw Hackney Carriages can present unique challenges with regards to traffic flow, highway access, obstruction and safety.

This is particularly relevant in Cheltenham town centre where:

- a) a number of one way systems are in operation,
- b) a significant section of the town centre being pedestrainised with limited vehicular access, and
- c) on street parking combined with bus stops narrow the width of the road which can cause obstruction and difficulties with traffic flow.

Mechanically propelled vehicles will present difficulty for the Council, in reference to the above, and as a result, the Council considers it appropriate to only licence purpose built cycle rickshaws fitted with at least 2 passenger seats and of a design, which has the rider in the front or forward position and the passengers seated to the rear.

- 2.3 All Rickshaw Hackney Carriages must:-

- a) Display a vehicle plate which must be securely attached to the exterior of the rear of the vehicle in a prominent position;
- b) Be capable of carrying a minimum of 2 adult passengers in safety and comfort;
- c) Have sufficient roof and weather covering to be kept water-tight;
- d) At all times comply with the safety standards contained in this policy;
- e) Be fitted with operational lap belts, one for each passenger;
- f) Be fitted with operational and adequate lights;
- g) Display at all times, in a prominent position, the adopted fare card,
- h) Display window badge.

Safety

- 2.4 All Rickshaw Hackney Carriages must comply at all times with the following safety standards:-

- a) BS EN 14766:2005 Mountain-bicycles - Safety requirements and test methods or equivalent;
- b) Pedal Cycle (Construction and Use) Regulations 1983;
- c) Pedal Bicycle (Safety) Regulations 2003;
- d) Road Vehicle Lighting Regulations 1989.

Advertising

- 2.5 Advertising will not be permitted on the Rickshaw Hackney Carriages without the prior written consent of the Council.

Fares

- 2.6 Theoretically it is possible to fit a meter on a rickshaw, however this is considered impractical, as it would require a battery and waterproof enclosure, be expensive and inappropriate. Furthermore battery failure or loss of charge would require regular re-setting of the calendar control system. Finally, a rickshaw is unlikely to ever go fast enough to allow charging by distance.
- 2.7 As a result, the Council considered the most simple and effective method of regulating the fares for Rickshaw Hackney Carriages would be to set a single maximum fare for each half hour or part thereof for each hiring.
- 2.8 The maximum fares will be set by the Council in accordance with the statutory procedure prescribed by section 65 of the 1976 Act.

Area of Operation

- 2.9 Rickshaw Hackney Carriages can stand or ply for hire on any street with a prescribed district and must undertake any request for a journey. However, it would be unrealistic to expect rickshaws to undertake such journeys due to the physical demands on the rider. There must nonetheless be assurances that the passengers will be safely delivered to their destination with no risk that they may be ejected by the rider who becomes tired or fatigued. Consideration needs to be given to control of the areas of operation for Rickshaw Hackney Carriages in the borough.
- 2.10 To this end the Council considers it appropriate that the area of operation for Rickshaw Hackney Carriages be limited to the core commercial area of the town and Evesham Road up to Walnut Close for access to Pittville Park.
- 2.11 Rickshaw Hackney Carriages will only be permitted to operate on-street within the areas defined at paragraph 2.10 above. Access to pedestrianised areas and/or cycle lanes or routes will not be permitted.
- 2.12 Rickshaw Hackney Carriages will not be permitted to operate from designated hackney carriage ranks used by motorised hackney carriages.
- 2.13 For reasons mentioned in this policy, the Council will permit Rickshaw Hackney Carriages to operate from the cobbled area on the corner of Crescent Terrace and the outer Promenade. However, this area is limited in space and the Council would expect Rickshaw Hackney Carriages to move to other areas within the area of operation if the cobbled area is full to avoid obstruction of the highway.

Duration of Licences

Drivers

- 2.14 The Council will issue driver's licences for a period of 1 or 3 years.

Vehicles

- 2.15 The Council will issue vehicle licences for a period of up to 1 year.

Inspection of the Vehicle

- 2.16 Prior to a licence being granted to the intended Rickshaw Hackney Carriages must be inspected by officers of the Council.
- 2.17 Rickshaw Hackney Carriages will also require to be inspected annually by an officer of the Council. An inspection will include, but will not be limited to, the following:
- a) Front and rear brakes;
 - b) Front and rear lights;
 - c) Operation of lap belts;
 - d) Condition of tyres, wheels, spokes;
 - e) Reflectors;
 - f) Quick release mechanisms;
 - g) Condition of external body work.

Reporting Accidents

- 2.18 The rider must notify the Council of any accident or incident within 72 hours.

3. Conditions

- 3.1 Driver Code of Conduct for in respect of Rickshaws is attached at **Appendix A**.
- 3.2 Conditions attached the grant of a Rickshaw Hackney Carriage licence is attached at **Appendix B**.



CHELTENHAM BOROUGH COUNCIL

Code of Conduct for Cheltenham Borough Council Rickshaw Riders

I (insert name) hereby certify that in the course of my activities as a rickshaw rider I will:

- 1) Ensure the safety of my passengers, other road users and myself at all times and take all measures to avoid accidents and incidents.
- 2) Abide by the rules as set out in The Highway Code at all times.
- 3) At no time be under the influence of alcohol or any drugs, including prescription drugs that may affect my judgement.
- 4) Ensure that my passengers are offered the safety belt or lap belt before all journeys.
- 5) Charge a standard fare for all journeys which will be for the hire of the vehicle (not per passenger) and agree that fare with passengers prior to embarking on a journey and not to charge or demand more.
- 6) Ensure that all items belonging to passengers are stowed away and that scarves, coats or any other items are safely contained within the rickshaws.
- 7) Not solicit or tout for business.
- 8) Not overload the rickshaw. I will only take the number of passengers specified on the licence plate.
- 9) Be courteous and considerate to other road users, pedestrians, passengers and other persons at all times.
- 10) Not cause an obstruction to other vehicles or pedestrians especially around fire exits from buildings, e.g. theatres and licensed premises.
- 11) Wear my hackney carriage driver's badge (ID badge) at all times whilst working.
- 12) Carry out safety checks of brakes, steering, tyres, pedals, lights and the rickshaw in general before the commencement of work each day.
- 13) Assist any other rickshaw rider if they are experiencing difficulties.
- 14) Not become involved in racing of any kind.
- 15) Hand in any lost property to the Police station on Lansdown Road, Cheltenham.
- 16) Ensure that my passengers arrive at their destination safely and that I will take particular care of the vulnerable.

- 17) Not smoke or use a mobile phone whilst riding or allow passengers to smoke during any journey.
- 18) Not ride in pedestrian areas, cycle lanes or routes or on the pavement.
- 19) Not to operate in any area outside the designated area for operation.
- 20) Not use ranks designated for motorised Hackney Carriages.
- 21) Not take any action that might damage the reputation of the industry or licensing authority.
- 22) Report and document any accident or incident within 72 hours to the licensing authority.

Signed: Company: Date:

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RICKSHAW HACKNEY CARRIAGE VEHICLE LICENCE CONDITIONS

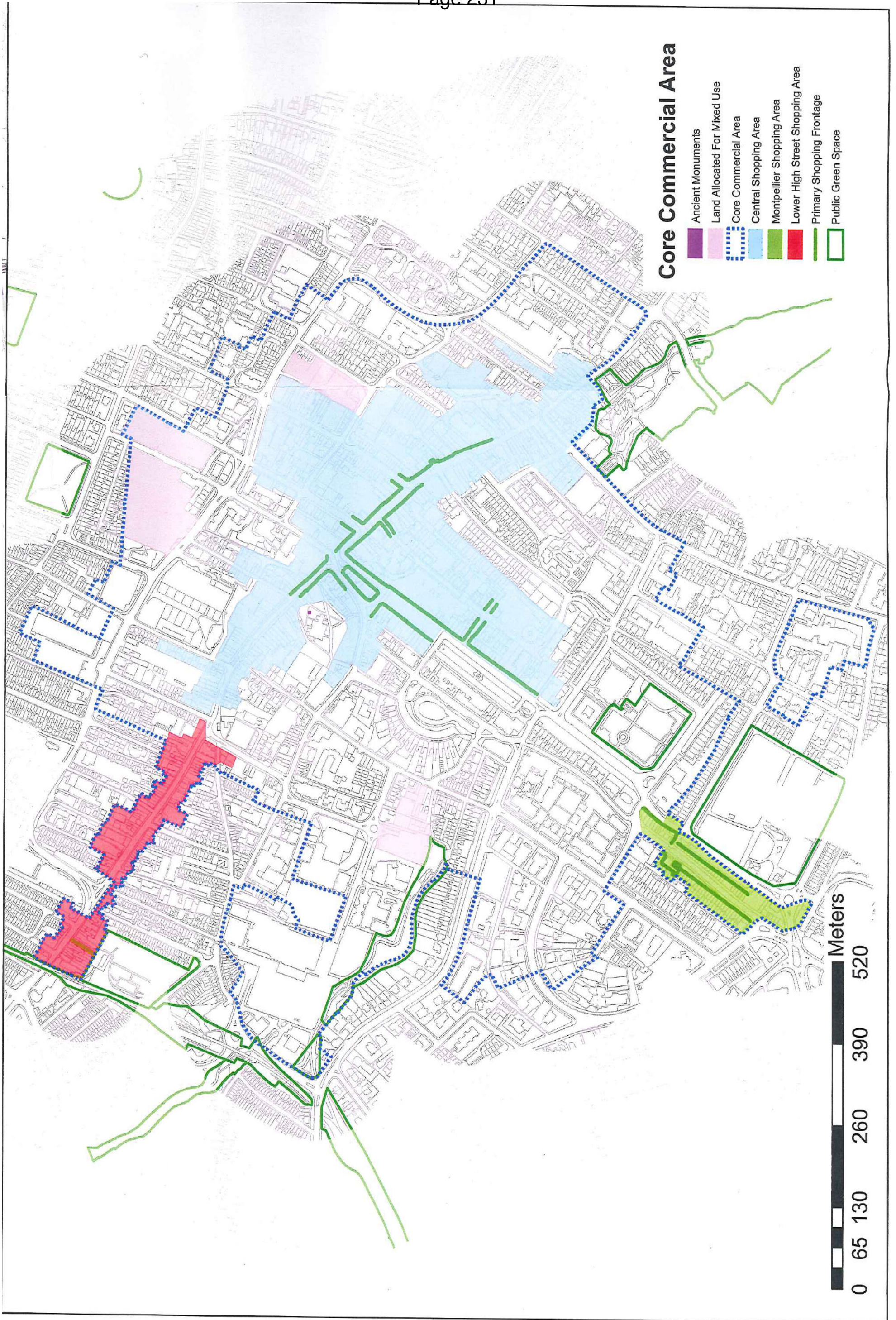
- 1) The rickshaw must at all times comply with the requirements of the BS EN 14766:2005 Mountain-bicycles - Safety requirements and test methods or equivalent, the Pedal Cycle (Construction and Use) Regulations 1983, the Pedal Bicycle (Safety) Regulations 2003 and the Road Vehicle Lighting Regulations 1989.
- 2) The rickshaw will be so constructed that it has a minimum of three wheels, one at the front and at least two at the rear.
- 3) The rickshaw must be fitted with a minimum of one front position light and a minimum of two rear position lamps and two rear retro reflectors.
- 4) The steering wheel when turned to full lock will not affect the stability of the rickshaw when turning.
- 5) Tyres must comply with the following requirements:-
 - tread pattern clearly visible over the whole tread area
 - no exposed cords
 - the load ratings of all tyres must be suitable for a rickshaw when fully loaded.
- 6) Any electrical installations to the rickshaw must be adequately insulated, protected from passengers and any battery fitted must be of the type that does not leak.
- 7) A rickshaw must not exceed 1250mm in width (excluding rear view mirror) or 2650mm in length.
- 8) There must be at least one mirror fitted to the offside of the rickshaw in order to monitor other road users. A nearside mirror is also permitted.
- 9) The floor covering of the passenger compartment must be of a non-slip material which can be easily cleaned. Any holds or handles to aid passenger access or egress should be clearly identified with high visibility yellow markings.
- 10) Any canopy or roof, when fitted, must remain fixed in position until required to be raised or lowered which will be achieved by means of a locking mechanism to secure the canopy or roof when raised or lowered and must remain water-tight.
- 11) The rear seat dimensions must be adequate to accommodate one or two adult passengers based on a width of 450mm per passenger and shall be forward facing.
- 12) Visibility from the passenger compartment must not be restricted by the design of the rickshaw. If the canopy or roof restricts vision then clear panels should be fitted to aid vision.
- 13) Every rickshaw licensed by Cheltenham Borough Council shall be fitted with seatbelts or lap belts which will be adequate to retain the passenger in the vehicle and must bear an EC or BSI mark.
- 14) The rider's controls and the surrounding area of the controls must be so designed that the rider has adequate room. The rider must be able to easily reach and quickly operate the controls and give hand signals when required. The position of the rider's seat must not be such that it restricts access or egress to the passenger compartment.
- 15) A written receipt will be given to each paying passenger and a copy kept by the licensed rider/proprietor. A chart explaining the fares shall be displayed in full view of any passengers.

- 16) The certificate of insurance must be displayed within the view of any passengers and should remain so when roof or canopy is lowered.
- 17) All rickshaw shall be required to be fitted with an audible warning instrument (bell) complying with the Pedal Cycles (Safety) Regulations 2003.
- 18) Rickshaws and all their fittings must be maintained to standards that meet these conditions of licence throughout the validity of the licence. They must be kept clean and in good order at all times and will be subject to tests and inspections. Any rickshaw found to be not properly maintained may have its licence suspended until such time as it is re-presented for inspection having had the defect(s) rectified. All testing will be carried out by CYTECH qualified technicians.
- 19) Suitable advertisements may be allowed on the exterior or interior of rickshaws subject to the approval of Cheltenham Borough Council. In addition they may display signs or notices which indicate professional skills or qualifications of the driver which enhance the rickshaw service to the public.
- 20) The materials used to form the passenger seats should be waterproof so that they will not absorb or retain water and should be constructed of a suitable fire resistant material to BS 5852 Part 1, 1979 or equivalent.
- 21) The rickshaw shall be of a design which has the rider to the front and passengers seated to the rear.
- 22) Rickshaws licensed by Cheltenham Borough Council will only operate within the specified area as outlined in the Council's adopted policy.
- 23) Rickshaws will only operate on-street within the areas defined above. Access to pedestrianised areas and/or cycle lanes or routes will not be permitted.
- 24) Rickshaws are not permitted to operate from designated hackney carriage ranks used by motorised hackney carriages.
- 26) The rickshaw shall not display any other signs or notices except those detailed above or approved by the Council.
- 27) The rickshaw shall not be a licensed hackney carriage of any other Council.
- 28) The licensed proprietor shall immediately notify the Council of the name and address of any other proprietor or person concerned in the keeping, employing or letting for hire of the licensed vehicle.
- 29) Upon a change of proprietor, the Council shall be notified within 14 days of such change by the licensed proprietor (which expression includes both Companies and Partnerships).
- 30) The Council's Licensing Section shall be notified within 72 hours of the following:-
 - a) any accident or incident affecting the safety, performance or appearance of the licensed vehicle or the comfort or convenience of passengers,
 - b) any alteration in the design or construction of the vehicle which may affect its general condition or suitability for use as a rickshaw.
- 31) The licensed proprietor of a rickshaw shall permit the inspection of all documents relating to the licensed vehicle at all reasonable times and by prior arrangement by authorised Officers of the Council or Police Officers.
- 32) Every vehicle shall display a licence plate, supplied by the Council, externally on the rear of the vehicle. The licence plate issued by the Council should be securely fixed to the rear of the

vehicle so that it is clearly visible. The licence plate will remain the property of the Council and must be returned to the Council immediately upon a change of vehicle or when requested upon the suspension, revocation or expiry of a vehicle licence.

- 33) Licensed vehicles must display a sign, supplied by the Council, inside the vehicle in a visible position to passengers, displaying the Council's details and the plate number of the vehicle. The sign will remain the property of the Council and must be returned to the Council when requested upon the suspension, revocation or expiry of a vehicle licence.
- 34) A hackney carriage driver's badge (ID badge) must be displayed inside the rickshaw when the rider is working, within the view of any passengers and should remain so when roof or canopy is lowered.

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RICKSHAW - Certificate of Fitness Compliance

CYCLE DEALERSHIP		ACT Membership No.	
Make:	Model:	Year manufacture:	Licence Plate No: (Renewals only)
Test date:	Time:	Examiner:	Cytech Level 3: Y/N
Name and address of rickshaw Proprietor:			

Pass/Fail
(√) (X)

1	Tyres	Tread pattern clearly visible over the whole tread area No exposed cords The load ratings of all tyres suitable for the pedicab when fully loaded	
2	Seat belts	All seat belts must conform to legal requirements and be operational	
3	Vehicle Bodywork	The structure must be in a sound condition with no signs of excessive corrosion or damage which may cause injury to passengers	
4	Mirrors	All mirrors must be securely mounted and not cracked, broken or corroded so as to distort any view to the rear. Where a mirror is intended to be adjustable it must be capable of being adjusted	
5	Road test	The rickshaw must be capable of manoeuvring safely and 'handles' correctly without any undue drift or pull etc.	
6	External Bodywork	The paintwork shall be clean, consistent and uniform over the whole vehicle. The paintwork shall be of a professional standard. All fitments shall be intact and free from any damage, stains or corrosion of any kind	
7	Seats and upholstery	There must be no sharp edges which would be likely to cause injury/damage. Seat coverings must be sound, intact, fitted snugly to seats and clean	
8	Floor	The floor must be in sound condition. If furnished with rubber mats they must be clean and in an undamaged condition. The floor coverings must not be so worn as to cause danger to passengers	
9	Hood	The hood shall be intact, clean and free from holes, tears, stains or any other damage	
10	Internal Licence Plate	Shall be displayed in such a position as to be easily seen by passengers	
11	External Licence Plate	Shall be securely fixed to the vehicle in such a position as to be clearly visible from the rear of the vehicle	
12	Safety Standards	The rickshaw complies with: - BS EN 14766:2005 Mountain-bicycles - Safety requirements and test methods or equivalent; - Pedal Cycle (Construction and Use) Regulations 1983; - Pedal Bicycle (Safety) Regulations 2003; - Road Vehicle Lighting Regulations 1989.	
	Pass	Fail	ACCREDITED CYCLE SHOP STAMP SIGNATURE OF EXAMINER:

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