

Cabinet

Tuesday, 11th December, 2012
6.00 - 7.25 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)
Also in attendance:	Councillor Penny Hall

Minutes

1. APOLOGIES

There were none.

2. DECLARATIONS OF INTEREST

There were none.

3. MINUTES OF THE LAST MEETING

The minutes of the meeting held on 13 November 2012 were approved and signed as a correct record.

4. PUBLIC QUESTIONS AND PETITIONS

There were none.

5. REPORT OF THE GRASS VERGES SCRUTINY TASK GROUP

Councillor Penny Hall, Chair of the Grass Verges Scrutiny Task Group introduced her report and explained that the review was generated by the number of complaints about the standard of grass cutting in Cheltenham. A small working group was set up comprising officers and members. The review had been very positive and had widened and deepened its role. It was a good result for scrutiny..

The Cabinet Member Sustainability said that the review had been thorough and he recommended that Cabinet accept all the recommendations. He looked forward to increased liaison with Gloucestershire Highways and Ubico via monthly meetings.

The Leader of the Council thanked the group for its work.

RESOLVED

To adopt the recommendations of the Scrutiny Task Group Report.

6. TREASURY MID-TERM REPORT

The Cabinet Member Finance introduced the report and explained that due to the difficult economic climate the Council's investment income had fallen. He reported the following :

- Short-term borrowing had been reduced from £7 million to £2 million
- Borrowing costs were now estimated to be £35 200 less than budgeted for
- Since the downturn the emphasis for investments has been on safety and security
- Investment income was slightly up at £10 200
- The range of investments had been widened, including in safe custody accounts
- With regard to Icelandic Bank investments 100 % would be recovered from Landsbanki and Glitnir and the accrued interest; approximately 85% would be recovered from Kaupthing Singer and Friedlander i.e. £10.5 million capital and £0.6 million interest which was better than expected and due to the efforts of the LGA

RESOLVED

To note the contents of the summary report of the treasury management activity during the first six months of 2012/13.

7. LEISURE & CULTURE COMMISSIONING REVIEW

The Cabinet Member Sport and Culture introduced the report and paid tribute to the current Leisure and Culture service which provided a diverse range of services. As it was a non statutory service she emphasised that there was a risk to future delivery if it was not possible to find a sustainable and viable model for the future. She explained that the conclusion of the options appraisal process was that the establishment of a new trust was the best option to not only deliver the priority outcomes but also to attract funds not available to local government for example charitable rate relief, gift aid and other grants.

The Cabinet Member reported that a cross-party Cabinet Member Working Group has supported the commissioning review since May 2011 and key partners and stakeholders have been kept up to the date with the review as it has progressed.

The Cabinet Member explained that as the Council proposes to enter into a contractual arrangement for the provision of leisure and cultural services it is necessary for it to undertake a limited market testing or advertisement exercise under EU Procurement Rules. The new single focused organisation would enable a sustained offering for the future and contribute to the Medium Term Financial strategy.

Subject to the recommendations being approved, the next key stage would include working up a management agreement in more detail.

The Cabinet Member Finance referred to the huge financial challenges which the Council was facing and believed the trust option represented a positive way

forward. He referred to the success of Cheltenham Festivals which had previously been an in-house operation and which now attracted commercial support which would be unavailable to a local authority. The status quo was not an option. He paid tribute to the hard work of officers who had been involved in investigating options for the service.

Members welcomed the recommendations and said it was an exciting prospect for the service and hoped it would become dynamic and vibrant. They recognised that there were fears but emphasised that leisure and culture was fundamental to the Cheltenham offering so it was vital that it succeeds. A question was raised on how the Council could manage or influence outcomes if potential problems arose. In addition concern was expressed that the Trust did not become subject to a take-over by a national body.

In response the Cabinet Member Sport and Culture said that the status quo also represented a risk and the next steps were crucial in terms of drafting the Articles of Association and the Management Agreement as well as appointing the right Trustees.

The Leader of the Council concluded the debate by saying that this represented a big opportunity but emphasised that important conversations were yet to be held.

RESOLVED THAT

1. The Executive Director, in consultation with the Cabinet Member for Sport and Culture and the Borough Solicitor, be authorised to commence the processes set out in sections 4, 5 and 6 of this report to create, subject to the outcome of a procurement process, a new charitable trust. The trust would have the legal form of a charitable company limited by guarantee and broad objects to advance health, arts, sports and education. The trust would begin operation no later than 1 April 2014.

2. the draft 10 year financial plan be agreed as outlined in exempt Appendix 1.E to the business case, as amended for the 2013-14 standstill budget to be reported to Cabinet as part of the 2013-14 budget process (see section **Error! Reference source not found.** of this report).

3. a further report be brought back to Cabinet at a later date to agree the memorandum and articles of association, heads of terms of the various agreements and a detailed business plan (if necessary) as set out in section **Error! Reference source not found.** of this report.

And Further:

4. that Council be recommended to allocate funding for one-off set up costs of £410,500, as outlined in section **Error! Reference source not found.** The source of funding will be recommended by the Council's Section 151 Officer in finalising the Council's revised budget 2012/13 and the budget proposals for 2013-14 including any impact on the

MTFS projections as part of the budget setting process for 2013/14, to be agreed by Council in February 2013.

8. WASTE SERVICE POLICY

The Cabinet Member Sustainability brought Members' attention to an amended recommendation that once approved, the new version of the Waste Service policy would substitute the version contained in Ubico's service contract with the Council dated 1/04/12.

The Cabinet Member explained that this policy formalised the waste and recycling collection service processes and procedures in a single document. In terms of enforcement the policies on sidewaste in bags and closed lids had been piloted in the summer and was now being rolled out.

Scott Williams, Strategic Client Officer, was invited to address Cabinet. He explained that the no sidewaste and closed bin lid policy was being implemented in a staged manner. 6000 properties had been targeted initially in St Pauls and this was now being rolled out to another area of 5500 properties in Charlton Kings and Battledown. He explained that the staged approach meant that support could be provided to those households who needed it. The demand for recycling boxes had subsequently increased.

Reference was made to private or unadopted roads and the Strategic Client Officer explained that refuse lorries only go as far as the highway boundary but in some instances, where the distance is long lorries do go beyond the boundary but this is at the owners risk.

Members welcomed the phased approach to enforcement and referred to the experience in St Pauls where the increased resource has enabled officers to contact landlords and knock on household doors. Demand for recycling boxes in this area has soared.

In response to a question on dealing with flytipping the Cabinet Member Sustainability explained that a policy on street cleaning was in the pipeline.

RESOLVED

That the Waste Service Policy be approved and its publication be authorised on the Council's website and be incorporated into the Council's contract with UBICO.

9. JOINT WASTE COMMITTEE

The Cabinet Member Sustainability introduced the report and explained that the establishment of a joint waste committee had been a long process. Doing things jointly with other councils created economies of scale. Initially three districts- Forest of Dean, Cotswold and CBC would be involved together with the county council but interest had also been expressed by Tewkesbury. Stroud DC and Gloucester City were still tied to contracts with suppliers but were keeping a watching brief via the Gloucestershire Waste Partnership meetings.

The Cabinet Member Sustainability explained that the joint committee approach could achieve several million pounds worth of savings in the longer term. A significant amount had already been achieved via the formation of Ubico but CBC would still benefit from a single system for waste collection and disposal

which could raise £100 k of savings for each authority for the first three years. The aim was ultimately to have a joined up countywide system.

The Cabinet Member Sustainability reported that certain decisions and functions would be retained by the districts, namely the design of the service, budgets and charges and enforcement. Officer time would be ringfenced. All other parties have agreed to go forward with the arrangement being implemented in April 2013.

The Leader of the Council acknowledged that it had been a long process and the establishment of Ubico had happened at the same time. He wished to put on record his thanks to the Cabinet Member and relevant officers.

RESOLVED THAT

a) the financial arrangements as set out in paragraph 3.1 of this report be approved

b) Subject to (a) above the Cabinet decision on 15 November 2011 be reaffirmed as follows:

- agree to establish the Gloucestershire Joint Waste Committee (GJWC) in accordance with Sections 101 and 102 of the Local Government Act 1972, and the Local Authorities (Arrangement for the Discharge of Functions) (England) (Amendment) Regulations 2001 made under Section 20 of the Local Government Act 2000;
- delegate to the Chief Executive in consultation with the Cabinet Member Sustainability, s151 Officer and the Borough Solicitor authority to finalise and complete the Inter Authority Agreement (including the Constitution), including but not limited to the delegation arrangement for enforcement, the year one Business Plan and other documentation and to take all necessary steps to create the GWJC by April 2013;
- agree that the existing Shadow Joint Waste Board and Programme Board arrangements will persist until the end of March 2013 to oversee this process.

Upon the establishment of the GJWC:

- delegate to the GJWC of this Council's functions in relation to the collection, management, disposal treatment, or recycling of waste and street cleansing described in detail in paragraph 4.1 of the 15th November 2011 Cabinet report but subject to the retained decisions as set out in paragraph 4.2 of the said report and as revised in the current inter-authority agreement at section 3.2;
- appoint Gloucestershire County Council as Administering Authority
- appoint Cllr Roger Whyborn and Cllr Steve Jordan to the GJWC.

10. HOUSING OPTIONS REVIEW

The Cabinet Member Housing and Safety introduced the report and explained that the commissioning review had reached the conclusion that there were two potential commissioning options available-in-house provision or transfer to the Council's Arms Length Management Organisation, i.e. Cheltenham Borough Homes.

He wished to highlight that the value demand for the Housing Options Service was 70 % and the value demand attributed to Homeseeker work was less than 30 %; the waste identified fell into 2 main categories, customer contact and the Homeseeker computer system.

Due to the welfare reform changes the in-house Housing Options team would be considering how the service needs to adapt to achieve the Council's stated outcomes for homelessness prevention. A further report would be brought back to Cabinet in May 2013 recommending the proposed commissioning option.

RESOLVED THAT

1. When undertaking service re-design, and commissioning the service, the Council requires the future service provider to identify and implement innovative services/schemes in an effort to combat the affects of welfare reform on the most vulnerable households. (Para 4.1.6)
2. Housing Options Management continue to pursue enhancements to the Homeseeker system and that the necessary training and changes to processes identified through systems thinking are progressed. (Para 4.2.5)
3. the conclusion that there are 2 potential commissioning options for Housing Options be endorsed, i.e. in-house and transfer the service to CBH and that a further report be brought back to Cabinet in May 2013 recommending the proposed commissioning option. (Para 4.3.9)

11. COUNCIL TAX DISCOUNTS ON EMPTY PROPERTIES

The Cabinet Member Finance introduced the report and explained that councils now had a discretionary power to set local discount levels on certain categories of empty properties that had previously been subject to exemptions from council tax for a limited period of time. The level of charge on properties classed as second homes could now be increased from 90 % to 100 %. Finance and revenue officers from all Gloucestershire districts had been working together to agree a countywide approach to all of the changes. He emphasised however that caution had been taken not to abolish a certain number of exemptions in the current arrangements, e.g. where a dwelling is left unoccupied by a person receiving care in hospital, so as not to impose unreasonable charges.

The Cabinet Member Finance also said that changing the exemptions in Class A to C was a sensible way forward and would generate a degree of extra income for the council but would also bring back empty properties into use.

He also highlighted that there would be an additional recommendation to Council (as circulated) confirming that the level of discount for long term empty properties should remain at zero.

The Leader of the Council added that this had been a very useful discussion to have at a countywide level.

RESOLVED that Council be recommended to

1. Set the level of discount for former class A exempt properties at 25% for the 12 month period, as detailed in table 1
2. Set the level of discount for former class C exempt properties at 100% for the first month and 25% for the remaining 5 months, as detailed in table 1.
3. Confirm the level of discount for long term empty properties should remain at zero
4. Set the level of discount on properties classed as second homes at zero

12. LOCALISATION OF COUNCIL TAX SUPPORT

The Cabinet Member Finance introduced the report and explained that the Government now enabled councils to decide council tax support schemes at a local level and councils could therefore introduce their own Council tax support system. Funding for this scheme would be at least 10 % less than is currently received. CBC had been working with other Gloucestershire authorities on a local scheme. Due to its complexity, and in anticipation of the introduction of universal credits it was proposed that for the first year the Government default scheme would be used with one modification, disregarding war widows and war pensions for working age customers. This would enable officers to use their time to work up a fair and robust scheme within the current resources.

The Cabinet Member highlighted that to offset the government cut it was important that this did not affect the poorest and most vulnerable in the community and that the burden be shared with those in a better position to pay it, hence the modifications to the policy on council tax discounts.

RESOLVED that:

- a) Council be recommended to adopt the Department for Communities and Local Government (DCLG) default scheme as the Council's Local Council Tax support scheme for 2013/14, subject to the enactment of the relevant legislation and the final grant settlement being in line with current forecasts.
- b) Council be recommended that the local council tax support scheme disregards in full war widows and war disablement pensions when assessing entitlement to council tax support for working and pension age customers as currently happens for housing and council tax benefit.
- c) Work commences on developing a robust council tax support scheme for working age customers, to take effect from April 2014, which reduces the

council tax support costs, protects vulnerable people as far as possible and keeps work incentives.

13. ICT COMMISSIONING REVIEW

The Cabinet Member Corporate Services introduced the report and explained that whilst the service had been successful in delivering a number of high profile projects such as the support and hosting the centre of excellence provision to GO Shared Service, it was a service under pressure.

It had been acknowledged that the creation of GO could provide the catalyst for other shared service arrangements between the GO partners. The ICT Commissioning review had provided an opportunity to consider and evaluate the options available to the Council and to recommend a way forward.

The Cabinet Member reported that three viable options had emerged- outsourcing, enhanced in-house provision and shared service. No matter which option was chosen it would require a similar level of investment to update the infrastructure to what would be considered appropriate for servers and storage hardware. Discussions have taken place with the GO partner councils to establish willingness and readiness to share ICT. With Cotswold District and West Oxfordshire already progressing to sharing the opportunity arose for Cheltenham to share with the Forest of Dean leaving open the future potential for 4 way sharing between the GO partners.

In terms of the business case, although over the next five years there would need to be a slightly larger investment in the Shared Service option-in the region of an additional £16k capital and £33.5k revenues , the savings which would be made are significantly larger.

The Cabinet Member stated that all the recommendations of the ICT scrutiny review had been taken on board.

Members were supportive of the recommendations and paid tribute to all those involved in the review. A shared service represented a sound way forward to achieve a robust and reliable system of modern standards.

RESOLVED

1. That the ICT Infrastructure Upgrade Strategy at Appendix A be approved and that Council be recommended to approve the allocation of funding to finance the programme as part of the budget setting process for 2013/14.
2. That the ICT Review Business Case at Appendix B be approved
3. that the development of a Business Case for 4 way sharing between the GO partner councils (Forest of Dean District Council, Cotswold District Council, West Oxfordshire District Council) be endorsed with any decision being brought back to Cabinet at the latest by August 2015 and that the service delivery model (i.e. outsourcing; managed service etc.) be reviewed again at that time.
4. Subject to obtaining the agreement of the GO partner councils, CBH Limited and Ubico Limited to :

- Approve the sharing of the council's ICT service with the Forest of Dean District Council, as lead authority.
- Delegate authority to the Director of Resources in consultation with the Cabinet Member for Corporate Services and the Borough Solicitor to enter into an agreement under Section 101 Local Government Act 1972 and s19 and s20 Local Government Act 2000 with Forest of Dean District Council, as the lead authority, for the provision of ICT services as outlined in Annex A of the ICT Business Case (Services in Scope for ICT Services) with effect from 1st April 2013 to January 2016.
- Delegate authority to the Director of Resources in consultation with the Cabinet Member for Corporate Services and the Borough Solicitor to enter into an agreement under Section 101 Local Government Act 1972 and s19 and s20 Local Government Act 2000 for the receipt of GO ICT Hosting and Support with effect from 1 April 2013 with the Forest of Dean District Council as lead authority for the GO Hosting and Support Centre of Excellence. This agreement may be incorporated into the s101 agreement referred to above.
- In order to ensure that existing agreements are consistent with the new agreements mentioned above to delegate authority to the Director of Resources in consultation with the Cabinet Member for Corporate Services and the Borough Solicitor to make consequential amendments to the following GO agreements:

i) Collaboration Agreement dated 8th November 2010 (as varied (1st April 2012)

ii) ERP System supply contract with SCC dated 8th November 2010.

5. The council's ICT staff whose roles fall within the scope of the list of services outlined in the service directory (Annex A to the Business Case) transfer to Forest of Dean District Council with effect from 1st April 2013 in accordance with the Transfer of Undertaking (Protection of Employment) Regulations 2006.

14. LICENSING OF RICKSHAWS IN CHELTENHAM

The Leader of the Council explained that he was using his discretion in inviting Mr Meyer of Rickshaw Revolution to address Cabinet. Mr Meyer believed that it had taken the Council a considerable amount of time to consider his application for operating licensed rickshaws in the town and had submitted a complaint to that effect. He recognised that safety concerns were of utmost importance and referred to the Gloucestershire Constabulary consultation document which had drawn attention to the City of Westminster report on the safety of rickshaws. He asked why the definitive City of Westminster report had not satisfied the council in granting a licence for operating rickshaws in Cheltenham.

In response the Cabinet Member Housing and Safety explained that the rickshaws operating in London were unlicensed. He explained that Cabinet had

considered the issue in September but Members were still concerned that there were no safety standards for rickshaws or the manufacture of rickshaws. The Hackney Carriage legislation was not fit for purpose with regard to licensing rickshaws but as this was due to be revised in 2013/14 it was proposed that the decision be deferred until then.

Members were supportive of the amended resolution, highlighting continued safety concerns and the complexities in policy. They recognised the contribution a rickshaw service could have on tourism and wished to find a workable solution. When asked whether rickshaws could operate unlicensed in the town the Cabinet Member confirmed that this was possible on a private hire basis. Members advised Mr Meyer to discuss this possibility directly with the Licensing Officer.

RESOLVED

To defer a decision on the licensing of rickshaws in Cheltenham until the outcome of the taxi and private hire licensing law reform review by the Law Commission is published in 2013/14.

15. BRIEFING FROM CABINET MEMBERS

Members had no updates to report.

16. DECISIONS OF CABINET MEMBERS AND OFFICERS

The Cabinet Member Housing and Safety explained that he had taken a decision on going out to consultation on the Homeseekers Allocation Scheme.

The Cabinet Member informed Cabinet of his decision to accept the tender from UKDN Waterflow Limited for the provision of reactive drainage services for Council owned residential properties.

Chairman