



CHELTENHAM

BOROUGH COUNCIL

Notice of a meeting of Council

Monday, 25 June 2012

2.30 pm

Council Chamber, Municipal Offices

Membership	
Councillors:	Colin Hay (Chair), Wendy Flynn (Vice-Chair), Andrew Chard, Garth Barnes, Ian Bickerton, Nigel Britter, Chris Coleman, Barbara Driver, Bernard Fisher, Jacky Fletcher, Rob Garnham, Les Godwin, Penny Hall, Tim Harman, Rowena Hay, Diane Hibbert, Sandra Holliday, Peter Jeffries, Steve Jordan, Andrew Lansley, Paul Massey, Helena McCloskey, Andrew McKinlay, Paul McLain, David Prince, John Rawson, Anne Regan, Rob Reid, Diggory Seacome, Duncan Smith, Malcolm Stennett, Charles Stewart, Klara Sudbury, Jo Teakle, Pat Thornton, Jon Walklett, Andrew Wall, Simon Wheeler, Roger Whyborn and Suzanne Williams

Agenda

1.	A MOMENT OF REFLECTION The Mayor will present Honorary Aldermen Robin MacDonald with his scroll	
2.	APOLOGIES	
3.	DECLARATIONS OF INTEREST	
4.	MINUTES OF THE LAST MEETING 14 May 2012	(Pages 1 - 14)
5.	PUBLIC QUESTIONS	
6.	COMMUNICATIONS BY THE MAYOR	
7.	COMMUNICATIONS BY THE LEADER OF THE COUNCIL	
8.	MEMBER QUESTIONS	
9.	PETITION REGARDING WEAVERS FIELD A debate on a petition received on the 26 March 2012	(Pages 15 - 22)
10.	COMMISSIONING PROTOCOL Report of the Cabinet Member Corporate Services	(Pages 23 - 32)

11.	FINANCIAL OUTTURN 2011/12 AND QUARTERLY BUDGET MONITORING TO MAY 2012 Joint report of the Cabinet Member Finance and Director of Resources	(Pages 33 - 104)
12.	REVIEW OF THE COUNCIL'S PERFORMANCE 2011-12 Joint report of the Leader and the Cabinet Member Corporate Services	(Pages 105 - 128)
13.	NEW CONDUCT REGIME Report of the Constitution Working Group	(Pages 129 - 164)
14.	APPOINTMENTS TO OUTSIDE BODIES Report of the Leader	(Pages 165 - 172)
15.	<p>NOTICES OF MOTION Proposed by: Councillor Driver Seconded by: Councillor Regan</p> <p>Given recent exposé reports in the press both national and international regarding the sex trade and exploitation of young women because of people smuggling and the sex trade in Cheltenham – this Council resolves to:-</p> <ol style="list-style-type: none"> 1. Work collaboratively with the Gloucestershire Safeguarding Childrens Board, Gloucestershire Safeguarding Adults Board and Child Exploitation and Online Protection Centre to develop a dedicated council strategy 2. Investigate potential impact of licensed sex industry and other venues which might impact in four areas (vulnerable adults / young adults / children / people smuggling) 3. Commit to re-invest funding from Cheltenham's night time economy into the fight against sexual exploitation and the sex trade in Cheltenham. 	
16.	TO RECEIVE PETITIONS	
17.	ANY OTHER ITEM THE MAYOR DETERMINES AS URGENT AND WHICH REQUIRES A DECISION	

Contact Officer: Saira Malin, Democracy Officer, 01242 775153

Email: democratic.services@cheltenham.gov.uk

Andrew North
Chief Executive

Council

Monday, 14th May, 2012

2.35 - 3.25 pm

Attendees	
Councillors:	Barbara Driver (Chair for Agenda Items 1-3), Colin Hay (Chair for Agenda Items 4-20), Wendy Flynn (Vice-Chair for Agenda Items 5-20), Garth Barnes, Ian Bickerton, Nigel Britter, Andrew Chard, Chris Coleman, Bernard Fisher, Jacky Fletcher, Rob Garnham, Les Godwin, Penny Hall, Tim Harman, Rowena Hay, Diane Hibbert, Peter Jeffries, Steve Jordan, Andrew Lansley, Paul Massey, Helena McCloskey, Andrew McKinlay, Paul McLain, John Rawson, Anne Regan, Rob Reid, Diggory Seacome, Duncan Smith, Malcolm Stennett, Charles Stewart, Klara Sudbury, Jo Teakle, Pat Thornton, Jon Walklett, Andrew Wall, Simon Wheeler, Roger Whyborn and Suzanne Williams

Minutes

1. A MOMENT OF REFLECTION

The Reverend Tim Mayfield invited Members to take a moment of reflection.

2. APOLOGIES

Apologies were received from Councillor Holliday.

The Mayor took this opportunity to pay thanks to all of the staff, emergency services, local authorities and various organisations from across and beyond the County for their support for residents in the aftermath of not one, but two incidents in the town.

3. ELECTION OF MAYOR 2012-13

Councillor Colin Hay was proposed for the office of Mayor by Councillor Jordan and seconded by Councillor R. Hay.

Upon a vote it was unanimously

RESOLVED that Councillor Colin Hay be, and is hereby, elected Mayor of the Borough of Cheltenham and Council chairman for the ensuing year.

Councillor Driver congratulated the Mayor on his election.

The Chief Executive invited the Mayor to sign a Declaration of Acceptance of Office of Council chairman for the ensuing municipal year 2012 – 2013.

Councillor Colin Hay took the chair.

4. ELECTION OF DEPUTY MAYOR 2012-13

Councillor Sudbury proposed Councillor Wendy Flynn for the office of Deputy Mayor, seconded by Councillor R. Hay.

Upon a vote it was unanimously

RESOLVED that Councillor Wendy Flynn be, and is hereby, elected Deputy Mayor of the Borough of Cheltenham and Council vice-chairman for the ensuing year.

The Mayor congratulated Councillor Wendy Flynn on her appointment and looked forward to working with her over the coming year.

The Chief Executive invited the Deputy Mayor to sign a Declaration of Acceptance of Office of Council vice-chairman for the ensuing municipal year 2012 – 2013.

5. ELECTION OF HONORARY ALDERMEN

Councillor Barnes proposed Lloyd Surgenor for election of Honorary Alderman which he felt recognised the many years of hard work as Chair of the Planning Committee, his role as a ward member and time as Mayor. This was seconded by Councillor Driver.

Councillor Fletcher proposed Robin MacDonald for his many years as ward Member for Leckhampton and as Mayor of the town, seconded by Councillor Garnham.

The Mayor explained that Lloyd Surgenor would be presented his scroll at the inauguration ceremony on Wednesday (16 May) and Robin MacDonald's would be presented at the next Council meeting as he was unable to attend the inauguration.

RESOLVED that in recognition of the eminent services as members of Cheltenham Borough Council and Pursuant Section 249(1) of the Local Government Act 1972, Lloyd Surgenor and Robin MacDonald be elected Honorary Aldermen of the Borough of Cheltenham.

The Mayor congratulated both on their election.

6. DECLARATIONS OF INTEREST

No interests were declared.

7. MINUTES OF THE LAST MEETING

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

Upon a vote it was unanimously

RESOLVED that the minutes of the meeting held on the 26 March 2012 be agreed and signed as an accurate record.

8. COMMUNICATIONS BY THE MAYOR

The Mayor invited the Chief Executive to make a statement regarding the election issues at Warden Hill (Appendix 1).

The Mayor hoped that all Members had received their invitations to the inauguration (16 May) and the charity launch (26 May) which were OSevern Freewheelers, Friends of the Art Gallery & Museum and Whaddown, Lynworth & Priors Neighbourhood Project.

He explained that he would be establishing a Facebook and Twitter account which would enable members to follow his activities between Council meetings.

9. TO APPOINT THE LEADER OF THE COUNCIL FOR THE ENSUING TWO YEARS AND TO NOTE THE MEMBERSHIP OF CABINET

Councillor Jordan was proposed as the Leader of the Council by Councillor Walklett and seconded by Councillor Rawson.

Upon being put to the vote the proposal was CARRIED, with 4 abstentions.

The Mayor invited the Leader to address the meeting. The Leader endorsed the comments made by Councillor Driver in relation to the emergencies over the previous days. People from the town and across the County had worked hard to support those affected, as they had done before. He thanked colleagues for their support and outlined the changes to the Cabinet membership; Councillor Rawson (Deputy Leader and Cabinet Member Finance), Councillor McKinlay (Cabinet Member Built Environment), Councillor R. Hay (Cabinet Member Sport & Culture), Councillor Whyborn (Cabinet Member Sustainability), Councillor Jeffries (Cabinet Member Housing & Safety) and Councillor Walklett (Cabinet Member Corporate Services). There would be minor adjustments to portfolios, which would be published in the coming days.

10. TO ESTABLISH AND APPOINT TO THE FOLLOWING COMMITTEES (INCLUDING APPOINTMENT OF SUBSTITUTE MEMBERS)

A copy of the nominations for committees, including substitutes, advised by the group leaders had been circulated to members at the start of the meeting (Appendix 2). The Mayor highlighted an error on the second page, where Councillor Webster was still listed as a Member and Councillor Williams was not, though he noted that this oversight did not affect the nominations.

The Mayor proposed that the nominations be agreed en bloc and that the Chairs and Vice-Chairs, where necessary, be elected by Council, rather than by the individual Committees in separate meetings. Members agreed.

(A) OVERVIEW AND SCRUTINY COMMITTEE

Councillor Fletcher proposed Councillor Smith for Chairman and this was seconded by Councillor Garnham.

Councillor Britter proposed Councillor Sudbury for Vice-Chairman and this was seconded by Councillor R. Hay.

Upon a vote Councillor Smith was elected as Chairman and Councillor Sudbury as Vice-Chairman.

RESOLVED that the membership of the Overview and Scrutiny Committee be as indicated in Appendix 2, the Chairman be Councillor Smith and the Vice-Chairman be Councillor Sudbury.

(B) AUDIT COMMITTEE

Councillor Thornton proposed Councillor Massey for Chairman, seconded by Councillor R. Hay.

Councillor Smith proposed Councillor Wall for Vice-Chairman, seconded by Councillor Seacome.

Upon a vote Councillor Massey was elected as Chairman and Councillor Wall as Vice-Chairman.

RESOLVED that the membership of the Audit Committee be as indicated in Appendix 2, the Chairman be Councillor Massey and the Vice-Chairman be Councillor Wall.

(C) PLANNING

Councillor Jeffries proposed Councillor McCloskey for Chairman, seconded by Councillor Barnes.

Councillor Garnham proposed Councillor Fletcher for Chairman, seconded by Councillor Regan.

Upon a vote Councillor McCloskey was elected as Chairman.

Councillor Garnham proposed Councillor Fletcher for Vice-Chairman, seconded by Councillor Regan. This was carried.

RESOLVED that the membership of the Planning Committee be as indicated in Appendix 2, the Chairman be Councillor McCloskey and the Vice-Chairman be Councillor Fletcher.

(D) LICENSING

Councillor Hall proposed Councillor Seacome for Chairman, seconded by Councillor Regan.

Councillor Reid proposed Councillor Barnes for Chairman, seconded by Councillor Whyborn.

Upon a vote Councillor Barnes was elected as Chairman.

Councillor Regan proposed Councillor Seacome for Vice-Chairman, seconded by Councillor Smith. This was carried.

RESOLVED that the membership of the Licensing Committee be as indicated in Appendix 2, the Chairman be Councillor Barnes and the Vice-Chairman be Councillor Seacome.

(E) STANDARDS COMMITTEE

The Standards Committee would elect the Chairman at their meeting on the 06 July 2012.

RESOLVED that the membership of the Standards Committee be as indicated in Appendix 2.

(F) APPOINTMENTS AND REMUNERATION COMMITTEE

Councillor Jordan proposed Councillor R. Hay for Chairman and this was seconded by Councillor Barnes.

Upon a vote Councillor R. Hay was elected as Chairman.

RESOLVED that the membership of the Appointments and Remuneration Committee be as indicated in Appendix 2 the Chairman be Councillor R. Hay.

(G) JNC DISCIPLINARY COMMITTEE

Councillor Jeffries proposed Councillor Reid for Chairman and this was seconded by Councillor Walklett.

Upon a vote Councillor Reid was elected as Chairman.

RESOLVED that the membership of the JNC Disciplinary Committee be as indicated in Appendix 2 and the Chairman be Councillor Reid.

(H) JNC APPEALS COMMITTEE

Councillor McCloskey proposed Councillor Teakle for Chairman and this was seconded by Councillor Sudbury.

Upon a vote Councillor Teakle was elected as Chairman.

RESOLVED that the membership of the JNC Appeals Committee be as indicated in Appendix 2 and the Chairman be Councillor Teakle.

11. APPOINTMENT OF CHAIR AND VICE-CHAIR TO OVERVIEW AND SCRUTINY COMMITTEE

This item had been dealt with under agenda item 10a and Councillor Smith was elected Chairman and Councillor Sudbury Vice-Chairman.

12. GLOUCESTERSHIRE COUNTY COUNCIL HEALTH, COMMUNITY AND CARE SCRUTINY COMMITTEE

The Mayor invited nominations to the Gloucestershire County Council Health, Community and Care Scrutiny Committee.

Councillor Smith nominated Councillor Hall for representative, seconded by Councillor Fletcher.

Councillor Jordan nominated Councillor Sudbury for representative, seconded by Councillor Teakle.

Upon a vote Councillor Sudbury was elected representative.

In response to query raised by Councillor Garnham, the Monitoring Officer clarified that there was nothing precluding the nomination of a County Councillor to a County group.

Councillor Sudbury nominated Councillor C. Hay for substitute, seconded by Councillor McKinlay. This was carried.

RESOLVED that Councillor Sudbury be the representative and Councillor C. Hay be substitute of the Council on the Gloucestershire County Council Health, Community and Care Scrutiny Committee.

13. GLOUCESTERSHIRE COUNTY COUNCIL COMMUNITY SAFETY OVERVIEW AND SCRUTINY COMMITTEE

The Mayor invited nominations to the Gloucestershire County Council Community Safety Overview and Scrutiny Committee.

Councillor R. Hay nominated Councillor McCloskey for representative, seconded by Councillor Jeffries.

Councillor McCloskey nominated Councillor Sudbury for substitute, seconded by Councillor Jeffries.

Upon a vote Councillor McCloskey was elected as representative and Councillor Sudbury as substitute.

RESOLVED that Councillor McCloskey be the representative and Councillor Sudbury be substitute of the Council on the Gloucestershire County Council Community Safety Committee.

14. GLOUCESTERSHIRE POLICE AND CRIME PANEL

The Cabinet Member Corporate Services introduced the report which had been circulated with the agenda. The report explained that the Police Reform and Social Responsibility Act 2011 required each police area in England to establish a Police and Crime Panel. The Panel will publicly scrutinise the Police and Crime Commissioner who themselves will hold the Chief Constable of their force to account. In Gloucestershire, the Panel will be a joint scrutiny committee of the seven councils.

Each district council was being asked to appoint a Member and a Deputy Member to the Gloucestershire Police & Crime Panel, and to adopt the terms of reference and panel arrangements.

The Mayor invited nominations to the Gloucestershire Police and Crime Panel.

Councillor Rowena Hay nominated Councillor McCloskey for representative, seconded by Councillor Jeffries.

Councillor Smith nominated Councillor Seacome for representative seconded by Councillor Chard.

In response to query raised by Councillor Jordan, the Mayor said he had been advised by the Chief Executive that the Police and Crime Panel needed to be politically balanced across Gloucestershire and therefore there could be potential difficulties if the substitute was from a different party.

Upon a vote Councillor McCloskey was elected representative.

Councillor McCloskey nominated Councillor Sudbury for substitute, seconded by Councillor Chard. This was carried.

RESOLVED that

1. Councillor McCloskey be the representative and Councillor Sudbury be substitute of the Council on the Gloucestershire Police and Crime Panel.
2. The terms of reference attached at Appendix 1 and the panels arrangements attached at Appendix 2 be adopted.
3. That the Chair of the Panel receive a special responsibility allowance of £5,808 and that Members of the Panel be able to claim travel, subsistence and carers' allowances from Gloucestershire County Council.
4. Gloucestershire County Council be the host authority in establishing the Panel and providing the necessary officer support.
5. The Council's Constitution be amended accordingly.

15. APPOINTMENT OF INDEPENDENT PERSONS UNDER THE LOCALISM ACT 2011 - NEW STANDARDS REGIME

Councillor Walklett in his role as Cabinet Member Corporate Services, introduced the report explaining that the recommendations were a consequence of Section 28 of the Localism Act. He highlighted the financial implications as set out in the report, which noted that the cost of the Independent Persons could be met within the existing member's allowance budget and was therefore cost neutral.

Upon a vote it was unanimously

RESOLVED that;

1. Up to three Independent Persons be appointed under Section 28 of the Localism Act 2012.
2. An allowance of £300pa, plus travel expenses, be paid to each Independent Person.
3. The opportunity to apply be advertised on the Council's website and the Person Specification and Job Description (appendix 2 and 3) be approved.
4. An Interviewing Panel, comprising the Group Leaders (or their nominated representatives) and the Monitoring Officer, make recommendations to Council at its meeting on the 25 June on the appointment of up to 3 Independent Persons.

16. APPOINTMENT TO ADVISORY GROUPS AND WORKING GROUPS

Nominations for these groups were included on the list that had been circulated to members at the start of the meeting (Appendix 2).

(A) TREASURY MANAGEMENT PANEL

The Mayor invited nominations for Chairman and Vice-Chairman of the Treasury Management Group.

Councillor Smith proposed Councillor Harman as Chairman, seconded by Councillor Rawson.

Councillor Rawson proposed Councillor Massey as Vice-Chairman, seconded by Councillor Thornton.

Upon a vote Councillor Harman was elected as Chairman and Councillor Massey as Vice-Chairman.

RESOLVED that the membership of the Treasury Management Panel be as indicated in Appendix 2, the Chairman be Councillor Harman and the Vice-Chairman be Councillor Massey.

(B) CONSTITUTION WORKING GROUP

The Mayor confirmed that no nominations for Chairman or Vice-Chairman were required for the Constitution Working Group.

RESOLVED that the membership of the Constitution Working Group be as indicated in Appendix 2.

17. TO APPROVE THE CONSEQUENTIAL CHANGES TO THE CONSTITUTION

The Monitoring Officer confirmed that there were some consequential changes to the constitution as a result of the nominations though these were minor.

Upon a vote it was

RESOLVED that the Monitoring Officer be delegated authority to make any consequential changes to the constitution arising from the nominations.

18. NOTICES OF MOTION

No notices of motion had been received.

19. TO RECEIVE PETITIONS

No petitions had been received since the last meeting, nor were any presented at the meeting.

20. ANY OTHER ITEM THE MAYOR DETERMINES AS URGENT AND WHICH REQUIRES A DECISION

There were no urgent items for discussion.

Colin Hay
Chair

Statement to the Council meeting on Monday 14 May 2012 by Andrew North in his capacity as Returning Officer for the 2012 Local Elections

I have been asked by Councillors to make a statement to this Council meeting about a problem which occurred in the Warden Hill ward during the local elections on 3 May. I am happy to do so.

At approximately 4.30pm on polling day, the elections office at the Municipal Offices were telephoned by a resident who informed the office that she had just visited St Christopher's Church Hall in Lincoln Avenue, Warden Hill to vote and she had noticed that the poll clerk had written her unique voter number on the back of her ballot paper before handing it to her. This voter had questioned the process but had been told by the presiding officer that this was correct. The voter telephoned the elections office because she continued to believe that this process was flawed.

This voter was absolutely correct to be concerned and the elections office immediately contacted the polling station and instructed the staff to refrain from putting voter numbers on ballot papers. Next the elections office contacted me and I directed that the presiding officer be replaced by another experienced presiding officer as a matter of urgency. In conjunction with the election team I considered what (if any) remedial action might be taken to permit votes cast in this way to be counted. After consideration it became clear that I would have no alternative as returning officer but to disallow any such votes at the count. The statutory rule is set out in Schedule 1 to the Representation of the People Act 1983 rule 47. The operative words say: -

“any ballot paper ... on which anything is written or marked by which the voter can be identified ... shall ... be void and not counted”.

On reaching this conclusion I attempted to contact the election agents for candidates taking part in the election for Warden Hill ward. I was successful in speaking to two out of three agents shortly after 6pm. I explained the problem which had occurred, and told them that I would have to disallow ballot papers with unique voter numbers written on the reverse though it was my intention to

Page 0

examine those ballot papers which were rejected so as to give certainty as to whether the result of the election had been affected by the presiding officer's error. I asked these agents to let their respective candidates know the position.

I spoke to the remaining agent at around 10pm at the count venue to provide the same information (this being the earliest time I was able to speak to this agent).

In the event 413 votes which had been cast at St Christopher's Church Hall polling station were disallowed owing to the error described. Having extracted the 413 votes my staff worked with the election agents to ascertain how (if they had been counted) those 413 votes would have been distributed between the three candidates. In doing this we sought to ensure that the secrecy of the ballot was preserved so far as possible so that the way the voter had voted on the front of the ballot paper could not be linked to the voter's number on the reverse of the ballot paper.

In the event I (and I believe all of the agents and candidates) were satisfied that the result of the election (in terms of who was elected) was not affected by the error though obviously the majority was affected.

I find it difficult to explain to Council why a presiding officer should feel it appropriate to put a unique voter's number on the back of a ballot paper, it so clearly being a breach of the fundamental principle of our election system that votes should be secret.

In common with other returning officers I implement procedures which should safeguard against such errors occurring.

- We only employ people who are experienced (at least as poll clerks) to be presiding officers.

Page 31

- We issue to all presiding officers and poll clerks the electoral commission's handbook for polling station staff along with a quick guide for polling station staff. We expect such materials to be read.
- We maintain a presence in the elections office during polling hours so that any presiding officer can contact the elections office to obtain clarification on procedures.
- We require presiding officers and poll clerks to attend training sessions prior to any election.
- We appoint polling station inspectors to visit every polling station on polling day to ensure that processes are being correctly carried out.

Obviously on this occasion these processes failed - seemingly because of human error. However as a number of councillors have asked for an enquiry I have decided to ask Mrs Marie Rosenthal, the Returning Officer for the Forest of Dean District Council, to carry out an independent enquiry and to advise us on what happened and whether any further steps should be taken to safeguard against such problems occurring in the future. This enquiry will be at no cost to this council.

In closing I would like to repeat apologies which I have already made through the media to voters in Warden Hill who sought in good faith to cast their votes and which were then disallowed through no fault of theirs. I would also apologise to the candidates in the Warden Hill election for whom this problem must have come as an unpleasant shock.

My intention is to inform councillors of the findings of the enquiry as soon as reasonably possible.

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Page 2

Page 15
Cheltenham Borough Council
Council – 25 June 2012

A petition regarding the proposal for allotments on Weavers Field

Accountable member	Cabinet Member Sustainability, Councillor Roger Whyborn
Accountable officer	Executive Director, Grahame Lewis
Accountable scrutiny committee	Overview and Scrutiny Committee
Ward(s) affected	Warden Hill
Significant Decision	No
Executive summary	<p>A petition was received by Council on 26 March 2012 requesting the following:</p> <p>“We the undersigned are very much against the current preliminary proposal which would see up to 88 allotments on part of Weavers Field. The Council say that only 3.1 acres of the 8.1 acre field would be turned into allotments – however this does not take into account the creation of a large car park area in order to cope with a significant number of vehicles. This area is the only open green space in this locality and the preliminary proposal is not acceptable”.</p> <p>As the petition had in excess of 750 signatures it is entitled to a debate at Council.</p>
Recommendations	To consider the petition and agree an appropriate course of action

Financial implications	The 2012/13 budgets, approved by Council in February 2012 include additional income of £2,000 in 2012/13 and £5,000 in 2013/14 from the creation of 100 new allotment plots. If these plots are not made available there may be a potential shortfall in income.
Legal implications	<p>The petition must be considered in accordance with the Council’s Petition Scheme made pursuant to the Local Democracy, Economic Development and Construction Act 2009. The petition will be considered in accordance with the Council Procedure Rules varied in so far as necessary to comply with the attached Process.</p> <p>Contact officer: Donna Ruck, Solicitor donna.ruck@tewkesbury.gov.uk, 01684 272696</p>
HR implications (including learning and organisational development)	None arising from this report.
Key risks	None arising from this report.
Corporate and community plan Implications	None arising from this report.

Environmental and climate change implications	None arising from this report.
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1. Background to the Petition Scheme

- 1.1** The petition provisions in the Local Democracy, Economic Development and Construction Act 2009 aim to address the perception nationally, as revealed in the results of the Place survey, that the community is unable to influence local decisions.
- 1.2** The Council's Petition Scheme (based on the national model scheme) is designed to ensure that the public has easy access to information about how to petition their local authority and they will know what to expect from their local authority in response. Included within the Scheme is the requirement to have a full Council debate should a certain number of signatures be achieved. Cheltenham Borough Council has set that threshold lower than that recommended by the legislation at 750 signatures.
- 1.3** The legislation also recommends a 15 minute maximum period for the debate and recognises that the issue may be referred to another committee where the matter is not one reserved for full Council. The purpose of the requirement for Council debate therefore, is not to ensure that the final decision relating to the petition issue is made at that Council meeting but to increase the transparency of the decision making process, ensuring that debates on significant petitions are publicised with sufficient notice to enable the petition organiser and public to attend. It also ensures that local people know that their views have been listened to and they have the opportunity to hear their local representative debate their concerns. The outcome of debates will depend on the subject matter of the petition.

2. The petition

- 2.1** Councillor Anne Regan submitted a petition to the Mayor at the 26 March Council meeting on behalf of the Weavers Field dog walkers and other interested parties. It had 1020 signatures which was in excess of the 750 signatures required to trigger a debate at Council. The wording of the petition is set out the Executive Summary of this report.
- 2.2** Mr A Rastelli was nominated as the petition organiser.
- 2.3** The Council is therefore required to debate the petition for a maximum of 15 minutes in accordance with the Petitions Scheme approved by Council on the 13 May 2010. A process for dealing with a petition was produced by officers and is attached as Appendix 1 as a process to be followed for the debate at this meeting. The debate should conclude with one or more decisions taken pursuant to the Petition Scheme as follows
- taking the action requested in the petition (provided the matter is reserved to full Council for decision)
 - referring the matter to Cabinet or an Appropriate Cabinet Member or Committee (including Overview and Scrutiny) for further consideration
 - holding an inquiry into the matter
 - undertaking research into the matter
 - holding a public meeting
 - holding a consultation
 - holding a meeting with petitioners
 - calling a referendum
 - writing to the petition organiser setting out our views about the request in the petition
 - taking no further action on the matter

3. Background information to the subject of the petition

Statutory Obligations for Allotment Provision

- 3.1 By Section 23 of The Small Holdings and Allotments Act 1908, authorities have an express duty to provide allotments where they are of the opinion that there is a demand for them. There is a statutory duty to provide a sufficient number of allotment plots and to let them to persons resident in the area.
- 3.2 Since there are no formal national standards for provision, the level and standard of local provision is based on local demand. This is re-iterated in National Planning Policy Framework, which requires local authorities to undertake robust assessments of the need for open spaces of different kinds and prepare strategies that prioritize adjustments as required
- 3.3 There is no timeframe specified in law within which an authority must provide an allotment, but the authority has a legal duty to 'take proceedings' (make plans for) for the provision of allotments where demand is recognized.
- 3.4 In terms of funding allotment provision, Allotment Law stipulates that proceeds from the sale of statutory allotment land be used to acquire, adapt or improve land for allotments. Any surplus, after this obligation has been met, can be used for other purposes.
- 3.5 With the sale of statutory allotment land in the Midwinter area, there is therefore a potential source of capital to fund identified additional requirement.
- 3.6 In acknowledging *its* statutory duty to provide a sufficient number of allotments Cheltenham Borough Council has undertaken analysis to identify the number of allotments that would satisfy current and perceived future demand in a sustainable way. This analysis, and a methodology for identifying new allotment land was considered and approved by cabinet at its meeting of 26th October 2010 as part of a review of the Council's 10 Year Allotment Strategy.
- 3.7 Developing an allotment for every person currently on the waiting list for whom the Borough has responsibility (over 500) would result in a surplus of allotments and therefore would not be a cost-effective approach. Current and anticipated rates of application and turnover suggest a need for 290 additional half-sized plots, mainly in the South of Cheltenham, to satisfy the demand that falls within the remit of the Borough Council.
- 3.8 The methodology for identifying new allotments is based on the following criteria:
- Land that lies within or close to an area of high demand
 - Developing land the Council already owns
 - Developing land suitable for allotments or at low cost to develop – green field sites.
 - Using land adjacent to existing allotment sites
 - Land suitable in size for allotments – not less than 1 hectare, reflecting the fact that it is more cost effective to set up and run fewer larger sites, than numerous smaller sites.
- 3.9 Weavers Field was considered to be the only site in the South of the town that was viable and met most of these criteria whilst leaving a substantial portion of the total area available for public amenity.
- 3.10 If land is not found using the criteria listed here, other options would include
- leasing or purchasing land, either from other authorities or from private land-owners,
 - land swap with other authorities,
 - using non-green field land, or the creation of smaller sites
 - using land located outside the Borough boundary,
 - compulsory purchase of land within the Borough boundary.

These would be higher cost options, and apart from compulsory purchase rely on the co-

operation of private land owners, who may not come forward in a reasonable time scale. In investigations so far very few opportunities are considered to exist in the south of Cheltenham, and those that there are likely to be associated with significant difficulty, and therefore expense, for the Council.

3.11 Current situation

The Council has recently advertised its intention to appropriate the land at Weavers Field for the purposes of allotments and has received objections which are due to be considered by cabinet at its July meeting. An open day was also held at Brizen Young Peoples Centre to allow people to view plans in more details and talk to officers and members. Objections include closeness of allotments to neighbouring properties and that insufficient amenity remains for e.g. walkers. Prior to this the plan was modified from an earlier version following concerns that the car park shown was too big and also to show the retention of an important oak tree on the periphery of the site. If approved by cabinet the proposal would require working up in more detail and a planning application would be required for change of use. Early discussions have taken place with regard to highway access, land drainage, planning and ecology, that do not suggest at this stage that the scheme is not viable.

4. Reasons for recommendations

4.1 To decide a course of action as required by the Petition Scheme.

<p>Report author</p>	<p>Contact officer: Adam Reynolds, Green Space Development Manager Adam.reynolds@cheltenham.gov.uk 01242 264382 Rosalind Reeves, Democratic Services Manager rosalind.reeves@cheltenham.gov.uk 01242 774937</p>
<p>Appendices</p>	<p>1. Process for dealing with a petition at council</p>
<p>Background information</p>	<p>1. Council's petition scheme – report to Council 13 May 2010 2. Cabinet 26th October 2010 - review of the Council's 10 Year Allotment Strategy</p>

Process for dealing with petitions at Council

The following is the recommended process to be followed for the debate of a petition at the Council meeting in accordance with the Council's Petition Scheme. The Council Procedure Rules shall be suspended in so far as necessary to facilitate this process.

1. The Mayor will remind members of the procedure to be followed

2. Statement by the petition organiser

The Mayor will invite the petitioner organiser or their representative to come to the microphone and speak for up to 5 minutes on the petition. There will be no questions and the petition organiser/their representative will take no further part in the proceedings.

3. Clarification on the background information in the officer's report

Members will be invited to ask any questions for clarification as to the facts in the officer's report.

4. Statement by the relevant Cabinet Member

The Cabinet Member whose portfolio is most relevant to the petition will be invited by the Mayor to speak for a maximum of 5 minutes on the subject of the petition. They may wish to refer to the background report from officers circulated with the papers for the meeting. They may also wish to propose a motion at this point; if so, the motion must be seconded.

5. Debate by members

Where a member has proposed a motion (which is seconded), the usual Rules of Debate (Rule 13) will apply.

If there is no motion, the Mayor will invite any member who wishes to speak on the petition to address Council for up to a maximum of 3 minutes.

When the 15 minutes set aside for the debate (as laid down in the Council's Petition Scheme) is up, the Mayor may decide to extend the time allowed for the debate but will bring it to a close when they feel sufficient time has been allowed.

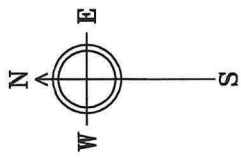
6. Conclusion of Debate

The debate should conclude with one or more decisions taken pursuant to the Petition Scheme as follows:

- taking the action requested in the petition (provided the matter is reserved to full council for decision)
- referring the matter to Cabinet or an Appropriate Cabinet Member or Committee (including Overview and Scrutiny) for further consideration
- holding an inquiry into the matter
- undertaking research into the matter
- holding a public meeting
- holding a consultation
- holding a meeting with petitioners
- calling a referendum
- writing to the petition organiser setting out our views about the request in the petition
- taking no further action on the matter

Proposed Weaver's Field Allotments

Scale 1:1250



Mature oak tree retained

1.5m wide gravel path around allotment periphery

Proposed Allotment Area

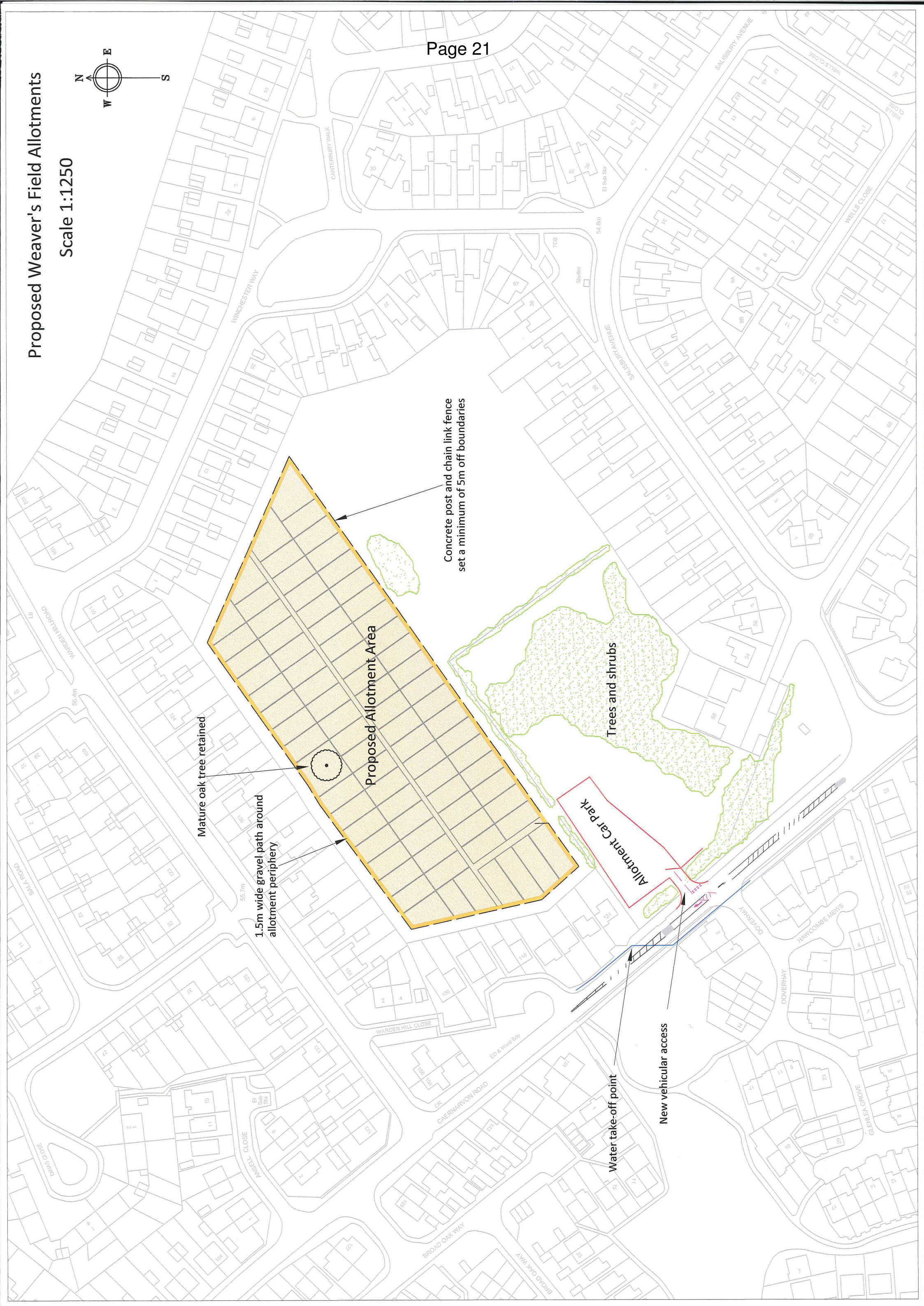
Concrete post and chain link fence set a minimum of 5m off boundaries

Trees and shrubs

Allotment Car Park

Water take-off point

New vehicular access



Cheltenham Borough Council Council - 25 June 2012 Commissioning Protocol

Accountable member	Cabinet Member Corporate Services, Councillor Jon Walklett
Accountable officer	Director of Commissioning, Jane Griffiths
Ward(s) affected	None directly
Significant Decision	No
Executive summary	In order to better deliver community outcomes the Council has adopted a strategic commissioning approach. The commissioning protocol summarises the principles and practices which the Council has introduced.
Recommendations	<p>That Council:</p> <ol style="list-style-type: none"> 1. endorses the commissioning protocol; 2. delegates the monitoring and review of the commissioning protocol to the Overview and Scrutiny Committee.

Financial implications	<p>No Financial implications arising directly from the recommendations.</p> <p>Contact officer: Paul Jones, paul.jones@cheltenham.gov.uk, 01242 775154</p>
Legal implications	<p>No Legal implications arising directly from the recommendations.</p> <p>Contact officer: Peter Lewis, peter.lewis@tewkesbury.gov.uk, 01684 272012</p>
HR implications (including learning and organisational development)	<p>No HR implications arising as a direct result of this report. HR Advisors work closely with managers and officers on all commissioning projects. The HR Advisors will identify and work with managers to manage the HR implications for each commissioning project work-stream.</p> <p>Contact officer: Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 264355</p>
Key risks	<p>If the Council does not have an agreed approach to commissioning, inconsistency and confusion may result.</p> <p>An underlying driver for commissioning, as set out in the protocol, is to support our financial strategy and thus mitigate the council's current highest risk – that it is unable to find long-term solutions which bridge the gap in the medium term financial strategy.</p>
Corporate and community plan Implications	<p>The council's corporate plan includes a number of commissioning reviews. The protocol establishes the underlying principles which guide the undertaking of reviews and the monitoring of commissioned services.</p>

Environmental and climate change implications	The development of community needs, which is the first of our five commissioning principles and informs all our commissioning decisions, includes explicit consideration of the environmental impact of services.
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1. Background

- 1.1 In December 2010, Council agreed that the Chief Executive’s proposals for a Strategic Commissioning Council and endorsed the vision that:

“By April 2012 we will lead our community by taking a commissioning approach. We will be driven by the needs of people and place, in order to improve wellbeing, the economy and the environment, and use resources efficiently and effectively.”

- 1.2 A formal programme was set up to deliver the vision and has led changes to the council’s constitution and structure; roles of members and officers; partnership arrangements; and council processes. Having realised the original vision and placed commissioning at the heart of everything we do, the programme closed in April 2012.
- 1.3 A short protocol has been created to describe the principles that govern our approach to commissioning and the context in which commissioning is undertaken. The protocol sets out how commissioning reviews are initiated, how commissioning decisions are made and how the performance of commissioned services is assessed. It states how we engage with the community, our partners and our employees and it provides a high-level view of the commissioning cycle.
- 1.4 The protocol can be found in appendix 1.

2. Reasons for recommendations

- 2.1 A clear and consistent council-wide approach to commissioning benefits members, partners, officers and the community as a whole.

3. Alternative options considered

- 3.1 Alternatives to becoming a Strategic Commissioning Council were set out and rejected in the business case which Council approved in December 2010.

4. Consultation and feedback

- 4.1 The importance of consultation with the community and with our partners to understand needs and to assess views on major changes to council services is emphasised within the protocol.
- 4.2 The protocol itself is based upon the programme’s engagement with members, partners, officers and trade unions. It has been approved by the Strategic Commissioning Programme Board.

5. Performance management –monitoring and review

- 5.1 It is proposed that the Overview and Scrutiny Committee should be responsible for the monitoring and review of the protocol.

Report author	Contact officer: Jane Griffiths, jane.griffiths@cheltenham.gov.uk, 01242 264126
Appendices	1. Commissioning Protocol
Background information	1. Council minutes – 13 th December 2010 (item 14)

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Page 26

COMMISSIONING PROTOCOL

- Cheltenham Borough Council's approach to commissioning

Author	Ken Dale
Owner	Jane Griffiths

DOCUMENT HISTORY

Document Location:	S:\Special Projects\commissioning framework\Programme documents\Blueprints
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Version Number	Version Date	Summary of Changes
0.1	February 2012	First draft to support discussions on the Code of Corporate Governance
0.2	15 th February 2012	Second draft for Strategic Commissioning Programme Board
0.3	6 th March 2012	Third draft following Strategic Commissioning Programme Board discussion
1.0	19 th March 2012	Formally agreed by Strategic Commissioning Programme Board without further amendment
1.1	29 th May 2012	Improvements to the document's clarity following feedback from the Communications Team

This document requires the following approvals

Strategic Commissioning Programme Board Cheltenham Borough Council

This document is available on the council's intranet

Introduction

Cheltenham Borough Council aspires to leadership of our community by taking a commissioning approach. We are driven by the needs of people and place, in order to improve wellbeing, the economy and the environment, and use resources efficiently and effectively.

The principles and practices of commissioning are embedded in the council's structure, the way it develops its people and in everything which it does.

This protocol describes the principles that govern the approach to commissioning at Cheltenham Borough Council and the context in which commissioning is undertaken.

The protocol also illustrates how corporate governance principles are applied within commissioning activity and is referenced from the council's Code of Corporate Governance.

Principles

Commissioning is defined as 'the cycle of assessing the needs of people in an area, then designing and securing appropriate services'

The principles we follow reflect our organisation's 9 agreed values – particularly

- meeting our customers' needs
- in touch with the community
- innovative, and
- working together.

They are also closely linked to the main drivers which have led us to adopt commissioning:

- Work with our partners to identify customer needs
- Deliver community outcomes
- Support our financial strategy

The council's approach to commissioning is based on these 5 principles:

1. Developing an understanding of the community's **needs**.

We base our assessment of today's and tomorrow's needs on the evidence we find. We place the customer at the centre of our thinking, ensuring we understand needs before we design services.

2. A focus on **community outcomes** rather than outputs.

We develop and prioritise outcomes. We then encourage providers to innovate in order to deliver outcomes.

3. Being open-minded about who provides services and how they are provided.

Decisions about service provision will be based on a **business case**. The capability to deliver outcomes will be a key criterion. Where appropriate we will look to develop solutions which don't already exist in the market-place. In particular, this will mean developing the capabilities of the voluntary and

community sector and ensuring that the way we commission does not discriminate against it.

4. Leadership from **members**.

Members provide political leadership. They agree outcomes and prioritise the use of resources to deliver outcomes. Members are engaged in all commissioning processes.

5. Working with **partners** as commissioners or providers.

We co-operate with partners to agree commissioning priorities and methods, and to pool resources whenever appropriate. We support the development of service delivery capabilities in our partners, particularly those in the Voluntary and Community Sector.

Context

Whilst we adhere to the framework of the commissioning cycle (see 'How we commission' below), we will interpret it flexibly. For example:

- we may commission alone or we may pool resources and commission with our partners
- we may commission a broad set of outcomes or we may commission more narrowly
- we may act as providers and be commissioned by others
- we may commission 'corporate' services which have less of a direct community impact.

At the outset of each commissioning review and as the review progresses, we will ensure it reflects its specific circumstances.

How are commissioning reviews initiated?

During our preparation of the corporate business plan, working with our partners, we identify any major commissioning reviews which may potentially enter the 'analysis' stage in the coming year. In order to decide which will be part of the business plan they are assessed against a range of criteria:

- **Effectiveness** – can better community outcomes be delivered in an acceptable timeframe, do viable alternative approaches exist?
- **Financial benefits** – is there potential for financial benefits for the council and / or the community, can better value for money be delivered, is sufficient resource (people / money) available to support a commissioning review?
- **Resilience** – can services be made more resilient and sustainable?
- **Timeliness** – is there a time-limited opportunity, is there a legal imperative, might there be a better opportunity in future?

- **Risk / opportunity** – for example; does political support for change exist, will existing services be distracted?

The plan is agreed by cabinet and council.

At all times we are aware that opportunities for successful commissioning may arise as circumstances develop and that our plans may be modified as a consequence.

Major roles and responsibilities - how commissioning decisions are made

The roles, responsibilities, and decision making processes within commissioning are laid out in full within the council's constitution, specific terms of reference and other material. The following paragraphs summarise key principles:

- **Lead cabinet member** – makes formal recommendations to Cabinet; updates scrutiny; champions member engagement and may chair a member working group
- **Cabinet** – agrees the scope of major commissioning reviews; agrees and prioritises corporate outcomes; approves any major changes to service delivery including their governance arrangements
- **Council** – approves funding to support corporate outcomes and commissioning reviews
- **Scrutiny** – may form task and finish groups to support commissioning reviews and / or monitor the performance of commissioned services
- **Lead commissioner** – provides officer leadership for commissioning reviews
- **Commissioning division** – provides expertise and capacity to support commissioning reviews; often provides client management for commissioned services

Commissioning reviews are led and managed according to the council's project management methodology adapted to the circumstances of the review.

How the performance of commissioned services is assessed

The basis for assessing the performance of commissioned services is a specification, based upon target outcomes and relevant measures.

The approach to managing performance is agreed at the time a service is commissioned.

How is the community engaged?

We will work with the community to understand needs and prioritise outcomes. When major changes in services are planned we will consult before they are introduced.

Where there are opportunities to do so we will engage with community groups to design new services and devise new ways in which they can be delivered.

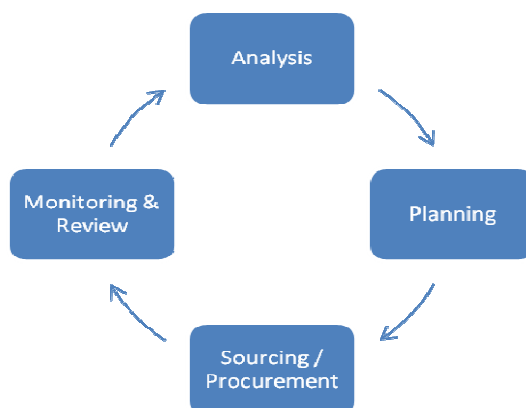
How are the council's employees involved?

Council employees who are actual or potential providers of services may be directly impacted by commissioning reviews and decisions. Involving them from the outset benefits commissioning by ensuring they are aware of reviews and by enabling their knowledge and experience to be utilised.

A protocol 'Commissioning Services and Workforce Change' has been agreed between the Council and its Trade Unions and sets out in detail how unions and employees are engaged.

How we commission

Our approach is based on a commissioning cycle



We are developing resources and toolkits to help us navigate the cycle. We make best use of our existing internal standards (e.g. for governance, programme / project management / procurement) and of advice from outside organisations. Where necessary we adapt internal processes (e.g. overview and scrutiny / constitution) to align with commissioning.

Glossary

Commissioning

The cycle of assessing the needs of people in an area, then designing and securing appropriate services

Needs

A shared view of what the community needs from its public services, both now and in the future, based on an understanding of current services and future demands. For example – activity rates decline as people get older, a greater proportion of the population will be older in the future, therefore there is a need to encourage leisure activities which attract older people.

Outcomes

The improvement in quality of life that the community experiences. For example – 'people are physically, socially and mentally active and enjoy life to the full'

Outputs

The 'amount' of service that is provided to the community. For example – '10 public swimming sessions and 30 gym classes each week'.

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Page 32

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:

- £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).

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

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)	

GENERAL FUND REVENUE OUTTURN 2011/12

GROUP

	A 2011/12 Original Budget	B 2011/12 Revised Budget	C 2011/12 Outturn per Ledger	overspend / (underspend) before adjustments	D Trf to / (from) Reserves	E C/F requests approved by S151 Officer Appendix 7	F Variance net of S151 c/f approvals	G C/F requests to be approved Members Appendix 7	H Variance net of all c/f requests
	£	£	£	£	£	£	£	£	£
Strategic Management	(16,450)	(11,050)	(26,888)	(15,838)			(15,838)		(15,838)
Commissioning	2,942,800	2,876,450	2,687,646	(188,804)	(5,113)	131,900	(62,018)		(62,018)
Built Environment	1,166,850	1,072,966	455,265	(617,701)	146,894	363,200	(107,607)	30,000	(77,607)
Resources	1,340,650	1,586,650	1,446,669	(139,981)	58,444	176,200	94,664	8,000	102,664
Wellbeing and Culture	4,672,200	4,591,450	4,443,160	(148,290)	18,987	21,000	(108,303)	25,000	(83,303)
Operations	4,793,500	4,843,000	4,797,499	(45,501)	(31,620)	36,800	(40,321)	10,000	(30,321)
Programmed Maintenance (Revenue)	482,100	588,400	428,212	(160,188)	161,000	226,700	(144,949)	141,700	(3,249)
Business Change	734,800	999,900	628,251	(371,649)			(69,650)		69,650
Target savings	(480,000)	(69,650)	0	(8,570)			(8,570)		(8,570)
Bad debt provision	40,000	40,000	31,430				0		0
	15,676,450	16,518,116	14,891,244	(1,626,872)	348,592	955,800	(322,480)	214,700	(107,780)
Capital Charges - Appendix 4	(2,097,600)	620,500	620,542	42			42		42
Interest and Investment Income - Appendix 5	521,800	597,200	54,075	(543,125)			(41,906)		(41,906)
Use of balances and reserves - Appendix 8	173,643	(2,990,024)	(1,184,413)	1,805,611			0		0
Area Based Grant	0	(180,424)	(180,424)	0			0		0
New Homes Bonus	0	(290,275)	(290,266)	9			9		9
Net underspend			364,477						
NET BUDGET	14,274,293	14,275,093	14,275,236				(364,477)		(149,777)
Deduct:									
Revenue Support Grant	(1,439,927)	(1,439,927)	(1,439,927)	0			0		0
National Non-Domestic Rate	(4,658,405)	(4,658,405)	(4,658,406)	-1			(1)		(1)
Collection Fund Contribution	(59,500)	(59,500)	(59,455)	45			45		45
NET SPEND FUNDED BY COUNCIL TAX	(8,116,461)	(8,117,261)	(8,117,448)	-187			(187)		(187)
TOTAL INCOME	(14,274,293)	(14,275,093)	(14,275,236)				(364,477)		(149,777)
					Total budget underspend				

KEY

- A - Original budget for 2011/12 approved by Council - February 2011
B - Revised budget for 2011/12 - including budget revisions approved by Council during 2011/12 and approved carry forwards from 2010/11
C - Outturn net expenditure before year end adjustments
D - Operational transfers to / (from) reserves approved by the Director of Resources under delegated powers - Appendix 8
E - Carry forward requests approved by the Director of Resources under delegated powers - Appendix 7
F - Net variance after adjustments in columns D to E
G - Carry forward requests requiring Member approval - Appendix 7
H - Net variance on cost centres taking into account all carry forward requests - see detail at Appendix 3

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Page 46

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 £	(Under) / Overspend before SeRCOP Adjustment £	Adjusted (Under) / Overspend £	Adjusted (Under) / Overspend £									
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)
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)			(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)		(120,725)			(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)	(496)	(12,764)			(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						0
H22550 Disabled Facilities Grants	0	64,300	64,300	0		0			0						0
H22230 PSDH grants / loans	0	0	0	0		0			0						0
TOTAL BUILT ENVIRONMENT	1,166,850	1,072,966	455,265	(617,701)	146,894	(77,607)			(617,701)						0
COMMISSIONING															
D21200 Corporate Management	1,248,900	1,095,100	1,093,250	(1,850)		(1,850)			(1,850)						9,943
G50337 Transfer to accumulated absences account	0	0	0	0		0			0						(11,793)
D21215 CPA Costs	11,100	0	0	0		0			0						0
D21220 Corporate Subscriptions	24,400	23,700	23,662	(38)		(38)			(38)						(38)
D11700 Policy & Information Management	(92,700)	(12,100)	(36,061)	(23,961)	11,500	(12,461)			(23,961)						(23,961)
TOTAL COMMISSIONING															0
TOTAL															1,474,975

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	Annevy	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	Weihel	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

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 £	(Under) / Overspend before SerCOP Adjustment £	Adjusted (Under) / Overspend £	Adjusted (Under) / Overspend £									
D38300	250	250	0	0	0	0	0	0	0	0	0	0	0	0	0
D38600	250	250	250	0	0	0	0	0	0	0	0	0	0	0	0
D39100	161,400	162,400	161,779	(621)	(621)			(621)		(621)					(621)
D39150	40,600	67,000	47,000	(20,000)	(20,000)		20,000	0		(20,000)					(20,000)
D39210	8,000	8,000	8,000	0	0			0		0					0
D38850	24,000	63,400	(738)	(64,138)	(64,138)		64,100	(38)		(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)	0	0	0	0	(188,804)
OPERATIONS															
C22100	(76,650)	13,350	16,165	2,815	2,815			2,815		2,815					2,815
C23160	(10,400)	16,900	(28,587)	(45,487)	(45,487)			(45,487)		(45,487)					(45,487)
E34200	127,000	82,300	61,677	(20,623)	(20,623)			(20,623)		(20,623)					(20,623)
C23100	963,500	1,035,400	1,077,232	41,832	41,832			41,832		41,832					41,832
C23110	864,200	759,100	747,951	(11,149)	(11,149)			(11,149)		(11,149)					(11,149)
C23120	274,500	176,700	162,561	(14,139)	(14,139)		20,000	5,861		(14,139)					(14,139)
C23125	48,000	39,900	50,781	10,881	10,881			10,881		10,881					10,881
C23130	12,800	12,100	11,549	(551)	(551)			(551)		(551)					(551)
C23140	122,100	180,200	162,357	(17,843)	(17,843)			(17,843)		(17,843)					(17,843)
C23180	405,750	600,650	574,004	(26,646)	(26,646)		12,000	(14,646)		(26,646)					(26,646)
C23190	(214,700)	(13,200)	65,561	78,761	78,761			78,761		78,761					78,761
C24100	(2,500)	0	(644)	(644)	(644)			(644)		(644)					(644)
C24150	(47,300)	0	0	0	0			0		0					0
C22105	(10,500)	(20,600)	(24,392)	(3,792)	(3,792)			(3,792)		(3,792)					(3,792)
C22110	1,163,900	963,700	942,321	(21,379)	(21,379)		10,000	(11,379)		(21,379)					(21,379)
C22115	0	0	0	0	0			0		0					0
C22120	1,208,100	1,128,100	1,133,268	5,168	5,168		(31,620)	4,800		5,168					5,168
C22140	(39,000)	(85,200)	(103,164)	(17,964)	(17,964)			(17,964)		(17,964)					(17,964)
C22440	4,700	(46,400)	(51,141)	(4,741)	(4,741)			(4,741)		(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)	0	0	0	0	(45,501)
RESOURCES															
D12300	34,000	9,200	(7,041)	(16,241)	(16,241)		17,000	759		(16,241)					(16,241)
D21260	3,800	3,500	(772)	(4,272)	(4,272)		4,200	(72)		(4,272)					(4,272)
D12310	(21,900)	(21,800)	(29,756)	(7,956)	(7,956)		8,000	44		(7,956)					(7,956)
D12400	(119,450)	92,150	85,519	(6,631)	(6,631)			(6,631)		(6,631)					(6,631)
D11400	(43,050)	7,150	7,400	250	250			250		250					250
D11300	10,900	(43,500)	(64,211)	(20,711)	(20,711)		20,000	(711)		(20,711)					(20,711)
D12485	(27,750)	(18,750)	(19,402)	(652)	(652)			(652)		(652)					(652)
D12490	(200)	32,800	32,955	155	155			155		155					155
D32600	12,100	(5,300)	(6,009)	(709)	(709)			(709)		(709)					(709)

SERVICE LEVEL OUTTURN PERFORMANCE POSITION 2011-12

REVENUE OUTTURN 2011/12	Budget Book 11/12 £	(Under) /				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 £	Overspend before SerCOP Adjustment £								
D32700 Financial Expenses - Debt Mgr/Bank Charges	87,100	84,800	76,893	(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)	
D33800 Unison Sports & Social Club	14,000	14,400	14,437	37			37	37				37	
D35100 Gloucestershire Airport	(1,300)	37,200	33,902	(3,298)			(3,298)	(3,298)				(3,298)	
H22280 Housing Advances	1,700	0	(92)	(92)			(92)	(92)				(92)	
D12500 Property Services Division	(7,850)	(10,150)	(23,869)	(13,719)		13,000	(719)	(13,719)				(13,719)	
D21290 Asset Management Plan	0	65,100	65,100	0			0	0				0	
D30200 Miscellaneous Properties & Land	(484,300)	(413,900)	(408,576)	(5,324)	(19,004)		(13,680)	5,324				5,324	
D30220 Development & Regeneration Sites	68,600	78,900	78,900	0			0	0				0	
D13100 Municipal Offices	17,200	(15,400)	(43,998)	(28,598)			(28,598)	(28,598)				(28,598)	
D14100 Depot Building	5,000	(31,900)	(31,348)	552	(1,251)		(700)	552				552	
D30300 War Memorials	6,100	7,300	3,452	(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)	
L32200 Christmas in Cheltenham	35,500	46,700	43,245	(3,455)		3,400	(55)	(3,455)				(3,455)	
D12450 Cash Receiving / Banking	(5,700)	(4,500)	(5,701)	(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)	
D12495 Customer Services Areas	(19,200)	(49,100)	(54,158)	(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)	
D13160 Custodians -Muni.Bids	(4,200)	(7,100)	(11,320)	(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)	
D12435 Local Housing Allowances	(75,600)	(75,600)	(102,136)	(26,536)	26,500		(36)	(26,536)				(26,536)	
H23100 Rent Allowances	(31,600)	(47,100)	160,752	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	
H23200 Tenants Rent Rebates	(110,100)	(79,700)	(136,102)	(56,402)	52,200		(4,202)	(56,402)				(56,402)	
D12440 Council Tax Overheads	33,500	11,000	2,824	(8,176)			(8,176)	(8,176)				(8,176)	
D12445 Council Tax Leaflet	0	0	0	0			0	0				0	
D12460 Property Inspection	800	(18,600)	(21,507)	(2,907)		2,900	(7)	(2,907)				(2,907)	
D12480 Business Revenues Overheads	200	(45,700)	(45,780)	(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)	
D31300 NDR Collection	(44,400)	(72,100)	(71,669)	431			431	431				431	
D39400 Discretionary Relief	12,100	12,100	11,960	(140)			(140)	(140)				(140)	
D11800 IT Services	(113,250)	(118,050)	(143,243)	(25,193)		25,000	(193)	(25,193)				(25,193)	
D11820 IT Infrastructure	26,500	156,000	43,195	(112,805)		82,700	(30,105)	(112,805)				(112,805)	
D13250 Corporate Telecommunications	(200)	(500)	29,530	30,030			30,030	30,030				30,030	
TOTAL RESOURCES	1,340,650	1,586,650	1,446,669	(139,981)	58,444	184,200	102,664	(139,981)	0	0	0	(139,981)	
STRATEGIC DIRECTORS													
D11100 Management (C Execs)	(16,200)	400	(279)	(679)			(679)	(679)				(679)	
D51100 Director (Corporate Services)	(5,000)	(6,300)	(7,606)	(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)	

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		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)					(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)	0	0	0	0	(371,649)
PROGRAMME MAINTENANCE	482,100	588,400	428,212	-160,188	161,000	812	0	-160,188	0	0	0	0	-160,188
G50530	40,000	40,000	31,430	-8,570	0	-8,570	0	-8,570	0	0	0	0	-8,570
G50520	-480,000	-69,650	0	69,650	0	69,650	0	69,650	0	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)	3,342,676	0	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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Page 56

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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Page 58

**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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Page 62

2011/12 CARRY FORWARD REQUESTS

Ref	Amount £ (Net of VAT)	Expenditure Code	Cost Centre	Reason for carry forward	A (i) Base Budgets Amounts agreed by S151 Officer under delegated powers	A (ii) One-Off Budgets Amounts agreed by S151 Officer under delegated powers	B Amounts for member approval
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		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	
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		B
					(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	Amounts for member approval
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

USE OF BALANCES AND RESERVES

DETAILED RESERVE MOVEMENTS

RSVE
REF:

BUDGETBOOK 2011/12 £ REVISED 2011/12 £ ACTUAL 2011/12 £ VARIANCE 2011/12 £ NOTE

USE OF BALANCES & RESERVES - SUMMARY

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

* CONTRIBUTIONS TO RESERVES

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	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
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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	

** CONTRIBUTIONS FROM RESERVES

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
BR02	Pension Reserve	-100,000	-100,000	-100,000	0	Contribution to fund increased pension costs as a result of the 2004 triennial revaluation

USE OF BALANCES AND RESERVES
DETAILED RESERVE MOVEMENTS

RSVE REF:	BUDGETBOOK 2011/12 £	REVISED 2011/12 £	ACTUAL 2011/12 £	VARIANCE 2011/12 £	NOTE
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	-180,000	-339,300	-344,413		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		

*** CONTRIBUTIONS FROM RESERVES TO FUND ONE OFF REVENUE

USE OF BALANCES AND RESERVES

DETAILED RESERVE MOVEMENTS

RSVE REF:	BUDGETBOOK 2011/12 £	REVISED 2011/12 £	ACTUAL 2011/12 £	VARIANCE 2011/12 £	NOTE
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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Page 72

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)

Page 80

- 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			10,647.00				0.00
BR02 Pension Reserve	(28,373.38)		(50,000.00)							(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		31/3/11	2011/12	2011/12	2011/12	31/3/12
Purpose of Reserve		£	Movement	Capital	Transfer of	Reserve
		£	Revenue	£	Underspend	Re-alignment
			£		£	£
<u>EARMARKED RESERVES</u>						
<u>Equalisation Reserves</u>						
BR63	Rent Allowances Equalisation	(119,655.60)	(39,600.00)			(159,255.60)
BR64	Planning Appeals Equalisation	(38,955.09)				(38,955.09)
BR65	Licensing Fees Equalisation	(28,355.00)	17,000.00			(11,355.00)
BR67	Interest Equalisation	(2,787,594.76)	1,998,781.00			(788,813.76)
BR72	Local Plan Equalisation	(55,030.00)	55,000.00			(30.00)
BR76	Elections/Electoral Reg. Equalisation	(11,500.00)	(61,200.00)			(72,700.00)
		(3,041,090.45)				(1,071,109.45)
<u>Reserves for commitments</u>						
BR91	Old Year Creditor Rsve - RR	(351,200.00)	(604,600.00)		(364,477.03)	(1,320,277.03)
<u>CAPITAL</u>						
BR77	Capital Reserve - GF Housing	(902,476.15)				(902,476.15)
BR92	Capital Reserve - GF	(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	(2,619,507.03)	398,170.29			(31,699.86)
		(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 this 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	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		4,100,000	400,000	
		C GF Capital Reserve					3,846,153		912,000	5,546,000	
					9,244,253	9,244,253	5,699,150	0	9,829,000	13,265,226	

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Page 86

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	Merrowdown-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	Merrowdown-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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Page 90

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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Page 92

	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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Page 96

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 2011/12 is to be noted and the revised estimate for 2012/13 (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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Page 104

Cheltenham Borough Council

Council – 25 June 2012

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

Accountable member	Cllr. Steve Jordan, Leader of the Council Cllr. John 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	The performance review takes information and data from our performance management system to provide elected members with an overview of how the council is performing. This review summarises how the council performed last year in regard to the published milestones, performance indicators and outcomes set out in the 2011-2012 corporate strategy action plan.
Recommendations	Council to approve the performance review for 2011-12.

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	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. If we do not respond to performance information, then we may not direct change and improvement in a positive direction.
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
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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 commissioning 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>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>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>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>	<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	what didn't go so well
	<p>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.</p> <p>The Town Hall had a successful year; 68,478 tickets were sold and there were 250,000 hits on the new Town Hall website.</p>	
<p>The council delivers cashable savings, as well as improved customer satisfaction overall and better performance through the effective commissioning of services.</p>	<p>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.</p> <p>Significant work was undertaken to launch the GO Shared Service on 1st April together with its accompanying business support system.</p> <p>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.</p> <p>A number of new commissioning reviews have been agreed and included within the corporate strategy action plan for 2012/13</p>	<p>The GO business support system was to have been launched in Cotswolds DC by the end of March 2012, but this will now take place in August 2012.</p>

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Page 118

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	
	Carbon emissions are reduced and Cheltenham is able to adapt to the impacts of climate change.	<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
Strengthening our economy.	Cheltenham is able to recover quickly and strongly from the recession.	<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

CBH contribution for 2011/12	
CBC Objectives	CBC Outcomes
	<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>
	<p>People have access to decent and affordable housing.</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

CBC Objectives	CBC Outcomes	CBH contribution for 2011/12
	<p>People are able to lead healthy lifestyles.</p>	<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

CBC Objectives	CBC Outcomes	CBH contribution for 2011/12
	<p>Our residents enjoy a strong sense of community and are involved in resolving local issues.</p>	<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> <ul style="list-style-type: none"> ▶ 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. ▶ The names of four new streets in St Paul's have been decided by local residents after we launched the 'Up Your Street!' 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. ▶ 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

CBH contribution for 2011/12		
CBC Objectives	CBC Outcomes	
		<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.
Enhancing the provision of arts and culture.	Arts and culture are used as a means to strengthen communities, strengthen the economy and enhance and protect our environment.	<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
Ensuring we provide value for money services that effectively meet the needs of our customers.	The council delivers cashable savings, as well as improved customer satisfaction overall and better performance through the effective commissioning of services.	<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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Page 128

Cheltenham Borough Council

Council – 25th June 2012

Localism Act 2011

Report of the Constitution Working Group -

New Conduct Regime

Accountable member	Cabinet Member, Corporate Services, Councillor Jon Walklett
Accountable officer	Borough Solicitor, Sara Freckleton
Key Decision	No
Executive summary	<p>This report sets out for Members’ consideration, proposed arrangements for adoption by the Council in order to comply with the new conduct regime set out in the Localism Act 2011 and the recently approved Regulations. The Council is being asked to</p> <ul style="list-style-type: none"> • approve a Code of Conduct (in the form set out in the draft at Appendix 2 to this report) with effect from the 1st July 2012, • determine the matters to be included in the Council’s Register of Interests; • put in place arrangements for the investigation and determination of allegations that any Member or Co-opted Member (including Parish Councillors within the Borough’s area) has failed to comply with their Code of Conduct; and • appoint Independent Person(s)
Recommendations	<ol style="list-style-type: none"> 1. That the draft Code of Members’ Conduct, attached at Appendix 2, be APPROVED and ADOPTED with effect from 1st July 2012. 2. That the Cheltenham Borough Council Register of Interests comprises those Disclosable Pecuniary Interests and other interests as set out in Appendices A and B of the Code of Members’ Conduct at Appendix 2. 3. That the Council’s Constitution be amended to include within the Council, Cabinet Committee and Sub-Committee Rules of Procedure the following: <p style="margin-left: 40px;">‘A Member must withdraw from a meeting (including from the public area/gallery) during the whole of the consideration of any item of business in which the Member has a Disclosable Pecuniary Interest, or in which the Member has an “other” interest where, as a consequence of Paragraph 10(4) of the Council’s Code of Conduct, the Member is required to leave the meeting and not participate or vote on the matter, unless the</p>

Member is permitted to remain through the granting of a dispensation.'

- 4. That the arrangements for dealing with complaints, as set out in Paragraph 3 of this report are ADOPTED, together with the flowchart and assessment criteria set out at Appendix 3.**
- 5. To establish a Standards Committee, including a Hearings Sub-Committee, as set out in Paragraphs 3.13-3.17 of this report, together with the Terms of Reference set out at Appendix 4 to be incorporated within Part 3C of the Council's Constitution.**
- 6. That the Council determines the Membership of the Standards Committee in accordance with the political balance requirements (4:2:1).**
- 7. To ask the Independent Remuneration Panel to review the Council's Scheme of Allowances consequent upon the changes to the Standards Committee.**
- 8. That the Independent Person(s) be appointed in accordance with the recommendation of the Interview Panel.**
- 9. That Part 3D (Responsibilities for Functions – Officer Non-Executive Functions) of the Council's Constitution be amended to appoint the Borough Solicitor and Monitoring Officer to be the Proper Officer to receive complaints in writing regarding allegations of failure to comply with the Code of Conduct and that authority is delegated to the Monitoring Officer as follows:**
 - i) to determine, after consultation with the Independent Person(s), whether a complaint should be investigated and to arrange such investigation;**
 - ii) to seek local resolution of complaints without formal investigation where it is possible to do so;**
 - iii) to close a complaint if the investigation finds no evidence of failure to comply with the Code of Conduct;**
 - iv) to agree a local resolution where an investigation finds evidence of a failure to comply with the Code of Conduct, subject to consultation with the Independent Person(s) and the complainant being satisfied with the proposed resolution;**
 - v) to grant dispensations in accordance with Paragraphs 2.10 and 2.11 of this report;**
 - vi) to make any other minor consequential changes to the Council's Constitution as the result of the adoption of the arrangements set out in this report.**

<p>Financial implications</p>	<p>There is no specific budgetary provision for the payment of Special Responsibility Allowances to members of the Standards Committee, should an allowance be recommended by the Independent Remuneration Panel. It is considered that any such payments would be absorbed within existing budgets.</p> <p>Contact officer: Mark Sheldon, mark.sheldon@cheltenham.gov.uk, 01242 264160</p>
<p>Legal implications</p>	<p>As set out in the report.</p> <p>Contact officer: Sara Freckleton, sara.freckleton@teWKesbury.gov.uk, 01684 272011</p>
<p>HR implications (including learning and organisational development)</p>	<p>Resource will be required to ensure all members are briefed on the revised code.</p> <p>Contact officer: Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 264355</p>
<p>Key risks</p>	<p>As set out in the Risk Assessment at Appendix 1</p>

1. Background

- 1.1 The Council has previously been advised of the significant changes to the Conduct Regime contained in the Localism Act 2011. In summary, the regulatory framework governing Councillors' conduct is being replaced and from the 1st July 2012 the Council will need to have new arrangements in place to meet its statutory obligation, under the Localism Act, to promote and maintain high standards of conduct by Elected and Co-opted Members of the Authority. Standards for England (formerly the Standards Board) ceased to exist from the 1st April 2012, there will no longer be a legal requirement to maintain a Standards Committee and the mandatory Code of Conduct and statutory process for determining conduct complaints have also been removed. The Regulations which were required to provide the necessary detail and to implement the Localism Act were delayed and were only laid before Parliament on 8th June 2012. Notwithstanding that delay, the Regulations have confirmed implementation to be on or after 1st July 2012 and therefore the Council should now determine how it will implement the new regime.
- 1.2 The matters which need to be determined, for implementation on the 1st July 2012, are in summary:-
- Adoption of a Code of Conduct (Section 28).
 - Determination of the matters to be included in the Council's Register of Member Interests. (Section 29).
 - Putting in place arrangements for the investigation and determination of allegations that any Member or Co-opted Member (including Parish Councillors within the Borough's area) has failed to comply with the Code of Conduct (Section 28).
 - Appointment of Independent Person(s) (Section 28)
- 1.3 In order to assist the Council in making its decisions, the Constitution Working Group has met and considered the new requirements and has explored the various options which are available to meet the statutory requirements in the context of the needs of the Borough Council. Mindful also of the continuing obligation which is placed upon the Council to make arrangements to investigate and determine allegations of breach of the Code of Conduct by Parish Councillors within the Council's administrative area.
- 1.4 The following sections of the report provide further detail as to the reasoning behind the Constitution Working Group's recommendations and, where appropriate, sets out alternatives which were considered but not recommended.
- 1.5 As the provisions are new and will be subject to local variation throughout the Country, it is

recognised that there may need to be changes to all or any of the matters which are being determined at this meeting and that it is only through experience of using the new arrangements that their suitability can be assessed, monitored and, if necessary, reviewed. In determining its arrangements, the Council will retain flexibility to make amendments at a later date when experiences locally and further afield may inform practices and procedures. Nevertheless, the arrangements which are being suggested are intended to be comprehensive, transparent and sustainable to enable the statutory duty to be fulfilled by the Authority.

2. NEW CODE OF CONDUCT AND REGISTER OF INTERESTS

- 2.1** The Council has a statutory duty to adopt a Code of Conduct dealing with the conduct which is expected of Members and Co-opted Members of the Authority and which is consistent with the 7 principles of public life; selflessness, integrity, objectivity, accountability, openness, honesty and leadership. The Council has discretion to devise its own Code of Conduct either by adapting the current Code or by adopting a new one. Various organisations, including Communities and Local Government (CLG), the Local Government Association (LGA) and the Association of Local Authority Secretaries and Solicitors (ACSeS) have produced versions of a new Code of Conduct devised to meet the requirements of the Act and there are some examples of Codes already adopted by various Local Authorities, some on a County-wide basis and others on an individual basis. Whilst all of these no doubt meet the statutory requirements, they differ considerably in content and format, some based on those produced by the organisations referred to above and others adapted from the current Code of Conduct. A model Code of Conduct has also now been produced for Parish Councils by the National Association of Local Councils (NALC), although the Local Association prefers to seek a Gloucestershire-wide Code for Parish and Town Councils if this is possible.
- 2.2** As may be expected, in the absence of a prescribed model, or mandatory Code, the versions which have been produced vary considerably, some being at a high level and widely drawn and others being adaptations of the current Code of Conduct. The versions which are at high level and widely drawn may lead to varying interpretations as well as lack of clarity for Members and for the public. Members of the Constitution Working Group considered that the wording should be clear, comprehensive and straightforward so that all concerned are aware of the requirements. It was also considered important for definitions to be included within the Code to ensure clarity.
- 2.3** The Working Group was also mindful of the statutory requirement for Parish Councils to adopt their own Code of Conduct and for the Borough Council to make arrangements to investigate and determine complaints about the conduct of Parish Councillors. In those circumstances, it is desirable for purposes of consistency and efficiency, that the Borough Council and Parish

Councils Codes of Conduct are drawn in as similar terms as is possible. Consideration has been given by Monitoring Officers within Gloucestershire as to the desirability of having a consistent Code of Conduct for all Gloucestershire Authorities (County, District and Parish levels), and although some work has begun, the delay in the issue of the Regulations and the need for Authorities to meet their individual Council deadlines, mean that this work has not been concluded ahead of the July implementation date. Nevertheless, in recommending the Code at Appendix 2, the Working Group recommends that the Council continues to participate, through the Monitoring Officer, in discussions with the other Gloucestershire Authorities which is likely to conclude in the Autumn. The Council can then consider whether it wishes to revisit its Code of Conduct when the joint work has been completed.

- 2.4** It is recommended that the draft Code of Conduct which is attached at Appendix 2 be adopted by the Council to take effect from the 1st July 2012. This Code is also, with some fairly minor amendment, suitable for Parish Councils and therefore can be recommended for adoption by the 5 Parish Councils within the area. The Appendices A & B to the Code contain the matters which it is recommended be included within the Council's Register of Interests for the purpose of Section 29 of the Act and which is discussed further below

Register of Interests

- 2.5** The statutory position is that the Council must determine what is to be entered into the Authority's Register of Interests of Members and Co-opted Members of the Authority and the Monitoring Officer must establish and maintain the Register. The Register must include those matters which have been prescribed in the recently issued Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 as well as any other interests as determined by the Authority. The requirements of the Regulations are set out in Appendix A to the Code of Conduct and the other interests which are recommended to the Council for inclusion in the Register are set out in Appendix B. The Monitoring Officer will, in order to fulfill the statutory obligation to establish and maintain a Register of Interests for the Authority (and Parish Councils), devise a form for use by Members to notify their interests. The form will be circulated for completion by Members as required by the Code of Conduct.
- 2.6** Members' attention is specifically drawn to the requirements within Appendix A which include disclosure requirements not only of the Member but also those of their spouse, civil partner, or person living with the Member as spouse or civil partner.
- 2.7** The Register of Interests must be published on the Council's website together with the Register of Interests of the Parish Councils within its area. A copy also has to be made available for public inspection.

Disclosure of Interests and Restriction on Participation

- 2.8** The Localism Act prohibits Members with a Disclosable Pecuniary Interest (Code Appendix A) from participating in any item of business relating to that interest. The Act does not require withdrawal from the meeting but, as this is the current requirement and ensures transparency, it is recommended that this practice continues and the Code of Conduct is drawn accordingly. In order to make this a procedural requirement, the Council is being recommended to make an amendment to its Council, Cabinet and Committee Rules of Procedure which will require a Member who has an interest (both Disclosable Pecuniary Interests, or where paragraph 10(4) of the Code applies) to leave the room in which the meeting is taking place during the discussion and decision on the matter in which the Member has the interest (unless having a dispensation or, where appropriate, making a submission in the manner available to a member of the public).
- 2.9** It is a criminal offence to fail to disclose interests which are contained in Appendix A to the Code of Conduct (Appendix 2).

Dispensations

- 2.10** The Localism Act provides a discretion for the Council, upon a written request to the Proper Officer, to grant a dispensation relieving the Member or Co-opted Member of the Authority from the restrictions set out in 2.8 above. The dispensation may be given (for a period of up to 4 years) if, after considering all of the circumstances of the case, the Authority considers:-
- (a) that the business will be impeded because of the number of Members prohibited from participating;
 - (b) that without the dispensation the political proportionality would be distorted to alter the outcome of the vote;
 - (c) that granting the dispensation is in the interests of persons living in the Authority's area;
 - (d) that without dispensation each Member of the Executive (Cabinet) would be prohibited from participating in the business to be transacted at the Executive (Cabinet);
 - (e) that it is otherwise appropriate to grant the dispensation.
- 2.11** As the circumstances referred to in (a) and (b) above are relatively straightforwardly assessed, it is recommended that granting dispensations in those circumstances may be delegated to the Monitoring Officer with any other applications, together with any referred by the Monitoring

Officer, to be determined by the Standards Committee. This will enable those dispensations which can be dealt with by the Monitoring Officer to be dealt with in a shorter timescale than the rather longer route of Committee consideration.

3. Arrangements for Investigation and Determination of Allegations of Misconduct

- 3.1** The Act requires that the Council adopt “arrangements” for dealing with complaints of breaches of the Code of Conduct both by Borough Council Members and by Parish Council Members within the Borough. The “arrangements” should set out, in some detail, the process for dealing with complaints of misconduct and the actions which may be taken against a Member who is found to have failed to comply with the relevant Code of Conduct.
- 3.2** The Act repeals the requirements for separate Assessment & Review Sub-Committees and enables the Council to establish its own process which can include delegation of decisions on complaints. As the statutory provisions no longer give a Standards Committee or Monitoring Officer powers to deal with complaints, the Council must determine the delegation of authority to the Monitoring Officer and to any Committee either existing or to be established.
- 3.3** The Constitution Working Group considered the principles which should underpin the arrangements to be put in place by the Council from which the following emerged.;
1. the arrangements should be streamlined with decisions, where appropriate, delegated to the Monitoring Officer in consultation with the Independent Person(s);
 2. the emphasis should be on local resolution rather than formal investigation;
 3. emphasis should be placed upon identifying and resolving any underlying issues which may escalate to complaints;
 4. criteria should be developed for cases which warrant investigation and which should rule out ‘trivial’ complaints, “tit for tat” complaints and, in most circumstances, anonymous complaints where pursuit would not be in the public interest.
- 3.4** The Standards for England guidance on initial assessment of complaints has provided a reasonably robust basis for filtering complaints and, in accordance with the above principles and the flexibility allowed within the Act, it is proposed that the initial decision on whether a complaint requires investigation be delegated to the Monitoring Officer in consultation with the Independent Person(s). However should the Monitoring Officer feel it inappropriate to take such a decision, for example where the Monitoring Officer has previously advised the Member on the matter, or where the complaint is particularly sensitive, the option for the matter to be referred to a Committee

would be available. Such arrangements would offer the opportunity for the Monitoring Officer to seek to resolve a complaint informally before taking a decision on whether the complaint merits formal investigation. In order to ensure accountability, the Monitoring Officer would be required to report to the Committee on the number and nature of complaints received and action taken.

- 3.5** Where a formal investigation finds that the circumstances do not amount to a failure to comply with the Code of Conduct, the current requirement is that this is reported to the Standards Committee and the Standards Committee takes the decision to take no further action. It would be proposed to delegate this decision to the Monitoring Officer in consultation with the Independent Person(s). A summary report of each such investigation will be presented to the appropriate Committee for information.
- 3.6** Where a formal investigation finds evidence of failure to comply with the Code of Conduct there could still be an opportunity for local resolution avoiding the necessity of a hearing. Sometimes the investigation report can cause a Member to recognise that his/her conduct was capable of amounting to a breach and it might be appropriate to identify some remedial action which is acceptable to the complainant. The complainant may be satisfied by recognition of fault and an apology or other remedial action. Therefore authority could be delegated to the Monitoring Officer to agree a local resolution after consultation with the Independent Person(s) and where the complainant is satisfied with the outcome. A summary report would be submitted to the appropriate Committee.
- 3.7** In all other cases, where the formal investigation finds evidence of a failure to comply with the Code of Conduct, it would be necessary for a hearing to be held at which the Member against whom the complaint has been made can respond to the investigation report and it can be determined whether the Member did fail to comply with the Code of Conduct and what action, if any, is appropriate as a result.
- 3.8** An assessment criteria for complaints and a flow chart of the complaint procedure is attached at Appendix 3 to support the above process.
- 3.9** The Act does not give the Council any powers to impose sanctions such as suspension. Therefore, where a failure to comply with the Code of Conduct is found, the range of actions which the Authority can take in respect of the Member is limited.
- 3.10** Appropriate sanctions which may be imposed in relation to Members or Co-opted Members of the Borough Council include:-
- Censure.
 - Reporting findings to the Council.

- Recommending to the Leader of the Council that a Member be removed from the Cabinet or from particular portfolio responsibilities.
- Recommending to the Member's Group Leader that the Member be removed from a Committee.
- Removing the Member from an Outside Body appointment.
- Withdrawing facilities provided to the Member by the Council.
- Excluding the Member from all or part of the premises of the Council (with the exception of the meeting rooms).
- Arranging suitable training for the Member.

3.11 In respect of Parish Councillors the following may be appropriate:-

- Censure.
- Reporting the findings to the Parish Council.
- Recommending that the Parish Council.
 - Remove the Member from any Outside bodies to which they have been appointed;
 - Withdraw facilities provided by the Council to the Member;
 - Exclude the Member from the Council premises (except meeting rooms);
 - Arranges training for the Member.

3.12 There is no requirement to put in place any appeals mechanism against such decisions. The decision must comply with the normal requirements of decision making (including the imposition of sanctions) must be taken properly and reasonably and can be challenged in the High Court by way of Judicial Review proceedings.

Standards Committee

3.13 The Localism Act repeals Section 55 of the Local Government Act 2000 which provides for the current statutory Standards Committee. Whilst there is no requirement for a Standards Committee within the new arrangements, there is still a need for the Council to comply with its

statutory duty to promote and maintain high standards of conduct and to demonstrate publicly and transparently that this is the case.

3.14 The Constitution Working Group considered the advantages and disadvantages of the following alternative options and Members were of the view that a Standards Committee would best serve the interests of the Borough:-

1. To maintain a Standards Committee.
2. To include the new requirements within the Terms of Reference of an existing Committee e.g. Audit Committee.
3. Delegation of the whole process to the Monitoring Officer.

3.15 The Working Group was of the view that, although there is some synergy between the Audit Committee and matters of ethical behaviour in that the Audit Committee's remit includes corporate governance, there is a danger of focus being taken away from conduct matters and diluted by the range and complexity of the Audit Committee's workload. Furthermore, the conduct of Hearings into possible breaches of the Code of Conduct is a quasi-judicial matter and is not a role which is necessarily within the experience of the Audit Committee or its Members.

3.16 Delegating the entire responsibility for determining complaints to the Monitoring Officer was similarly ruled out by the Working Group. Although it was recognised that, delegating some of the early stages of complaint assessment and resolution to the Monitoring Officer, in consultation where necessary and appropriate with the Independent Person(s) would be beneficial, it was considered that to completely exclude the input of elected Members from this process would not provide sufficient ownership, public profile or transparency. It was considered that a combination of delegating some responsibilities to the Monitoring Officer and setting up a Standards Committee to deal with more complex or serious cases, achieves the right balance between efficiency and Member accountability and leadership.

3.17 A Standards Committee under the new regime must comprise Borough Councillors and be politically proportionate. Any Co-opted Members cannot be voting Members of the Committee and therefore would be observers/advisers only. Unlike the current position where only 1 Executive (Cabinet) Member can sit on a Standards Committee, there is no statutory restriction on Membership. It is suggested that Membership of the Committee should comprise 7 Borough Councillors and that the Independent Person(s) appointed by the Council, pursuant to the requirements of Section 28 of the Act, be Co-opted non-voting Members of the Committee. The Working Group did consider whether or not there should be any Parish Councillors co-opted onto the Standards Committee as non-voting Members, but, in recognition of the fact that the Borough

does not have complete Parish Council representation, were of the view that Parish Council representatives should not be invited at this stage. The Council should consider whether it wishes to impose any restriction on Membership eg: limitation on number of Cabinet Members. Proposed Terms of Reference are attached at Appendix 4 which include a Hearings Sub-Committee comprising 3 Members drawn from the Standards Committee to hear cases where there has been an investigation, concluding in a finding of a 'breach' of the Code of Conduct.

4. Appointment of Independent Person(s)

- 4.1 At its meeting on the 14th May 2012, the Council approved a process to seek applications for appointment up to 3 Independent Persons, under the provisions of the Localism Act.
- 4.2 By way of reminder, the statutory role of the Independent Person(s) is that their views must be sought and taken into account by the Authority before it makes a decision on an allegation that it has decided to investigate. Their views may also be sought by the Authority on other related matters or by a Member or Co-opted Member of the Authority or Parish Council whose behaviour is the subject of an allegation.
- 4.3 The Independent Person(s) cannot, within the past 5 years, have been a Member or Co-opted Member of the Borough Council, or any of the Parish Councils within its area, and cannot be a relative or close friend of such Members. The recently issued Regulations included a provision to enable Independent Co-opted Members of the Council's Standards Committee to apply to be an Independent Person provided that they are not a Member of the Council's Standards Committee on the 1st July 2012 and that they are appointed before 1st July 2013.
- 4.4 The advertisement for the role of Independent Person was published on the Council's website from the 21st May to 13th June and applications were invited from any persons who considered that they could fulfill the role.
- 4.5 Applicants for the position are being interviewed by a Panel of Members (Group Leaders or their nominated representatives) on the 20th June 2012 who will make a recommendation to the Council. The details will be circulated as soon as they are available.

5. Consequential Amendments to the Constitution

- 5.1 Within this report there are a number of recommendations for amendment to the Council's Constitution in particular to Part 3 – Responsibility for functions from which reference to the Statutory Standards Committee will be deleted and the new Standards Committee Terms of Reference inserted. There may be some consequential changes to other parts of the Constitution arising from the Council decisions. Authority is therefore sought for the Borough Solicitor to make any consequential changes to the Constitution which arise as a result of decisions taken on this report.

6. Reasons for Recommendations

6.1 To enable the Council to comply with the requirements of the Localism Act 2011.

7. Alternative Options Considered

7.1 These are discussed within the report.

8. Consultation and Feedback

8.1 Consultation has taken place with the Standards Committee, the Constitution Working Group and with Parish Council representatives.

9. Performance Management –Monitoring and Review

9.1 The new regime is intended to be monitored by the Council’s Standards Committee and should the arrangements require review, a report will be brought to the Council.

Report author	Contact officer: Sara Freckleton, sara.freckleton@teWKesbury.gov.uk, 01684 272011
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Code of Conduct including Appendix A and B 3. Complaints Flowchart & Assessment Criteria 4. Standards Committee Terms of Reference
Background information	<ol style="list-style-type: none"> 1. Localism Act 2011 2. The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 3. The Localism Act 2011 (Commencement No. 6 and Transitional, Savings and Transitory Order) Order 2012 4. Chairman of Standards Committee Annual Report to Council on the 26th March 2012 5. Report to and Minutes of Council re Appointment of Independent Persons under the Localism Act 2011 – New Standards Regime on 14th May 2012

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
	If the Council does not agree revised arrangements, the Council will not comply with the requirements of the Localism Act 2011.	Borough Solicitor	25/06/12	5	2	10	Reduce	Consider and respond to report.	01/07/12	Borough Solicitor	

CHELTENHAM BOROUGH COUNCIL

CODE OF MEMBERS' CONDUCT

**Adopted on the 25th June 2012 taking effect on the
1st July 2012**

Contents and Definitions

Contents

- I Introduction
- II Scope of the Code of Conduct
- III General Principles of Members' Conduct
- IV Rules of Conduct
- V Registration of Interests
- VI Declaration of Interests and Restrictions on Participation
- VII Duties in respect of the Standards Committee
- VIII Dispensations
- IX Definitions

I. Introduction

1. This Code of Conduct (Code) is adopted pursuant to the Authority's duty to promote and maintain high standards of conduct by Members of the Council.

Members have a duty to uphold the law and to act on all occasions in accordance with the public trust placed in them.

II. Scope of the Code of Conduct

2. The Code applies to Members whenever acting in their official capacity as a Member of Cheltenham Borough Council, including
 - (a) when engaged in the business of Cheltenham Borough Council including Ward business or representing the Council externally;
 - (b) when behaving so as to give a reasonable person the impression of acting as a representative of Cheltenham Borough Council.

This Code of Conduct does not seek to regulate what Members do in their purely private and personal lives.

3. The obligations set out in this Code are in addition to those which apply to all Members by virtue of the procedural and other rules of the Authority and any Protocols and Policies which may be adopted from time to time by the Authority.
4. Failure to comply with the requirements within this Code of Conduct which relate to disclosable pecuniary interests and which are set out in sections V and VI and Appendix A is a criminal offence.¹

¹ Section 34 Localism Act 2011

III. General Principles of Members' Conduct

5. In carrying out their duties in exercising the functions of their Authority or otherwise acting as a Councillor, Members will be expected to observe the general principles of conduct set out below. These principles will be taken into consideration when any allegation is received of breaches of the provisions of the Code.

- *Selflessness*
- *Integrity*
- *Objectivity*
- *Accountability*
- *Openness*
- *Honesty*
- *Leadership*

IV. Rules of Conduct

6. Members shall base their conduct on a consideration of the public interest, avoid conflict between personal interest and the public interest and resolve any conflict between the two, at once, and in favour of the public interest.

7. Members shall observe the following rules:-

General Requirements

- (1) **Do** treat others with respect.
- (2) **Do not** bully any person.
- (3) **Do not** do anything which may cause your Authority to breach any of the equality enactments.
- (4) **Do not** use your position improperly, to confer on or secure for yourself or any other person, an advantage or disadvantage, or seek to improperly influence a decision about any matter from which you

are excluded from participating or voting as a result of the requirements of Part VI of this Code of Conduct.

- (5) **Do not** do anything which compromises, or is likely to compromise, the impartiality of those who work for, or on behalf of, your Authority.
- (6) **Do not** disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, except where –
 - (i) you have the consent of a person authorised to give it;
 - (ii) you are required by law to do so;
 - (iii) the disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or
 - (iv) the disclosure is –
 - (a) reasonable and in the public interest; and
 - (b) made in good faith and in compliance with the reasonable requirements of the Authority.
 - (v) before making any disclosure under the provision and (iv) above, the written advice of the Borough Solicitor must be sought and considered.
- (7) **Do not** prevent another person from gaining access to information to which that person is entitled by law.
- (8) **Do** promote and support high standards of conduct when serving in your public post by leadership and example.

When using the resources of the Authority, or authorising the use of those resources by others:

- (9) **Do** act in accordance with the Authority's reasonable requirements including the requirements of the Authority's IT Policy;
- (10) **Do** make sure that such resources are not used improperly for political purposes (including party political purposes); and
- (11) **Do** have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986;

- (12) **Do not** use knowledge gained solely as a result of your role as a Member for the advancement of your own interests.

When making decisions on behalf of, or as part of, the Authority:

- (13) **Do** ensure that decisions are made on merit, particularly when making public appointments, awarding contracts, or recommending individuals for rewards or benefits.
- (14) **Do** have regard to any relevant advice provided to you by the Council's Chief Financial Officer and Monitoring Officer where such advice is offered pursuant to his or her statutory duties.
- (15) **Do** be as open as possible about your own decisions and actions and those of your authority and be prepared to give reasons for those decisions and actions.
- (16) **Do** ensure that you are accountable for your decisions and co-operate fully with whatever scrutiny is appropriate to your office.

V. Registration of Interests

8. Members shall observe the following rules when registering their interests.

- (1) **Do**, within 28 days of the adoption of this Code by the Council or within 28 days of taking office as a Member (or co-opted Member), whichever is sooner, notify the Monitoring Officer of any disclosable pecuniary interest as defined in Appendix A and any other interest as defined in Appendix B.
- (2) **Do**, within 28 days of re-election as a Member or re-appointment as a co-opted Member, notify the Monitoring Officer of any disclosable pecuniary interest as defined in Appendix A and any other interest as defined in Appendix B which has not already been entered in the Authority's register in accordance with (1) above.

- (3) **Do**, within 28 days of the date of a disclosure referred to in paragraph 9(1) of this Code, notify the Monitoring Officer of the interest (unless it is the subject of a pending notification).
- (4) **Do** notify the Monitoring Officer of any changes to interests required within 28 days of the date of that change to be registered under Appendix B.
- (5) **Do** approach the Monitoring Officer if you feel that your interest should be treated as sensitive because its disclosure could lead to you, or a person connected with you, being subject to violence or intimidation.

VI. Declaration of interests and Restrictions on Participation

Members should observe the following rules:-

9. Disclosable Pecuniary Interests

Where a matter, in which you have an interest as specified in Appendix A (disclosable pecuniary interests), arises at a meeting at which you are present, or where you become aware that you have such an interest in any matter to be considered or being considered at the meeting:-

- (1) **Do** ensure, that if your interest is not entered in the Authority's Register, you disclose the interest to the meeting (unless the Authority's Monitoring Officer considers that it is a sensitive interest in which case you do not need to disclose the nature of the interest); and that you notify the Monitoring Officer of the interest within 28 days in accordance with paragraph 8(3) of this Code.
- (2) **Do** leave the meeting and **do not** vote on the matter, participate, or participate further, in any discussion of the matter at the meeting

(unless a dispensation has been granted) and **do not** exercise executive functions in that matter.

10. Other Interests

Where a matter, in which

either you have an interest as specified in Appendix B (other interests),

or where a decision on the matter might reasonably be regarded as affecting, to a greater extent that it would affect the majority of other council taxpayers, ratepayers or inhabitants of the ward affected by the decision, your well-being or financial position or the well-being or financial position of a member of your family, or any person with whom you have a close association, or who has a contractual relationship (including employment) with yourself, member of your family or close associate,

arises at a meeting at which you are present, or where you become aware that you have such an interest in any matter to be considered or being considered at the meeting:-

- (3) **Do** ensure that you disclose the interest to the meeting.
- (4) **Do** leave the meeting and **do not** vote on the matter, participate, or participate further, in any discussion of the matter at the meeting (unless a dispensation has been granted or it is an excepted function), or exercise executive functions in relation to that matter if,
 - (a) it affects your financial position or the financial position of the member of your family or person with whom you have a close association described above

or

- (b) it relates to the determination of any approval, consent, licence, permission or registration in relation to you or any person or body described above

and a reasonable member of the public knowing the facts would reasonably regard it as so significant that it is likely to prejudice your judgement of the public interest.

The rules set out in paragraph 10(4) above do not have the effect of precluding a Member from attending a meeting only for the purpose of making representations, answering questions or giving evidence relating to the business provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise. The Member must, after making their submission, withdraw immediately from the meeting.

VII. Duties in respect of the Standards Committee

11. Members shall observe the following:-

- (1) **Do** co-operate, at all stages, with any investigation into your conduct which may be carried out in accordance with the arrangements for the investigation and determination of complaints which have been put in place by the Authority pursuant to the Act² .
- (2) **Do not** seek to intimidate, or attempt to intimidate, any person who is, or is likely to be, a complainant, a witness or involved in the administration of any investigation or proceedings in relation to an allegation that a Member has failed to comply with his or her Authority's Code of Conduct.

² Section 28(b) of the Localism Act 2011

VIII. Dispensations

12. Where a Member has a disclosable pecuniary interest as described in this Code and set out in Appendix A, or has an interest which would preclude the Member's participation in the item of business as described in paragraph 10 of this Code, the Member may apply to the Borough Solicitor for a dispensation.

13. The Authority may grant a Member a dispensation to participate in a discussion and vote on a matter at a meeting even if the Member has a disclosable pecuniary interest as described in this Code and set out in Appendix A, or has an interest which would preclude the Member's participation in the item of business as described in paragraph 10 of this Code.

IX. Definitions

The following are definitions which apply for the purposes of this Code of Conduct.

1. "The Act" is the Localism Act 2011.
2. "The Authority" is Cheltenham Borough Council.
3. "Meeting" is a meeting of the Authority, or any Committee, Sub-Committee, Joint Committee or Joint Sub-Committee of the Authority.
4. "Committee" includes the Cabinet of the Authority.
5. "Standards Committee" is the Standards Committee of Cheltenham Borough Council.
6. "Member" is an elected Member or a co-opted Member of the Authority.

7. "Co-opted Member" is a person who is not a Member of the Council but who is either a Member of any Committee or Sub-Committee of the Council, or a Member of, and represents the Council on any joint Committee or joint Sub-Committee of the Council, and who is entitled to vote on any question that falls to be decided at any meeting of that Committee or Sub-Committee.
8. "Monitoring Officer" is the Monitoring Officer to Cheltenham Borough Council.
9. "Pending notification" is an interest which has been notified to the Monitoring Officer but which has not been entered in the Authority's register in consequence of that notification.
10. "Member of your family" means:
 - Partner (spouse/civil partner/someone you live with as if a spouse or civil partner);
 - A parent/parent-in-law, son/daughter, step-son/step-daughter, child of partner; or the partners of any of these persons.
 - A brother/sister, grandparent/grandchild, uncle/aunt, nephew/niece; or the partners of any of these persons.
11. "Close associate" means someone with whom you are in close regular contact over a period of time who is more than an acquaintance. It may be a friend, a colleague, a business associate or someone you know through general social contacts. It is someone a reasonable member of the public would think you might be prepared to favour/disadvantage ("close association" shall be construed accordingly).
12. "well-being" means general sense of contentment and quality of life.
13. Excepted functions are functions of the Authority in respect of

- (i) housing, where the Member is a tenant of your authority provided that those functions do not relate particularly to the Member's tenancy or lease;
- (ii) an allowance, payment or indemnity given to members;
- (iii) any ceremonial honour given to members; and
- (iv) setting council tax or a precept under the Local Government Finance Act 1992.

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Appendix A

Disclosable Pecuniary Interests

The interests set out below are “Disclosable Pecuniary Interests” in accordance with the Localism Act 2011 and Members must notify the Monitoring Officer in accordance with paragraphs 8(1)-(3) of this Code of Conduct of any interest which is an interest of **the Member or of any of the following**:

- The Member’s spouse or civil partner
- A person with whom the Member is living as husband and wife
- A person with whom the Member is living as if they were civil partners.

and the Member is aware that that other person has the interest.

Subject	Disclosable Pecuniary Interest
Employment, office, trade, Profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992(a).
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority – (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.

Corporate tenancies

Any tenancy where (to M's knowledge) –
(a) the landlord is the relevant authority; and
(b) the tenant is a body in which the relevant person has a beneficial interest.

Securities

Any beneficial interest in securities of a body where –
(a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and
(b) either –

(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or

(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

- (a) "the Act" means the Localism Act 2011;
- (b) "body in which the relevant person has a beneficial interest" means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest;
- (c) "director" includes a member of the committee of management of an industrial and provident society;
- (d) "land" excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income;
- (e) "M" means a member of a relevant authority;
- (f) "member" includes a co-opted member;
- (g) "relevant authority" means the authority of which M is a member;
- (h) "relevant period" means the period of 12 months ending with the day on which M gives a notification for the purposes of section 30(1) or section 31(7), as the case may be, of the Act;

- (i) "relevant person" means M or any other person referred to in section 30(3)(b) of the Act;
- (j) "securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000(b) and other securities of any description, other than money deposited with a building society.

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Appendix B

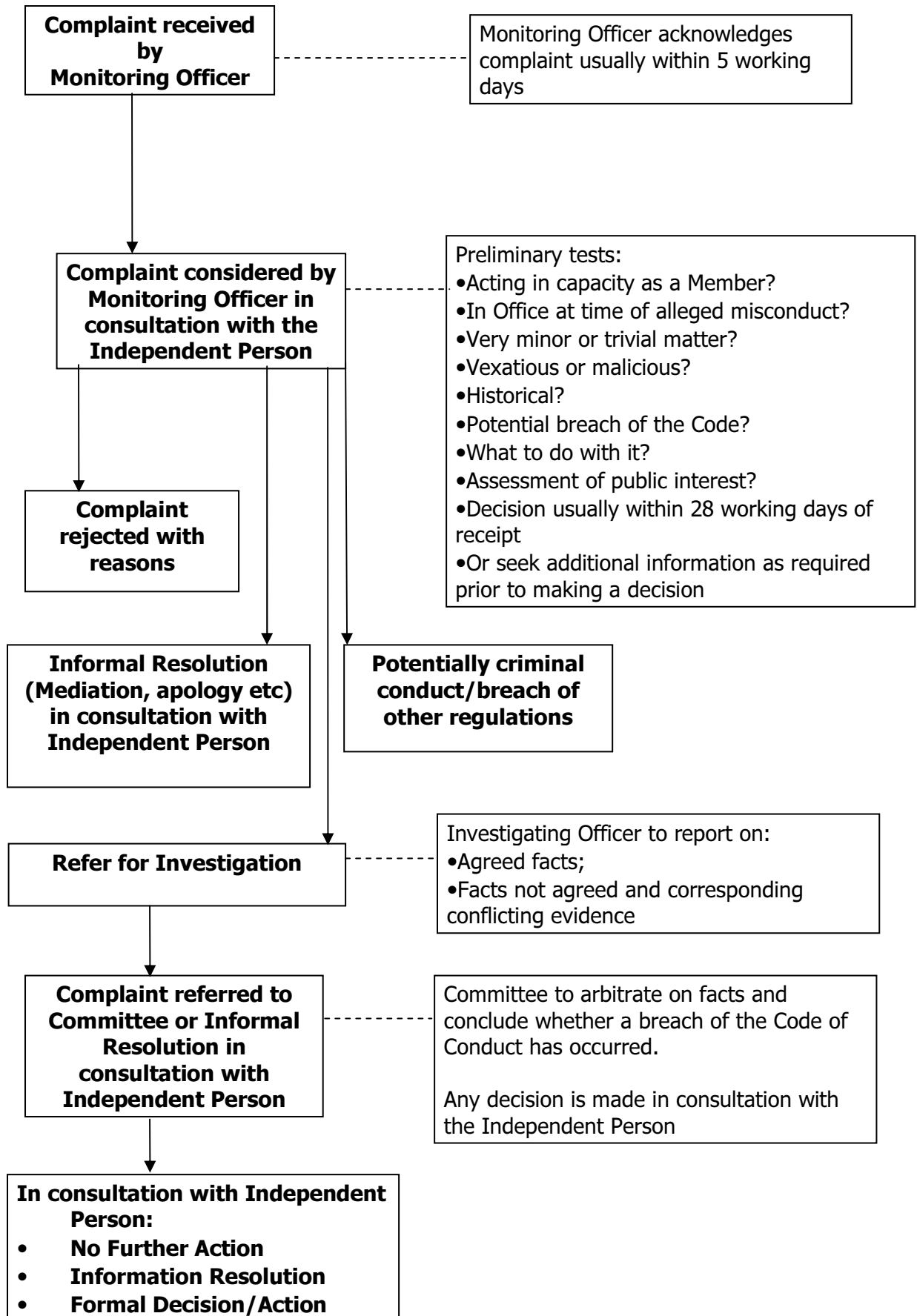
Other Interests

The interests set out below are “other interests” which must be notified to the Monitoring Officer in accordance with paragraphs 8(1), 8(2) and 8(4) of this Code of Conduct.

A Member must notify the Monitoring Officer of any interest held by **the Member** in any of the categories set out below:-

Subject	Other Interest
Management or Control	Any body of which the Member is in a position of general control or management and to which he/she is appointed or nominated by the Council.
Public/Charitable and other external bodies	Any body – (a) exercising functions of a public nature; (b) directed to charitable purposes; or (c) one of whose principle purposes includes the influence of public opinion or policy (including any political party or trade union) of which the Member of the Council is a member or in a position of general control or management.
Employer	Any person or body who employs or has appointed the Member.
Gifts and Hospitality	The name of any person, organisation, company or other body from whom the Member has received, by virtue of his office, gifts or hospitality worth an estimated value of £50 or more.

Complaints Procedure Flowchart



Assessment Criteria

Step 1

Does the complaint meet the following tests?

- It is a complaint against one or more Member of TBC/Parish
- The named Member was in office at the time of the alleged conduct and the Code of Conduct was in force at the time
- The complaint if proven would be a breach of the Code under which the Member was operating at the time of the alleged misconduct
- Was the named Councillor acting in his/her Office as a Councillor at the time of the allegation

If no to any of above, the complaint cannot be investigated and complainant must be advised that no further action can be taken.

Step 2

If all above tests met, the complaint must be assessed against the following:

1. Information about the complaint

Consideration will be given to whether the complainant has submitted sufficient information to make a decision as to whether a complaint should be referred for investigation or other action. Where insufficient information has been provided no further action will be taken on the complaint unless or until further information is received.

2. Where a subject Member is no longer a Member of the Authority

Consideration will be given to whether the complaint is about someone who is no longer a Member of the Authority but is a Member of another Authority. If so, the complaint will be referred to the other Authority for consideration.

3. Previous complaints or investigations

Consideration will be given to whether the matter of a complaint has already been subject to previous investigation or other action under the Conduct regime or by any other Regulatory authorities. If there has been a previous investigation or other action in relation to this particular matter, which would result in nothing more to be gained, the complainant will be advised that no further action will be taken on this complaint.

4. When the complaint took place

Consideration will be given to the period of time that has passed since the alleged conduct occurred and whether there would be any benefit in taking action now. If the time which has elapsed since the alleged conduct has occurred is significant so that there is no benefit in taking action now, the complainant will be advised that in the circumstances further action was not warranted.

5. The nature of the complaint

Consideration will be given to whether the complaint is sufficiently serious to warrant further action. If the complaint is not sufficiently serious to warrant further action, the complainant will be advised accordingly.

6. Reason for making the complaint

Consideration will be given to whether the complaint is simply malicious, politically motivated or tit-for-tat and in the light of the nature of the complaint, whether further action is warranted. If the matter appears insufficiently serious, following this assessment, the complainant will be advised that no further action is warranted.

7. Anonymous complaints

Consideration will only be given to referring anonymous complaints for investigation or some other action where the complaint includes documentary or photographic evidence which indicates an exceptionally serious or significant matter.

8. Local Resolution

Is the matter capable of being resolved locally.

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Page 162

STANDARDS COMMITTEE**1. Aims & Objectives**

Within the Terms of Reference of, and under the powers and authority delegated to the Committee, to exercise the Council's functions in matters relating to standards of conduct within the Council.

2. Constitution & Powers

- i) The Standards Committee will comprise 7 Members of the Council and the following co-opted, non-voting Members who will act in an advisory capacity:
 - 2 Independent Persons (as defined by Section 28 of the Localism Act) (or such other number appointed by the Council); and
- ii) Political balance will apply to the Council's Membership (**any restrictions on membership to be specified here**).
- iii) A quorum will consist of 3 voting Members.
- iv) Substitution arrangements will not apply.
- v) The Standards Committee will establish a Hearings Sub-Committee, consisting of 3 Members of the Committee, to undertake the functions set out below (political balance will apply).

3. Standards Committee Terms of Reference

- (1) To promote and maintain high standards of conduct and to assist Members and Co-opted Members to observe the Code of Conduct, and to:
 - advise the Council on the adoption or revision of the Code;
 - monitor the operation of the Code; and
 - provide advice and training.
- (2) To promote and maintain high standards of conduct in Parish Councils and to assist Parish Councils to observe the Code of Conduct, and to:
 - advise Parish Councils on the adoption or revision of Codes of Conduct;
 - monitor the operation of their Codes; and
 - provide advice and training to Parish Councillors.
- (3) To determine applications for dispensations which have been made by Members of the Borough Council and which have not been determined by the Monitoring Officer under authority delegated to her.
- (4) To prepare, monitor and review Codes and Protocols to support the Code of Conduct and recommend to Council accordingly.
- (5) To consider reports from the Monitoring Officer on the number of complaints received under the Code of Members' Conduct and the decisions taken by the Monitoring Officer in consultation with the Independent Person(s) on such complaints.
- (6) To consider and determine the appropriate action on matters referred by the Monitoring Officer in relation to the assessment of complaints where the

Monitoring Officer has been unable to exercise his/her delegated authority.

- (7) To receive summary reports from the Monitoring Officer:
 - a) on complaints that have been investigated where 'no breach' of the Code has been found to have occurred; and
 - b) on complaints where a 'breach' of the Code has been found but where it has been possible for a local resolution to be agreed.
- (8) To adopt procedures for the hearing of cases of a 'breach of the Code' finding upon investigation via a Hearings Sub-Committee.

4. Hearings Sub-Committee Terms of Reference

- (1) To hear cases, including those relating to Parish Council Members and Co-opted Members, of an alleged breach of the Member Code of Conduct referred by the Monitoring Officer following a report of an Investigating Officer.
- (2) In respect of Members of the Borough Council, where it has been determined that a Member has failed to comply with the Authority's Code of Conduct, to impose one or more of the following, if appropriate:
 - a) censure;
 - b) report to Council;
 - c) recommend actions to the Leader of the Council;
 - d) recommend actions to Group Leader (e.g. removal from a Committee)
 - e) removal from Outside Bodies;
 - f) withdrawal of facilities, such as Council email/website/internet access;
 - g) exclusion from the Council Offices, or other premises, with the exception of meeting rooms as necessary for attending Council, Committees or Sub-Committees and/or nominating a single point of contact; and/or
 - h) requesting the Member to undertake actions deemed appropriate e.g. training, issue of an apology.
- (3) In respect of the Members of Parish Councils, within the area of Cheltenham Borough Council, where it has been determined that a Member / Co-opted Member has failed to comply with their Authority's Code of Conduct, to impose one or more of the following, if appropriate:
 - a) censure;
 - b) report to the Parish Council recommending actions which could include removal from a Committee, removal from an Outside Body or withdrawal of facilities; and/or
 - c) requesting the Member to undertake actions deemed appropriate e.g. training, issue of an apology.

Cheltenham Borough Council

Cabinet – 19 June 2012

Council – 25 June 2012

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 2.
Recommendations	<p>Cabinet make nominations/appointments to the bodies in Appendix 2 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 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.
- 2.2 The Council is able to indemnify members (and officers) in the course of their activities on outside bodies provided they are acting within the scope of their authority as Council representatives. 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.
- 2.3 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 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 2 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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Page 170

**CABINET APPOINTMENTS TO OUTSIDE BODIES 2012-14
AND OUTSTANDING NOMINATIONS FOR COUNCIL TO DETERMINE
(HIGHLIGHTED)**

APPENDIX 2

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

Name of body	Name of previous representative	Nominee/s	No. reps.	Notes
Gloucestershire Association Voluntary Community Action	Mr David Lawrence Councillor Jo Teakle	Mr David Lawrence Councillor Helena McCloskey	1	Observer status
Gloucestershire Playing Fields Association	Vacancy	Councillor Charlie Stewart	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	1	Attends committee meetings
Leadership Gloucestershire	Vacancy		1	Leader
Local Government Group Urban Commission	Councillor Steve Jordan Councillor John Rawson	Councillor Steve Jordan Councillor Andy McKinlay	2	Cabinet Member Built Environment
Low Carbon Partnership	Councillor Roger Whyborn	Councillor Roger Whyborn	1	Cabinet Member Sustainability
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	2	
Positive Lives Partnership	Councillor Klara Sudbury	Mr Lloyd Surgenor 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
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	Councillor Barbara Driver	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	