



CHEL TENHAM

BOROUGH COUNCIL

Notice of a meeting of Cabinet

**Tuesday, 14 January 2014
6.00 pm**

Municipal Offices, Promenade, Cheltenham, GL50 9SA

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

Agenda

	SECTION 1 : PROCEDURAL MATTERS	
1.	APOLOGIES	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES OF THE LAST MEETING Minutes of the meetings held on 10 and 17 December 2013	(Pages 1 - 8)
4.	PUBLIC AND MEMBER QUESTIONS AND PETITIONS	
	SECTION 2 :THE COUNCIL <i>There are no matters referred to the Cabinet by the Council on this occasion</i>	
	SECTION 3 : OVERVIEW AND SCRUTINY COMMITTEE <i>There are no matters referred to the Cabinet by the Overview and Scrutiny Committee on this occasion</i>	
	SECTION 4 : OTHER COMMITTEES <i>There are no matters referred to the Cabinet by other Committees on this occasion</i>	
	SECTION 5 : REPORTS FROM CABINET MEMBERS AND/OR OFFICERS	
5.	QUARTERLY BUDGET MONITORING REPORT TO END NOVEMBER 2013 Report of the Cabinet Member Finance	(Pages 9 - 26)

6.		REQUEST FOR RENT SUBSIDY FROM GLOUCESTER AND DISTRICT CITIZENS ADVICE BUREAU Report of the Cabinet Member Finance	(Pages 27 - 42)
7.		GO SHARED SERVICES-CHANGES TO GOVERNANCE ARRANGEMENTS Report of the Cabinet Member Corporate Services	(Pages 43 - 50)
		SECTION 6 : BRIEFING SESSION <ul style="list-style-type: none"> • Leader and Cabinet Members 	
8.		BRIEFING FROM CABINET MEMBERS	
		SECTION 7 : DECISIONS OF CABINET MEMBERS AND OFFICERS Member decisions taken since the last Cabinet meeting	
		SECTION 8 : ANY OTHER ITEM(S) THAT THE LEADER DETERMINES TO BE URGENT AND REQUIRES A DECISION	
		SECTION 9 : LOCAL GOVERNMENT ACT 1972 - EXEMPT BUSINESS	
9.		LOCAL GOVERNMENT ACT 1972 - EXEMPT BUSINESS The Cabinet is recommended to approve the following resolution:- “That in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 3, Part (1) Schedule (12A) Local Government Act 1972, namely: Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)	
10.		EXEMPT MINUTES Exempt minutes of the meeting held on 10 December 2013	(Pages 51 - 54)

Contact Officer: Rosalind Reeves, Democratic Services Manager, 01242 774937
Email: democratic.services@cheltenham.gov.uk

Cabinet

Tuesday, 10th December, 2013

6.00 - 6.45 pm

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

Minutes

- 1. APOLOGIES**
None.
- 2. DECLARATIONS OF INTEREST**
There were none.
- 3. MINUTES OF THE LAST MEETING**
The minutes of the last meeting were signed and approved as a correct record.
- 4. PUBLIC AND MEMBER QUESTIONS AND PETITIONS**
There were no questions or petitions.
- 5. GLOUCESTERSHIRE AIRPORT GREEN POLICY FOURTH ANNUAL REVIEW - REFERRAL FROM OVERVIEW & SCRUTINY COMMITTEE**
The Chair of the Joint Airport Scrutiny Working Group was invited to address Cabinet. This was the fourth review of Gloucestershire Airport's Green Policy. Over the last year there had been a 10 % increase in aircraft movements but a reduction in aircraft emissions of 16.6 % due the use of more modern aircraft.

The Chair explained that at the Overview & Scrutiny meeting a technical question had been raised about whether a measure of emissions was included in air-worthiness certificates. The Climate Change and Sustainability Officer had been informed by the airport's operations manager that it was not as there were variations in the type of aviation fuel mix and the rate of fuel burn. Therefore there was a different methodology which was developed when the green policy had been drafted.

Members recognised that the national guidance for calculating CO2 emissions had changed and this was now a more accurate method, but it could impact on the airport's ceiling for aircraft emissions. The Leader was pleased that a green policy was in place and this had been a positive process.

RESOLVED THAT

It be noted that officers will be working with the management of Gloucestershire Airport Ltd to consider whether the ceiling of 4,000 tonnes CO₂ for aircraft emissions set down in the green policy should be recalibrated.

6. TREASURY MID TERM REPORT 2013/14

The Cabinet Member Finance introduced the report which ensured that the authority had adopted the CIPFA Code of Practice on Treasury Management 2009 and complied with its requirements.

He highlighted the fact that due to the efficient management of cash flow there had been a reduction in short term borrowing from £2 million to £20 000. There had also been an increase in the amount of short term lending which meant that borrowing costs for 2013/14 were forecast to come under by approximately £6 000 against budget. The Cabinet Member also reported that officers had been effective in securing advantageous interest rates of 0.29 % on borrowings and 0.64 % on investments. He paid tribute to the finance team for the excellent job they had done in managing the Council's investments and borrowings in the interests of the Council tax payer.

The Cabinet Member reported that long term borrowing had increased. In May 2013 a loan of £1.2 m was taken out with the PWLB for ten years at a rate of 1.80 % on behalf of Gloucestershire Airport Ltd. This loan was cost neutral for the Council as the Airport were repaying the Council in line with the repayment schedule.

The Cabinet Member concluded by saying that this was a satisfactory report in the light of the continuing difficult economic circumstances.

RESOLVED THAT

Council be recommended to note the contents of the summary report of the treasury management activity during the first six months of 2013/14.

7. BRIEFING FROM CABINET MEMBERS

The Cabinet Member Sustainability informed the meeting that a simulation desk top exercise was taking place this week for a possible snow event affecting waste collections in the borough.

The Cabinet Member Housing and Safety reported that the Housing Options Team had now transferred to Cheltenham Borough Homes and he wished them luck in maintaining the well regarded service which was of great importance to the town.

The Cabinet Member Sport and Culture informed Cabinet that the shadow board of 12 trustees of the Leisure and Culture Trust had now been appointed. They were as follows : Joanna Stringer - designated chair, Martin Horwood , Ian Renton, Stephen Marsdon ,Judith Hodsdon, Peter Harkness, Laura Brooks, Sarah Parker, Jacqui Grange, David Sheldermine, Cllr Duncan Smith and Cllr Colin Hay.

The Cabinet Member Corporate Services reported that the Council had now received a certificate of PSN compliance. He wished to thank all those who had been involved and in particular the Director Resources, ICT and the Chief Executive.

8. DECISIONS OF CABINET MEMBERS

The Cabinet Member Sport and Culture informed Cabinet that she had taken a decision to increase the number of trustees on the shadow board of the Leisure and Culture Trust from 11 to 12.

The Leader reported that he had made a decision further to the special Council meeting on 18 November to request the County Council, on behalf of the Council, to undertake the enabling statutory Traffic Regulation Order process to facilitate delivery of the Cheltenham Transport Plan.

9. LOCAL GOVERNMENT ACT 1972 - EXEMPT BUSINESS

In advance of passing the resolution the Leader explained that Cabinet was now due to consider a report on Gloucestershire Airport which had been commissioned by Gloucester City Council. A public statement on this decision would be issued the following day.

RESOLVED THAT

“That in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 3, Part (1) Schedule (12A) Local Government Act 1972, namely:

Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)

10. GLOUCESTERSHIRE AIRPORT

The Chair of the Joint Airport Working Group (JAWG) explained that a strategic review of Gloucestershire Airport had been commissioned by Gloucester City Council, the recommendations of which had now been approved by Gloucester City.

The consultants appointed to undertake the review had given a presentation to CBC’s Overview and Scrutiny at its last meeting. Members recognised that the airport generated significant economic benefits for the county and it was important that Cheltenham worked closely with Gloucester City on delivering the recommendations which they supported. They agreed that the next piece of work to take these forward should be progressed as soon as possible but in the meantime wished to reaffirm the Council’s commitment to a prosperous and thriving airport in Gloucestershire.

RESOLVED THAT

- 1. The recommendations of the Overview and Scrutiny Committee be approved.**
- 2. The Council's commitment to a prosperous and thriving airport in Gloucestershire be reaffirmed.**

Chairman

Cabinet

Tuesday, 17th December, 2013

6.00 - 6.30 pm

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

Minutes

1. APOLOGIES

Apologies were received from Councillor Jeffries.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. PUBLIC AND MEMBER QUESTIONS AND PETITIONS

There were no questions or petitions.

4. GENERAL FUND REVENUE AND CAPITAL - INTERIM BUDGET PROPOSALS 2014/15 FOR CONSULTATION

The Cabinet Member Finance introduced the report and explained that the Council had experienced a cut in Revenue Support Grant from £8.8 million in 2009-10 to £5.1 million in 2012-13 and it was expecting a larger cut this year. This represented a huge challenge particularly with the £1.4 million budget gap. He announced that the proposal was to freeze council tax for the fourth year running and this was funded by efficiency savings elsewhere.

The Cabinet Member Finance referred to the restructures which had and were taking place in leisure and culture, ICT, revenues and benefits and customer services which would assist in achieving further savings for the council. Approximately £900 000 would be invested in property maintenance, comprising £750 000 from the revenue budget and £200 000 from New Homes Bonus. £250 000 would be invested next year in ICT, play equipment and CCTV in the town. These were remarkable achievements considering the difficult economic circumstances. He emphasised however that it should be made clear to central Government that further cuts in funding to local government could not be sustained for much longer if councils were to continue to provide essential services.

In terms of process the Cabinet Member explained that there would now be a detailed consultation which would be published on the council's website and a leaflet would be available from reception. The consultation period would end on 24 January 2014 with the final budget proposals to be approved by Council on February 14 2014.

Finally the Cabinet Member Finance paid tribute to the hard work of all officers and in particular the Director of Resources, the Head of Finance and SLT in using their creativity in solving particular problems.

Member reiterated the fact that central government should realise that its policy of continually cutting local government funding was no longer sustainable and it was increasingly difficult to plan for the future.

Reference was made to investment in the town for the future in terms of paving on the Promenade and improving the standard of the council's car parks. A member also referred to the fact that many local businesses would not realise that a large proportion of business rates paid in the town went straight to central government.

The Leader reiterated his thanks to the finance team. This was a positive budget although it was particularly difficult to determine the level of council tax. In any event any council tax rise was constrained to 0-2% unless an authority called a referendum. The change in government policy on topslicing the new homes bonus had made the council tax freeze affordable although he noted that a long term freeze would be unsustainable.

RESOLVED THAT

- 1. The interim budget proposals be approved for consultation including a proposed council tax for the services provided by Cheltenham Borough Council of £187.12 for the year 2014/15 (a 0% increase based on a Band D property).**
- 2. The growth proposals be approved, including one off initiatives at Appendix 3.**
- 3. The proposed capital programme at Appendix 6 be approved, as outlined in Section 7.**
- 4. Authority be delegated to the Director of Corporate Resources, in consultation with the Cabinet Member for Finance, to determine and approve any additional material that may be needed to support the presentation of the interim budget proposals for consultation.**
- 5. Consultation responses be sought by 24th January 2014.**
- 6. It be approved that the Council will remain in the Gloucestershire business rates pool for 2014/15 (para 3.7)**
- 7. It be approved that no change be made to the Local Council Tax support scheme in 2014/15 (para 3.10).**

5. HOUSING REVENUE ACCOUNT REVENUE AND CAPITAL REVISED BUDGET 2013/14 AND INTERIM BUDGET PROPOSALS 2014/15 FOR CONSULTATION

In the absence of the Cabinet Member Housing and Safety the Cabinet Member Finance paid tribute to his hard work on the housing portfolio and to the good work of Cheltenham Borough Homes.

He reported that rents were set to rise by 4 % and explained that this was set according to a government formula to ensure rents were slightly above inflation. CBH was outperforming its budget predictions and was proposing a £7.7 million

extensive programme of improvements. Investment was also being made in disabled adaptations and work, which was beyond the remit of CBH, was ongoing on improving the lives of tenants in terms of benefits and money advice, employment services and working with the vulnerable and the elderly.

The Finance Director of CBH added that this was a positive budget with investment proposed in improving existing stock, PV windows and investment in new build. With a £4 million reserve, £2.5 million would be earmarked for future new build.

The Leader of the Council congratulated CBH on its positive role in managing the council's housing stock.

RESOLVED THAT

- 1. The revised HRA budget for 2013/14 be noted.**
- 2. The interim HRA budget proposals for 2014/15 be approved for consultation including a proposed average rent increase of 4.03% (applied in accordance with national rent restructuring guidelines) and increases in other rents and charges as detailed at Appendix 5.**
- 3. The proposed HRA capital programme for 2014/15 be approved as shown at Appendix 3.**
- 4. The creation of an earmarked revenue reserve be approved to finance future new build in the HRA. The value of funds to be transferred to this reserve to be considered by Cabinet as part of the review of HRA outturn for each accounting year.**
- 5. Authority be delegated to the Cabinet Member for Finance, in consultation with the Director of Resources, to approve the acquisition of private interests within sites identified for future development subject to the availability of funds as described in paragraph 5.5.**
- 6. Authority be delegated to the Director of Resources, in consultation with the Cabinet Member for Finance, to determine and approve any additional material that may be needed to support the presentation of the interim budget proposals for consultation.**
- 7. Consultation responses be sought by 30th January 2014.**

6. BRIEFING FROM CABINET MEMBERS

The Cabinet Member Sustainability informed the meeting that the charges for green waste collection had been increased by an inflationary amount, the details of which could be found in the February budget. The charges for allotments would increase on 1 January 2015, subject to consultation, to £33 for a small allotment, £54 for a medium sized allotment and £77 for a large allotment. These were below inflation increases and still represented excellent value. He explained that savings had been made within the allotments budget and allotment wardens had taken on a greater role.

The Cabinet Member Sport and Culture informed the meeting that Donna Renney, Chief Executive of Cheltenham Festivals was standing down. She wished to put on record her thanks for her hard work in progressing the Festivals and wished her well in the future.

Chairman

Cheltenham Borough Council

Cabinet – 14th January 2014

Budget Monitoring Report 2013/14 – position as at November 2013

Accountable member	Councillor John Rawson, Cabinet Member for Finance
Accountable officer	Paul Jones, GOSS Head of Finance
Accountable scrutiny committee	All
Ward(s) affected	All
Key Decision	Yes
Executive summary	To update Members on the Council’s current financial position for 2013/14 based on the monitoring exercise at the end of November 2013. The report covers the Council’s revenue, capital, treasury management and the housing revenue account. The report identifies any known significant variations (minimum £50,000) to the 2013/14 original budget and areas with volatile income trends.
Recommendations	<ol style="list-style-type: none"> 1. Note the contents of this report including the key projected variances to the 2013/14 budget and the projected total budget saving of £444,600. 2. Resolves in principle to recommend to Council, as part of the 2013/14 revised budget report to Council in February 2014, that this projected budget saving be used to fund the following expenditure: <p style="margin-left: 20px;">A new earmarked reserve of £200k to be set aside to support the new Cheltenham Leisure and Culture Trust should any unforeseen deficits arise in the early year’s of trading (paragraph 2.13).</p> <p style="margin-left: 20px;">Additional one off funding of £150k to support the creation of the Cheltenham Leisure and Culture trust in 2014/15 (paragraph 2.14).</p> <p style="margin-left: 20px;">The remaining underspend of £94,600 to be transferred to a newly created car parking equalisation reserve to support the expected shortfall in income due to the imminent closure of North Place and Portland Street car parks. (paragraph 2.5).</p> 3. Approve the budget virements to the 2013/14 budget, as detailed in Appendix 4.

<p>Financial implications</p>	<p>As detailed throughout this report.</p> <p>Contact officer: Sarah Didcote, sarah.didcote@cheltenham.gov.uk, 01242 775154</p>
<p>Legal implications</p>	<p>None specific directly arising from the recommendations.</p> <p>Contact officer: Peter Lewis, Peter.Lewis@teWKesbury.gov.uk, 01684 272695</p>
<p>HR implications (including learning and organisational development)</p>	<p>Service Managers and the HR Business Partners are continuing to monitor vacancies and recruitment. A request to recruit to a new or vacant post must be approved by the divisional Director, and all recruitment is based on a business case outlining the impact on the service delivery and/or loss of income generation if the post were to remain unoccupied. Capacity to deliver key projects is also being monitored, and regular updates are provided to the Senior Leadership Team.</p> <p>Contact officer: Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 264355</p>
<p>Key risks</p>	<p>As outlined in Appendix 1.</p>
<p>Corporate and community plan Implications</p>	<p>Key elements of the budget are aimed at delivering the corporate objectives within the Corporate Business Plan.</p>
<p>Environmental and climate change implications</p>	<p>None.</p>

1. Background

- 1.1 This report provides the third monitoring position statement for the financial year 2013/14. The purpose of this report is to notify members of any known significant variations to budgets for 2013/14 and highlight any key issues, allowing Members to take action if required.
- 1.2 GO Shared Services carry out a regular budget monitoring exercise for services in liaison with Directors and cost centre managers. This identifies any major variations from the current approved budget that are anticipated to occur in the financial year. The current approved budget is the original budget 2013/14 agreed by Council on the 8th February 2013, subject to any amendments made under delegated powers (for example supplementary estimates, virement, etc). Possible significant variations to revenue budgets are outlined in this report.

2. Net revenue position

- 2.1 The table below summarises the net impact of the variances identified at this stage in the financial year, projecting the position to the end of the financial year for all budget variances in excess of £50,000 and areas with volatile income trends, details of which are provided in paragraphs 2.2 to 3.3.

Significant budget variances	Overspend / (Underspend)£	para. ref:
Employee costs		
Shortfall in salary savings target	-	2.2
Small Business Rates Relief		
Compensation for loss of business rates under the extended small business rates relief scheme	(255,000)	2.16
Built Environment		
Off Street car parking and fines– surplus on income	(29,000)	2.3
Off Street car parking – shortfall against savings target	60,000	2.4
Development control – surplus on income budget	(100,000)	2.6
Total Built Environment Directorate	(69,000)	
Commissioning		
Bring Sites – shortfall in income	27,000	2.7
Recycling Collection Schemes – shortfall in income	26,000	2.8
Waste & Recycling costs – underspend	(60,000)	2.9
Trade Refuse - shortfall in income	100,000	2.10
Leasing costs	(251,300)	2.11
Total Commissioning Directorate	(158,300)	
Provisions		

Municipal Mutual Insurance provision	63,600	2.14
Treasury		
Interest – net surplus General Fund	(17,000)	3.3
Other – net under spends	(8,900)	Appendix 4
Total projected underspend for year	(444,600)	

Savings from employee costs

- 2.2** The 2013/14 original budget includes a target of £450,000 from salary savings to be made throughout the Council from vacant posts arising during the year. An assessment of vacant posts (i.e. staff turnover) and restructures in the first eight months of the year indicate that this target is likely to be achieved for the financial year. Appendix 4 includes virement of £275,000 of net salary savings achieved to November 2013, to be offset against the central target.

Off-street Car Parking Income

- 2.3** The income position for off-street car parking to the end of November has improved over October and November and is now back on target to deliver the budget. This turnaround has mainly been due to a rise in income from Regent Arcade between September and October 2013. Further to this, fine income continues to exceed budget. Since the last budget monitoring report this has further improved and should trends continue as currently anticipated fine income will be up by around £29k.
- 2.4** Following the return of the on-street car parking function to Gloucestershire County Council on 1st April 2013, it was anticipated the retained car parking function would deliver £150k of savings against its expenditure budgets. Work towards this target has been ongoing to date, resulting in a new staffing structure and significant contract reviews. However, the service has been unable to deliver full year savings in the current year due to transitional arrangements following the termination of the on-street car parking contract and the subsequent staff changes. The full saving is anticipated to be delivered in 2014/15, and having reviewed the position to end of November 2013 the forecast remains a shortfall of around £60k in 2013/14.
- 2.5** The Council anticipates the imminent disposal of North Place and Portland Street car parks. Whilst this is a welcome boost to the economy, it is acknowledged that the Council will have a temporary shortfall in its net car parking revenue until the new facility is completed. In order to protect the Council from this volatility, the Cabinet is minded to create an earmarked equalisation reserve to cushion the impact of fluctuating activity levels of £94,600, representing the balance of the anticipated underspend for 2013/14.

Development Control fees

- 2.6** The income position for Development Control (including pre-application advice) is currently exceeding profiled budget by around £100k. This includes a large planning application that generated a £45,000 fee. On the basis that profiled budget will be achieved rather than exceeded going forward, an overall surplus of £100k is forecast to the end of the financial year.

2.7 Commissioning

2.8 Bring Sites

Income is slightly under target due to the price of recyclates reducing and also to a reduction in the tonnage on paper and glass. There is an increase in tonnage on these materials on the kerbside collection, but for paper it is not a corresponding amount. Nationally the recycling industry has seen a drop in the amount of paper being recycled due to the reduction in the number of people purchasing newspapers and magazines. The income shortfall is estimated at £27,000 for the year. A review of the Council's Bring Sites scheme is currently being undertaken to ensure that the sites are working effectively and that the bins provided are meeting the local needs.

2.9 Recycling Collection Schemes

Income levels are lower than anticipated due to the fluctuations in the price of recyclates – this is estimated at £26,000 for the year.

2.10 Waste & Recycling

The overall costs of waste & recycling are forecast to be £60k under budget, largely due to Ubico cost savings in service delivery in 2013/14.

2.11 Trade Refuse

Income levels are lower than estimated due to non take up of anticipated contracts when the budget was set, resulting in a potential income shortfall of £100k for 2013/14. There is an ongoing review of trade waste and how improvements can be made to increase take up by businesses and a report will be brought back to Cabinet.

2.12 Leasing costs

As reported in the previous budget monitoring report, the decision to fund the replacement of vehicles and recycling bins through prudential borrowing has resulted in a one-off saving of £251k in leasing costs. This is due to the accounting entries surrounding the financing of assets from prudential borrowing in so much that they equate to the depreciation charge levied on that asset. The depreciation policy for CBC is that newly acquired assets are depreciated from the year following that in which they are acquired. Consequently the financing costs via Minimum Revenue Provision (MRP) are also deferred by one year which results in a one-off saving.

Wellbeing & Culture

2.13 Cheltenham Leisure & Culture Trust

The Council is currently in the process of creating an independent Leisure and Cultural Trust which will deliver some of the borough's 'flagship' services from October 2014. In order to give the new Trust some assurances in its infancy, the Cabinet is minded to create an earmarked reserve of £200k to cover any potential deficits in the early years of trading. Cabinet proposes that this reserve be funded from the anticipated underspend for 2013/14.

2.14 Cabinet also recommends that £150k of the anticipated underspend for 2013/14 be used to fund additional costs required for the set up of the new Cheltenham Leisure & Culture Trust. This will be used to fund costs that were not provided for in the 2013/14 budget.

Municipal Mutual Insurance

2.15 The Council has a potential liability in respect of the run-off of Municipal Mutual Insurance (MMI) to the value of £360,415 as at 31st March 2013 This liability will only materialise if the assets of the company do not cover the insurance claims yet to be settled. In 2012/13 Ernst & Young (who managed MMI's business affairs and assets) set a levy of 15% (£63,603) against clients/owners potential liabilities as an estimate of the amount that would be

needed to achieve a solvent run-off. This figure was included in the 2012/13 accounts as a provision and is expected to be payable in January 2014.

The likelihood and timing of any additional liabilities is unknown at this stage. However, the Council's insurance brokers recommend that a further amount of 15% (on top of the current levy) should also be provided for, as a further levy could be imposed in the future should the current amount not prove sufficient to achieve a solvent run off. The scheme is operating with a deficit in respect of claims already paid and reserves held on current claims against assets. However due to the unknown extent of future claims, it is difficult to accurately project if or how much a further levy would be. A further provision of 15% (£63,600) will therefore be made in 2013/14, which was unforeseen when setting the original budget.

Small Business Rates Relief

- 2.16** The Council is anticipating a payment of £255k from the Department of Communities & Local Government (CLG) in January 2014. This payment represents 60% compensation for the loss of income to councils, arising as a result of the government decision to give extra rate relief to small businesses. This will represent one-off windfall income in 2013/14. CLG are to retain the remaining 40% of the payment at this stage until the safety-net payments and levy receipts are known from the Business Rates Retention Scheme (BRRS).

3. Treasury Management

3.1 Icelandic Banks

Members will be aware that the Council has outstanding loans with the Icelandic owned banks Glitnir, Landsbanki and Kaupthing, Singer & Freidlander (KSF). 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.

- 3.2** As reported in the August budget monitoring report, Kaupthing, Singer & Freidlander administrators have returned 79p in the pound with a further distribution to be made shortly. It is estimated that between 84p/86.5p in the pound will be recovered in total. Glitnir returned 82p in the pound with the remaining 18% being held in an escrow account in Iceland. Landsbanki have returned approximately 55p in the pound with 2p in the pound being held in escrow in Iceland. It is expected to recover 100%, but repayable over a number of years.

3.3 Treasury Management Activity

As reported in the August budget monitoring report, there is a predicted surplus of interest of £17,000 to report on Treasury Management within the general fund for 2013/14. Lending interest is forecast to be around £17,000 better off compared to the original budget set due to holding higher cash balances on a daily basis. Even though investment rate returns are very low it has benefited the Council to invest in longer periods (still within one year). Temporary borrowing interest is predicted to be around the original budget set in February 2013.

4. Capital expenditure

4.1 A detailed exercise has been carried out in November 2013 to ensure that capital schemes are being delivered as planned within the allocated capital budgets. A revised capital programme is provided as appendix 6 to the Interim Budget proposals 2014/15 approved by Cabinet on 17th December 2013. Significant variances to the 2013/14 original capital budgets are detailed below.

4.2 Art Gallery & Museum Development

The Art Gallery & Museum development was successfully completed in October 2013 – and during the first two months of re-opening, 50,000 people have visited the new galleries. The final outturn account has yet to be agreed, and the Council are working with their appointed professionals to determine a final settlement figure.

5. Programme maintenance expenditure

5.1 All the work that has been planned for completion in 2013/14 remains as scheduled. However, a detailed exercise will be undertaken to ensure that the priorities in place remain appropriate. Any slippages in schemes or underspend against budget will be transferred to the Repairs & Renewals reserve at the year end, to fund future programme maintenance expenditure.

6. Housing Revenue Account (HRA)

6.1 The HRA budget for 2013/14, approved in February 2013, showed a deficit of £285,800 for the year which would result in a balance of £2,827,200 to be carried forward in revenue reserves at 31st March 2014.

6.2 Variations to the budget for the current year following completion of the final accounts for 2012/13 were reported to Cabinet in July 2013:-

- The outturn position for 2012/13 showed an increased level of reserve at 31st March 2013 of £3,561,900 (previously estimated at £3,113,000).
- Capital expenditure totalling £603,000, originally programmed for 2012/13, was delayed into 2013/14 increasing the budget for the current year to £7,075,000. Funding for that expenditure was carried forward in the revenue reserve and major repairs reserve.

6.3 Further variations to the HRA revenue budget that have been identified to date are summarised in the table below:-

Budget Heading	Change in resources
	£'000

Repairs & Maintenance – higher repair cost from increased voids	-150
Bad Debt Provision – lower arrears than anticipated reflect delay in implementation of benefit changes and allocation of additional resources to mitigate impact	120
Depreciation	-47
Dwelling Rents – loss of rent from additional sales and higher voids	-161
Transfer from Major Repairs Reserve – confirmation of accounting practice	-108
Revenue contributions to fund capital programme – additional funding options have reduced use of revenue resources	635
Other net variations	-26
Net Savings	263

6.4 Variations to the capital programme include:-

- Current forecast spend is £7,091,400 compared to the revised budget of £7,075,000. Within that figure two significant schemes, the replacement of warden call technology at sheltered schemes and improvement of non-traditional stock, will be delayed by ongoing appraisal work to ensure best value. The resources released from the delayed schemes have been used to bring forward additional neighbourhood and fire protection works from 2014/15.
- In addition it is expected that major void expenditure will exceed budget by £125,000 following a higher incidence of significant works required to restore properties to letting standard and demand for higher value disabled adaptations will increase expenditure by a further £50,000.

6.5 In summary the overall impact of the reported variations will produce a net deficit for the year of £23,100 leaving a balance of £3,538,800 at 31st March 2014.

7. Council tax and Business rates collection

7.1 The monitoring report for the collection of council tax and business rates (NNDR) income is shown in Appendix 2. This shows the position at the end of November 2013 and the projected outturn for 2013/14.

8. Sundry debt collection

8.1 The monitoring of the aged sundry debts and recovery is shown at Appendix 3.

9. Conclusion

9.1 The net effect on the general fund of the variances reported above is that there may be a net saving against the budget of £444,600 for 2013/14. The next detailed budget monitoring report in February 2014 may result in the identification of further projected net variances. It will be for Cabinet and Council to decide in June 2014, when outturn is finalised, how to apply any further potential savings, bearing in mind the need to keep the level of reserves robust and the uncertainty surrounding possible future budget funding gaps. However, Cabinet is minded to recommend that a further contribution be made to the car parking reserve if circumstances allow, in addition to the £94,600 recommended in paragraph 2.5.

9.2 The continued impact of the economic recession present particular concerns for the Council's budgets. It is clearly important to ensure that budgets continue to be closely monitored over the coming months with a view to taking action at a future date, if necessary, in order to ensure that the Council delivers services within budget.

10. Consultation

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

Report author	Contact officer: Paul Jones paul.jones@cheltenham.gov.uk, 01242 775154
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Council Tax and NNDR collection 3. Budget virements for approval – 2013/14 budget
Background information	<ol style="list-style-type: none"> 1. Section 25 Report – Council 8th February 2013 2. Final Budget Proposals for 2013/14 – Council 8th February 2013

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.	If we are unable to take corrective action in respect of reduced income streams then there is a risk that Council will not be able to deliver its budget	Cabinet	June 2010	3	3	9	Reduce	In preparing the budget for 2014/15, SLT to consider the options for offsetting reduced income streams by analysing and reducing the level of expenditure across the Council.	December 2013	SLT	Corporate Risk Register
2.	If the requirement to fund projected overspend from General Balances result in General Balances falling below the minimum range of £1.5m to £2m set by the Chief Finance Officer then it would reduce the Councils reserves.	Cabinet	June 2010	3	3	9	Reduce	In preparing the budget for 2014/15, an exercise to realign earmarked reserves will be undertaken in order to strengthen the level of General Balances if required.	December 2013	Chief Finance Officer	Corporate Risk Register

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Guidance

Types of risks could include the following:

- Potential reputation risks from the decision in terms of bad publicity, impact on the community or on partners;
- Financial risks associated with the decision;
- Political risks that the decision might not have cross-party support;
- Environmental risks associated with the decision;
- Potential adverse equality impacts from the decision;
- Capacity risks in terms of the ability of the organisation to ensure the effective delivery of the decision
- Legal risks arising from the decision

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

Risk ref

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

Risk Description

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

Risk owner

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

Risk score

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

Control

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

Action

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

Responsible officer

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

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

Transferred to risk register

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

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Council Tax and Business Rates Collection Rates 2013-2014

Business Rates 2013/2014

Current Year Charges - 2013/2014			
Period	November 2013 Target As at 30.11.13	2013/2014 Target As at 31.03.14	Revised 2013/2014 Target As at 31.03.14
% Collected As at 30.11.13	81.56%	98.35%	N/A
80.70%			

The collection rate is below the target for the end of November. The position does fluctuate through the year and at the moment the year end target remains at 98.35%

Previous Years Charges Outstanding in Current Year (2013/2014)

Period	November 2013 Target As at 30.11.13	2013/2014 Target As at 31.03.14	Revised 2013/2014 Target As at 31.03.14
Previous Year Debts Outstanding As at 30.11.13	£640,000	£345,000	N/A
£704,533			

The arrears are higher than the target. We are monitoring the position closely and working with any businesses having difficulty in paying. We are optimistic that we can achieve the year end target of £345,000.

Council Tax 2013/2014

Current Year Charges - 2013/2014	
Period	November 2013 Target As at 30.11.13
% Collected As at 30.11.13	76.40%
76.27%	

Period	November 2013 Target As at 30.11.13	2013/2014 Target As at 31.03.14	Revised 2013/2014 Target As at 31.03.14
	76.40%	98.24%	N/A

The collection rate is slightly lower than the target. We continue to monitor collection levels closely and the year end target remains at 98.24%

Previous Years Charges Outstanding in Current Year (2013/2014)

Period	November 2013 Target As at 30.11.13	2013/2014 Target As at 31.03.14	Revised 2013/2014 Target As at 31.03.14
Previous Year Debts Outstanding As at 30.11.13	£1,180,000	£910,000	N/A
£1,208,883			

The arrears are slightly higher than the target. Again, we are monitoring the position closely and working with council tax payers having difficulty in paying, but we remain optimistic that we can achieve the year end target of £910,000.

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CostC	CostC(T)	No. Outstanding Invoices	Value of Invoices In Payment Plans	Value of Invoices with Halted Recovery *	Value of Invoices with Legal	Value of Invoices awaiting Credit Notes **	Value of Invoices with Write Off **** Credits ***	Not Due	0-30	1-3 Mths	3-6 Mths	6 mth - 1 Yr	1 - 2 Yrs	2 Yrs+	Total
A0B103	Cheltenham Depot	8	E0.00	E0.00	E0.00	E0.00	-£35.89	E0.00	E6,184.58	E3,775.18	E0.00	E0.00	E0.00	E0.00	E9,921.87
BAL100	General Fund Balance Sheet	99	E1,352.17	E6,670.71	E0.00	E0.00	-£6,573.83	E630.51	E15.00	E0.00	E0.00	E579.84	E523.14	E0.00	E3,054.06
BUC001	Building Control - Fee Earning Work	8	E0.00	E1,123.20	E0.00	E0.00	E0.00	E5,950.00	E3,612.00	E0.00	E0.00	E342.55	E0.00	E334.00	E11,161.75
CCM001	Cemetery, Crematorium and Churchyards	229	E4,497.00	E86.00	E0.00	E0.00	E0.00	E46,445.00	E55,608.55	E9,615.00	E1,200.00	E6,872.00	E12,000.00	E0.00	E125,523.55
CCTV	CCTV	4	E1,492.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E1,492.00	E0.00	E1,984.00
COR001	Corporate Management	3	E0.00	E0.00	E1,289.50	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E1,289.50
CPK001	Car Parks - Off Street Operations	3	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E37,675.20	E0.00	E0.00	E0.00	E0.00	E0.00	E37,675.20
CUK102	Town Hall Operations	6	E0.00	E0.00	E0.00	E0.00	E0.00	E5,958.22	E0.00	E0.00	E0.00	E0.00	E1,283.81	E0.00	E7,142.03
CUL106	Art Gallery & Museum grant funded projects	2	E533.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E6,185.50	E0.00	E6,718.50
CUL107	Art Gallery & Museum Operations	19	E606.00	E60.00	E0.00	E0.00	-£120.00	E786.00	E1,200.00	E60.00	E1,150.00	E0.00	E54.00	E0.00	E3,996.00
CUL110	Entertainment Events - detail coded	33	E5,162.32	E1,062.68	E5,682.35	E0.00	E0.00	E4,779.23	E22,424.38	E11,829.15	E0.00	E0.00	E0.00	E0.00	E50,940.11
CUL111	Cheltenham Festivals	1	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00
DEV001	Development Control - Applications	1	E0.00	E0.00	E700.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E700.00
FIE000	Income and Expenditure on Investment Properties and Changes in Their Fair Value	119	E52,339.61	E9,574.37	E11,149.50	E0.00	E0.00	E18,928.43	E3,348.76	E9,861.31	E2,750.19	E4,013.64	E4,688.35	E2,458.95	E118,893.11
HLID02	Ubico Intercompany Account	4	E0.00	E1,206.67	E0.00	E0.00	E0.00	E32.00	E166,426.98	E172,622.00	E1.00	E0.00	E0.00	E0.00	E340,288.65
HLID10	Prestbury Parish Council Salaries	1	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E12,132.17	E0.00	E0.00	E0.00	E0.00	E0.00	E12,132.17
HLID30	Cheltenham Business Partnership	3	E0.00	E1,000.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E3,000.00	E5,000.00	E0.00	E4,500.00
HOS004	Housing Standards	2	E507.75	E441.09	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E948.84
HRA900	Rent Control	2	E4,546.76	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E4,546.76
OPS001	Parks & Gardens Operations	3	E0.00	E0.00	E0.00	E0.00	E0.00	E1,663.95	E0.00	E10,765.00	E0.00	E0.00	E2,399.76	E0.00	E14,928.71
OPS002	Sports & Open Spaces Operations	6	E433.95	E0.00	E0.00	E0.00	-£29.86	E0.00	E0.00	E0.00	E756.92	E0.00	E0.00	E0.00	E1,161.01
OPS004	Allotments	12	E275.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E95.00	E0.00	E0.00	E0.00	E441.00
OPS101	Aile Road Nursery Operations	8	E25,049.15	E0.00	E0.00	E0.00	E0.00	E0.00	E4,581.23	E1,563.16	E0.00	E636.00	E0.00	E0.00	E31,829.54
P1P102	Development Task Force	1	E3,339.48	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E3,339.48
PUB101	Public Art	1	E0.00	E27,000.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E27,000.00
REC101	Recreation Centre Operations	146	E10,967.26	E52,924.61	E4,788.20	E18.00	-£95.44	E6,465.27	E4,063.21	E2,339.00	E620.39	E1,476.15	E3,257.05	E65.20	E87,089.99
REC102	Prince of Wales Stadium	9	E371.25	E0.00	E0.00	E0.00	E0.00	E0.00	E75.00	E44.00	E0.00	E202.00	E0.00	E0.00	E692.25
REG001	Environmental Health General	3	E5,915.00	E0.00	E0.00	E0.00	-£55.00	E4,635.00	E10,713.00	E0.00	E0.00	E0.00	E0.00	E0.00	E15,383.00
REG002	Licensing	87	E3,533.00	E75.00	E0.00	E0.00	E0.00	E862.00	E0.00	E0.00	E2,699.00	E839.00	E1,368.00	E112.00	E7,000.00
REG003	Animal Control	65	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00
REG013	Pollution Control	1	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00
REG018	Pest Control	23	E110.00	E70.00	E0.00	E0.00	-£45.00	E175.00	E720.00	E55.00	E0.00	E215.00	E22.00	E0.00	E1,163.00
RYC004	Recycling Centres	6	E46,125.03	E0.00	E0.00	E0.00	-£24.00	E46,595.46	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E92,999.49
SPP002	Community Alarms	1,072	E29,122.63	E1,211.33	E0.00	E243.32	-£310.89	E14,602.71	E68.80	E27.52	E13.76	E68.24	E27.24	E0.00	E45,802.12
SUP005	ICT	1	E0.00	E0.00	E0.00	E0.00	E0.00	E35,039.53	E0.00	E0.00	E0.00	E5,256.00	E0.00	E0.00	E35,039.53
SUP006	Telephones	1	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00
SUP034	Fleet Management	1	E0.00	E0.00	E0.00	E0.00	E0.00	E196,553.03	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E196,553.03
SUP036	Project Management	1	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00
SUP101	GO ICT Centre of Excellence	6	E0.00	E0.00	E0.00	E0.00	E0.00	E103,668.32	E0.00	E0.00	E2,472.00	E0.00	E0.00	E0.00	E107,868.32
TOU002	Tourist/Visitor Information Centre	9	E813.00	E0.00	E0.00	E0.00	E0.00	E0.00	E0.00	E3,600.00	E0.00	E0.00	E0.00	E0.00	E2,400.00
TRW001	Trade Waste	293	E10,822.86	E313.47	E0.00	E106.17	-£962.73	E5,464.97	E0.00	E1,686.01	E152.48	E1,076.64	E1,109.31	E0.00	E24,583.03
WST001	Household Waste	15	E241.22	E0.00	E514.35	E0.00	-£38.95	E0.00	E38.95	E0.00	E0.00	E0.00	E506.35	E0.00	E2,457.27
GENERAL FUND TOTAL		2,313	E208,155.44	E102,819.13	E23,423.90	E1,601.63	E6,109.04	E452,619.17	E375,483.27	E227,620.33	E9,481.64	E24,935.06	E27,974.51	E3,070.15	E1,455,001.68
HRA100	Repairs and Maintenance	1,318	E116,503.96	E42,302.16	E42,368.89	E3,740.48	-£218.94	E29,824.06	E4,311.63	E1,692.87	E11,613.32	E13,061.72	E24,330.01	E41,218.75	E378,147.35
HRA210	Non-dwelling Rents	73	E110.00	E40.00	E577.66	E0.00	E0.00	E0.00	E0.00	E0.00	E300.00	E0.00	E30.00	E0.00	E1,067.66
HRA221	Service Charges to Leaseholders	206	E30,158.11	E16,532.94	E5,815.63	E0.00	E0.00	E8,019.50	E71.62	E20,836.03	E0.00	E100.00	E2,011.09	E0.00	E83,544.92
HRA TOTAL		1,597	E146,772.07	E58,875.10	E48,762.18	E3,740.48	-£218.94	E37,853.56	E4,383.25	E22,528.90	E11,913.32	E13,161.72	E26,371.10	E41,218.75	E462,759.93
TOTAL		3,910	E354,927.51	E161,694.23	E72,186.08	E5,342.11	E53,507.48	E490,472.73	E379,866.52	E250,149.23	E21,394.96	E38,096.78	E54,345.61	E44,288.90	E1,917,761.61
Position reported in Budget Monitoring Report to August 2013		4,253	E321,320.96	E50,589.89	E87,025.03	E14,335.79	E38,528.01	E702,808.94	E323,142.07	E45,244.01	E24,215.17	E77,149.51	E65,471.84	E54,154.14	E1,681,146.20

* Value of Invoices with Halted Recovery - invoices with issues to be resolved before payment / further recovery action e.g. service disputed, bounced direct debits, with bailiffs, etc.

*** Value of Invoices Awaiting Credit Note - credit notes have to be authorised on Agresso, until they are authorised on Agresso, where customers have paid in advance of an invoice, or in error.

**** Customer Credits - accounts where customers have paid in advance of an invoice, or in error.

***** No write offs to date.

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Schedule of Virements for Approval - 2013/14 budgets

Costc	Costc(T)	Account	VIREMENT 2013/14 budget	Reason	Virement approvals	
ADB101	Cheltenham Municipal Offices	R1000	-5,500	Reallocation of service salary underspend achieved at November 13	Cabinet member approval Section 151 officer consulted	
ADB102	Custodians	R1000	-4,500	Reallocation of service salary underspend achieved at November 13		
BUC001	Building Control - Fee Earning Work	R1000	-6,200	Reallocation of service salary underspend achieved at November 13		
CCM001	Cemetry, Crematorium and Churchyards	R1000	-3,000	Reallocation of service salary underspend achieved at November 13		
CPK002	Car Park Income Collection	R1000	-3,500	Reallocation of service salary underspend achieved at November 13		
CUL102	Town Hall Operations	R1000	-17,600	Reallocation of service salary underspend achieved at November 13		
CUL107	Art Gallery & Museum Operations	R1000	-22,400	Reallocation of service salary underspend achieved at November 13		
DEV003	Development Control - Enforcement	R1000	-900	Reallocation of service salary underspend achieved at November 13		
DRM001	Democratic Representation and Management	R1000	-300	Reallocation of service salary underspend achieved at November 13		
ELE003	Elections Support/Overheads	R1000	-12,100	Reallocation of service salary underspend achieved at November 13		
FLD001	Flood Defence and Land Drainage	R1000	-700	Reallocation of service salary underspend achieved at November 13		
HBA001	Housing Benefit Admin	R1000	-15,800	Reallocation of service salary underspend achieved at November 13		
HOS004	Housing Standards	R1000	-19,300	Reallocation of service salary underspend achieved at November 13		
LTC001	Council Tax	R1000	-12,000	Reallocation of service salary underspend achieved at November 13		
LTC011	NNDR	R1000	-2,900	Reallocation of service salary underspend achieved at November 13		
OPS001	Parks & Gardens Operations	R1000	-1,000	Reallocation of service salary underspend achieved at November 13		
OPS004	Allotments	R1000	-1,300	Reallocation of service salary underspend achieved at November 13		
REC001	Sports Development	R1000	-2,400	Reallocation of service salary underspend achieved at November 13		
REC005	Active Lifestyles	R1000	-1,600	Reallocation of service salary underspend achieved at November 13		
REC007	Holiday Recreation Programme	R1000	-3,000	Reallocation of service salary underspend achieved at November 13		
REC101	Recreation Centre Operations	R1000	-1,800	Reallocation of service salary underspend achieved at November 13		
REG001	Environmental Health General	R1000	-35,800	Reallocation of service salary underspend achieved at November 13		
SPP002	Community Alarms	R1000	-2,200	Reallocation of service salary underspend achieved at November 13		
SUP007	Committee Services	R1000	-8,000	Reallocation of service salary underspend achieved at November 13		
SUP014	Cashiers	R1000	-400	Reallocation of service salary underspend achieved at November 13		
SUP018	Press & PR/Communications	R1000	-26,900	Reallocation of service salary underspend achieved at November 13		
SUP024	Postal Services	R1000	-700	Reallocation of service salary underspend achieved at November 13		
SUP025	Property Services	R1000	-33,700	Reallocation of service salary underspend achieved at November 13		
SUP036	Project Management	R1000	-27,300	Reallocation of service salary underspend achieved at November 13		
SUP039	Callouts	R1000	-2,200	Reallocation of service salary underspend achieved at November 13		
COR001	Corporate management	R1099	275,000	Contribution towards central salary saving target 13/14 (paragraph 2.2 to report)		
			0			
FLD001	Flood Defence and Land Drainage	R5003	32,000	Environment Agency final settlement payment required		Cabinet member approval Section 151 officer consulted
BAL104	Balances and Reserves	B8240	-32,000	Environment Agency one-off payment funded from reserve		
			0			
GBD103	SLA Single Advice Contract	R6280	22,000	£22k single advice contract expenditure removed from current year budget in error	Director of Commissioning & Section 151 approval Cabinet member to note	
BAL104	Balances and Reserves	B8240	-22,000	Grant funded from 13/14 general reserve.		
			0			
SUP005	ICT	R9736	26,600	Net additional one-off costs of ICT restructure in 13/14 - funded from ICT reserve	Cabinet member approval Section 151 officer consulted	
BAL104	Balances and Reserves	B8240	-26,600	Net additional one-off costs of ICT restructure in 13/14 - funded from ICT reserve		
			0			

Schedule of Virements for Approval - 2013/14 budgets

Costc	Costc(T)	Account	VIREMENT 2013/14 budget	Reason	Virement approvals
HBP001	Rent Alices		215,200	Amended rent allowances / rebates / subsidy allocations from DWP 13/14	Director of Resources approval
HBP001	Rent Alices Subsidy		-177,100	Amended rent allowances / rebates / subsidy allocations from DWP 13/14	
HBP002	Rent Rebates		-220,800	Amended rent allowances / rebates / subsidy allocations from DWP 13/14	
HBP002	Rent Rebates Subsidy		176,800	Amended rent allowances / rebates / subsidy allocations from DWP 13/14	
RES101	Rent Allowances equalisation reserve		5,900	Transfer net saving to Rent Allowances equalisation reserve	
			<u>0</u>		
	Parks & Gardens project expenditure		30,000	12/13 c/fwd requests required - not formally requested at 2012/13 year end	
	Project Management		-5,100	Additional income - external Project Management work	
	Net saving in Capital Charges		-33,800	Net savings in Minimum Revenue Provision / Revenue Contribution to Capital Outlay	
	Net reported (underspend) / overspends reported in Table 2.1 Cabinet Monitoring report:-				
	Small Business Rates Relief		-255,000	One off windfall income due 2013/14	
	Built Environment Directorate		-69,000	net savings	
	Commissioning Directorate		-158,300	net savings	
	Increase in provisions		63,600	Municipal Mutual Insurance provision	
	Net saving in Treasury		-17,000	Net surplus in interest receivable	
	Net underspend forecast 2013/14		<u>-444,600</u>		
	Recommended use of 2013/14 net underspend:-				
	Contribution to set up costs New Leisure & Culture Trust		150,000	See report paragraph 2.14	
	Virement to new earmarked reserve for L & C Trust		200,000	See report paragraph 2.13	
	Virement to Car Parking equalisation reserve		94,600	See report paragraph 2.5	
			<u>444,600</u>	Approval required by Council under financial regulations	

Cheltenham Borough Council

Cabinet

Request for rent subsidy from Gloucester and District Citizens Advice Bureau

Accountable member	Cabinet Member for Finance, Councillor John Rawson
Accountable officer	David Roberts (Head of Property and Asset Management)
Ward(s) affected	Landsdown
Key Decision	No
Executive summary	The Council have been asked by Gloucester and District Citizens Advice bureau to consider a rent subsidy for the premise known as 3 St George Street. The Bureau satisfies three of the Council's Key Objectives and that, as a result, a rent subsidy is proposed.
Recommendations	It is recommended that Cabinet agrees to accept the recommendation of the 3 rd Sector Panel and authorise the Director of Resources to administer a rent reduction of 80% against the lease between Cheltenham Borough Council and Gloucester and District Citizens Advice Bureau

Financial implications	<p>The premise is not currently in commercial occupation and therefore the rent achieved will provide support to the council's finances.</p> <p>Contact officer: Nina Philippidis, Accountant nina.philippidis@cheltenham.gov.uk, 01242 264121</p>
Legal implications	<p>None arising directly from the report</p> <p>Contact officer: Rose Gemmell, rose.gemmell@teWKesbury.gov.uk, 01684 272014</p>
HR implications (including learning and organisational development)	None
Key risks	Should a letting to the CAB not be forthcoming, the property will remain vacant and, given that it stood vacant for approximately 18 months between 2009 and 2011, it is therefore likely that the unit will prove difficult to rent out in the commercial market.

Corporate and community plan Implications	By agreeing this application Citizen Advice Bureau will contribute to supporting the Council Priorities of: <ul style="list-style-type: none">• Strengthening the local economy• Developing a strong and sustainable community• Focussing on Children and young people
Environmental and climate change implications	Nothing in this proposal is considered to impact negatively upon the Council's environmental and climate change aspirations

1. Background

- 2.1 Gloucester and District Citizens Advice Bureau is a registered charity (hereinafter referred to as CAB) they would like to enter into a lease of 3 ST Georges Place for a term of 3 years.
- 2.2 The Art Gallery and Museum has been in occupation of the property since 2009 but is currently in the process of vacating. CAB provides services to help people resolve their legal, money and other problems by providing free, independent and confidential advice.
- 2.3 CAB made an application under the Council's 3rd Sector Policy; a copy of the application is attached as Appendix II.
- 2.4 A meeting of the 3rd Sector Policy board considered the application from CAB for rent relief at 3 St Georges Place and concluded that a relief of 60% in addition to a subsidy of 20% applicable to charitable institutions renting Council-owned premises, was appropriate. A copy of the panel's decision is attached as Appendix III.

2. Reasons for recommendations

- 2.1 The 3rd Sector Policy Board considered the application from CAB and concluded that the following subsidies could be applied:
 - 20% subsidy in respect of CAB contribution to the Council's Objective 3 'Strengthening Our Communities'
 - 20% subsidy in respect for CAB contribution to the Council's Objective 2 'Strengthening Our Economy'
 - 20% subsidy in respect of CAB contribution to the Council's Objective 5 'A Focus on Children and Young People'
- 2.2 20% subsidy reflecting CAB is a registered charity
- 2.3 It is proposed that the CAB shall occupy the property upon an internal repairing basis and be responsible for the payment of all utility and rates bills as well as insuring all plate glass at the property.
- 2.4 The full Market Rent of the property has been ascertained to be £10,000 and an initial term of three years has been agreed so as to allow the CAB to assess the appropriateness and suitability of the premises for its needs.

3. Alternative options considered

- 3.1 The Council could decide not to offer the CAB a rent subsidy, this would result in the strong possibility that the CAB would no longer be able to provide a service within the Borough

4. Consultation and feedback

- 4.1 Cllr Peter Jeffries (Cabinet Member for Housing & Safety), who has responsibility for community development, actively supports the proposal

5. Performance management –monitoring and review

- 5.1 Not applicable

Report author	Contact officer: Rebecca.conway@cheltenham.gov.uk, 01242
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Submission by Gloucester & District Citizens Advice Bureau 3. Decision of 3rd Sector Assessment Panel. 4. Floor plan
Background information	N/A

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 the tenant cannot sustain 20% rent payments and closes operation in Cheltenham, then this will result in a loss of a community facility and exposing the Council to empty rates from a closed shop	Rebecca Conway	26 th Nov 2013	2	2	4	Accept	None	26 th Nov 2013	Rebecca Conway		

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Name of Company

GLOUCESTER & DISTRICT CITIZENS ADVICE BUREAU

Registered Charity No

1044706

Business and Community Plan

For the provision of an outreach in the centre of Cheltenham for the
benefit of the residents of Cheltenham

Submission to Cheltenham Borough Council

Dated

20th October 2013

Submission Guidelines

Any decision made by Cheltenham Borough Council to lease its property at less than 'best consideration' will be based on an objective assessment of the benefits your service provides to the community of Cheltenham at large.

We will use the information you provide in this document to calculate the percentage rental discount your organisation is entitled to upon the renewal of your lease agreement with Cheltenham Borough Council.

Rental discounts will be based upon the degree to which your activities are open to the community at large (i.e. is a paying membership required?) and to the extent your activities further the aims of the Council's community plan.

Cheltenham Borough Council's Corporate Strategy 2010-2015 identifies 3 key community objectives, which are as follows:

- Enhancing and protecting our environment
- Strengthening our economy; and
- Strengthening our communities

These are supported by an additional 'cross-cutting' objective of

- Enhancing the provision of arts and culture

Rental discounts will be determined by the degree to which you are able to demonstrate how your organisation **significantly contributes** towards supporting these objectives in your Business and Community Plan.

The Cabinet reserves the right to award an additional discount in exceptional cases, where the organisation concerned has demonstrated, by clearly evidenced business plans, that they are providing a comprehensive community benefit which is not satisfactorily reflected through the application of the rental discount criteria specified within this document.

Organisations will have the power to sub-let only with the agreement of the Council which will not be unreasonably withheld so long as the income is used to further the aims and activities of the organisation.

Alongside the Corporate Strategy is Cheltenham's Sustainable Community Strategy 2008-2011. This Strategy identifies nine priorities for Cheltenham:

- Promoting Community Safety
- Promoting Sustainable Living
- Promoting a strong and sustainable economy
- Building healthy communities and supporting housing choice
- Investing in environmental quality
- Investing in travel and transport

- Investing in arts and culture
- A focus on children and young people

Nearly all of these priorities 'fit' in some way to the 4 objectives in the Council's Corporate Strategy. The focus on children and young people is however more cross-cutting. In view of this, and in recognition of the fact that the Community Strategy has demonstrated a clear need to focus on children and young people, this will be set as an additional priority, with a particular focus on the 5 Every Child Matters outcomes being met.

The Every Child Matters outcomes are as follows:

- Be healthy
- Stay safe
- Enjoy & Achieve
- Making a positive contribution
- Achieving economic well-being

Calculating the Rent Subsidies

Where you are able to demonstrate clearly and to the satisfaction of Cheltenham Borough Council's Assessment Panel that you are making a **significant contribution** to one or more of the objectives identified within the Corporate Strategy and/or to one or more of the Every Child Matters outcomes for children and young people, you will be entitled to a 20% discount on the rental costs for significantly contributing to each objective/priority.

This discount will be staggered incrementally, as follows:

One objective	– 20% discount
Two objectives	– 40% discount
Three objectives	– 60% discount
Four or more objectives	– 80% discount

As agreed by the Cabinet in July 2010, a further 20% discount is available to all charities renting Council property.

As a general rule, when leases are due to be renewed and at the Cabinet's discretion, buildings that are operating primarily as social or sports clubs with a **paying membership** should only be given the standard 20% discount against the full market rent.

In addition, in order for the rental discounts to be agreed Cheltenham Borough Council will need to be satisfied that your activities are sustainable. It will therefore be important for you to provide a summary within your Business and Community Plan demonstrating your current and likely future business position, and to supplement this with a Financial Statement for the last financial year along with a projected Financial Statement for the following financial year.

Please complete the following Sections below to support your application for a rental discount

1. Enhancing and Protecting our Environment. *How, if at all, does your organisation significantly contribute towards meeting this objective? Your activities may include investing in environmental quality, investing in travel and transport, and/or promoting sustainable living*

Our fully trained volunteers provide the advice people need for the problems they face. Some just require information about their rights whilst others need us to look at options and sometimes take action on their behalf. In all cases the impact is to promote sustainable living conditions for our clients whether by assisting in debt problems, benefit issues, employment disputes, housing matters, financial and legal difficulties or relationship conflicts. In addition we work with partners to address specific issues, for example: the Gloucestershire Community Foundation's Surviving Winter Appeal in assisting elderly and/or vulnerable clients in "fuel poverty".

2. Strengthening our Economy. *How does your organisation strengthen our local economy?*

As noted above, often our Clients face debt issues (58% of last year's clients were experiencing debt issues) where we have been required to negotiate payment plans with creditors on behalf of clients. In addition we regularly assist Clients who are embroiled in income disputes, for example: 7% of all 2012/13 clients needed help with Employment related disputes and 22% with benefit claims errors. Our success in these areas increases the Client's spending power and therefore the local economy. In addition we advise individual clients on financial capability as well as operating training sessions for account managers and support group advisers working in the field.

Strengthening Communities. *Your activities may support this through a variety of mechanisms, such as promoting housing choice, building healthier communities, supporting older people, etc*

As noted above working with volunteers and community groups we provide the advice people need for the problems and/or issues they face. Often these events relate to housing issues in the private, RSL ALMO and HA sectors. Issues can range from avoiding repossession and/or voluntary homelessness to deposit recovery neighbour disputes. The resolution of such issues assists in building a happier community and therefore a healthy one. It is also worth pointing out that 27% of our clients are over 50 and 6% over 65.

Enhancing the provision of Arts and Culture. *How does your organisation contribute to the provision of arts and culture and to supporting local people in accessing arts and cultural activities?*

A focus on improving the life chances of children and young people. *Please identify how your organisation significantly contributes to meeting the outcomes for children and young people, as identified in Every Child Matters.*

In addition to the normal flow of young people (17 -24 year olds) who seek help from the Bureau (13% of our total clients) we:

- work closely with Young Gloucestershire and provide a fortnightly outreach,
- maintain a presence in a number of Children’s Centres in Cheltenham
- are an accredited trainer for the Barclays Money Skills course,
- as a result of the Education Secretary’s recent announcement, are working with local education partners to develop Financial Capability courses for children and young people in schools,
- work closely with local DWPs to provide, for the under 25s, a voluntary client facing 8 week work experience, which is planned to include “call centre” training and experience ,
- are working with the National Star College (NSC) to provide an on-site advise service and an adviser training programme for NSC students.

Financial and Business Management. *Please use this section to show how financially sustainable your current activities are, and to supplement this on a separate sheet with a Financial Statement for the last financial year along with a projected Financial Statement for the following financial year*

Final statement for years ended 31st March 2012 and 2013 (being extracted from our Financial Statements filed with both the Charities Commission and companies House) are attached together with projections to 31st March 2014 extracted from our September Management Accounts.

The statements can be summarised:

Year ended 31 st March	<u>2012</u>	<u>2013</u>	<u>2014</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Income	410	379	313
Expenditure	<u>396</u>	<u>371</u>	<u>302</u>
Net surplus (deficit)	<u>14</u>	<u>8</u>	<u>10</u>

Falling income has arisen due to the curtailment of support from the Legal Services Commission, but these reductions have been more than match by the Bureau’s good husbandry.

We would add that reserves currently stand at £187,000 and cash on hand at £155,000

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Application for rent discount under the council's property lettings and disposals to the third sector, voluntary and community groups policy

Assessment carried out on 7 November 2013 by:

- Des Knight – Accountant; GO Shared Services
- Richard Gibson – Strategy and Engagement
- Helen Down - Strategy and Engagement

Name of Organisation:	Gloucester and District Citizens Advice Bureau
Registered Charity?	Yes: 1044706
Does the organisation have a paying membership?	No
Name /address of property	3 St. Georges Place Cheltenham

Based on their Business Plan, what contribution does this organisation make to the Council's Corporate Strategy and/or Cheltenham's Sustainable Community Strategy?	Which objectives does the Organisation significantly contribute towards? (Tick and give reasons where appropriate)	Does the business plan show how these activities are sustainable?	% subsidy awarded
Objective 1: Enhancing & protecting our environment (includes investing in environmental quality, investing in travel and transport and promoting sustainable living)	No, the panel were not convinced that the organisation will make a contribution to the environment objective	N/A	0
Objective 2: Strengthening our economy	Yes: 58% of CAB clients face debt issues, 7% of clients needed help with employment related disputes and 22% with benefit claims errors. CAB's success in these areas increases client's pending power and therefore the local economy.	Yes, the income and expenditure accounts for 2013, show that the organisation will make a projected surplus of £20k in 2013-14.	20%
Objective 3: Strengthening our communities (includes promoting community safety, promoting housing choice, building healthier communities and supporting older people)	Yes: CAB works with volunteers and community groups to provide advice on a range of issues. Often these events relate to housing issues in the private, RSL ALMO and HA sectors. Issues can range from avoiding repossession and/or voluntary homelessness to deposit recovery and neighbour disputes.	as above	20%
Objective 4: Enhancing the provision of arts and culture	No.	N/A	0%
Objective 5: A focus on children and young people i.e. where One or all of the following outcomes for	Yes: 13% of all CAB clients are young people aged between 16 and 24. CAB also provide the following to	as above	20%

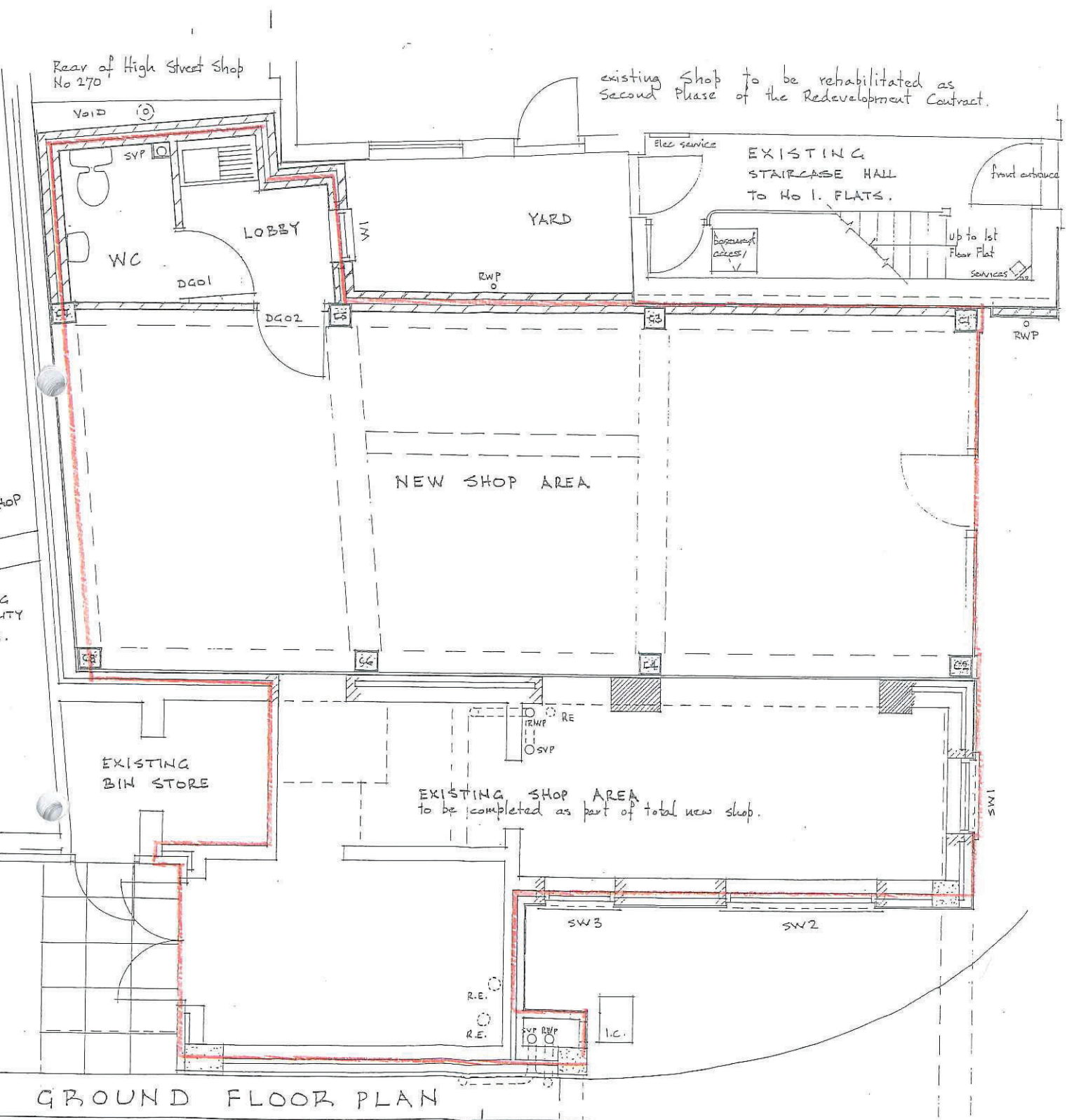
<p>children and young people are met: -Be healthy -Stay safe -Enjoy & Achieve -Making a positive contribution - Achieving economic well-being</p>	<p>support young people:</p> <ul style="list-style-type: none"> • Working closely with Young Gloucestershire and provide a fortnightly outreach, • Maintaining a presence in a number of Children's Centres in Cheltenham • Developing a Financial Capability courses for children and young people in schools, • Working closely with local DWPs to provide an 8 week work placement for the under 25s. • Working with the National Star College (NSC) to provide an on-site advise service and an adviser training programme for NSC students. 		
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As agreed by the Cabinet in July 2010, a further 20% discount is available to any charity renting council property = 80% in total

State Aid avoidance checklist:	
Is the proposed tenant a not for profit organisation?	Yes
Is the use of the building for a community purpose?	Yes
Are the activities carried out by the organisation of local interest only?	Yes

Recommendation:

The panel recommends that Cabinet offer an 80% rental discount off the market rent to Gloucester and District Citizens Advice Bureau.



NOT TO SCALE

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Cheltenham Borough Council

Cabinet – 14th JANUARY 2014

GO SHARED SERVICES – Changes to Governance Arrangements

Accountable member	Councillor Jon Walklett Cabinet Member for Corporate Services
Accountable officer	Mr Mark Sheldon Director of Resources 01242 264123 mark.sheldon@cheltenham.gov.uk
Ward(s) affected	None
Key Decision	No
Executive summary	<p>This report considers extending the existing governance arrangements for GO Shared Services to November 2020.</p> <p>It also covers changes to the governance arrangements to enable the provision of system administration and telephone helpdesk functions to be carried out by the GO Shared Services team rather than the Support and Hosting Centre of Excellence team.</p>
Recommendations	<p>Subject to Cotswold District Council, Forest of Dean District Council and West Oxfordshire District Council agreeing to similar resolutions, Cabinet approves the following :</p> <p>(i) the extension of the existing delegated arrangements with Cotswold District Council for GO Shared Services until 7th November 2020;</p> <p>(ii) approves changes to the governance arrangements so that responsibility for the provision of Agresso Business World system administration and associated telephone helpdesk functions be delegated from Forest of Dean District Council (as the current Host authority for all partner councils) to Cotswold District Council:</p> <p>(iii) delegates authority to the Director (Corporate Resources) to complete the appropriate legal agreements (for (i) and (ii) above), in consultation with the Cabinet Member for Corporate Services and on terms approved by the Borough Solicitor.</p>

Financial implications	<p>The transfer of responsibility for the Agresso Business World system administration function and associated helpdesk support from the Forest of Dean District Council to Cotswold District Council will lead to increased resources within the GO Shared Services team. The budget for the transferring staff/posts (£93,000) will transfer from the ICT shared service to GOSS. The GO clients will no longer reimburse the ICT shared service but will reimburse GOSS instead. The residual £22k budget will be retained in the Support and Hosting Centre of Excellence as a contribution towards the maintenance of the infrastructure / staffing supporting the Agresso. These costs will continue to be reimbursed by the GOSS partner councils. Overall, the net financial impact to this Council is neutral.</p> <p>Contact officer: Mark Sheldon</p> <p>E-mail: mark.sheldon@cheltenham.gov.uk</p> <p>Tel no: 01242 264123</p>
Legal implications	<p>There is a suite of legal documentation relating to the GO Shared Service programme which will need to be reviewed and amended if the recommendations are approved.</p> <p>In summary the current arrangements are as follows:</p> <ul style="list-style-type: none"> • November 2010- the council entered into a Collaborative agreement with Cotswold District Council, Forest of Dean District Council and West Oxfordshire District Council (the GO Partners) to implement an ERP system and to work towards a comprehensive shared service across the councils for the provision of HR, Finance, Payroll and Procurement services (GO Shared Services). The council was also appointed as the Support and Hosting Centre of Excellence. These agreements continue for a term of 10 years. • April 2012- the council agreed to delegate the GO Shared Services to Cotswold District Council until March 2014. • April 2013- the council entered into a shared service arrangement with Forest of Dean District Council for the provision of ICT services and as this incorporated the Support and Hosting functions, the Go Partners agreed to transfer the Support and Hosting Centre of Excellence from the council to Forest of Dean District Council <p>The current proposal is to extend the April 2012 agreement with Cotswold District Council until 2020 and to transfer some functions from Forest of Dean District Council to Cotswold District Council. These changes will require minor amendments to the current legal documentation.</p> <p>Contact officer: Shirin Wotherspoon</p> <p>E-mail: shirin.wotherspoon@tewkesbury.gov.uk</p> <p>Tel no: 01684 272017</p>

HR implications (including learning and organisational development)	<p>As a result of the proposed change of responsibility for the System Administration function and associated telephone helpdesk function from Forest of Dean District Council to Cotswold Council it is likely that there will be TUPE transfer implications for one member of staff. GOSS HR team will work with the managers and the employee to ensure full TUPE consultation and due diligence good practice are adhered to.</p> <p>Contact officer: Julie McCarthy</p> <p>E-mail: juklie.mccarthy@cheltenham.gov.uk</p> <p>Tel no: 01242 264355</p>
Key risks	<p>If the Council does not extended the governance arrangements for GO Shared Services in line with the recommendations in this report, Cotswold District Council cannot enter into a contractual obligation to provide services to the new Trust.</p>
Corporate and community plan Implications	<p>None</p>
Environmental and climate change implications	<p>None applicable</p>
Property Services Implications	<p>None</p>

1. Background

Extension of Existing Governance Arrangements

- 1.1 GO Shared Service (GOSS) came into operation with effect from 1 April 2012, delivering Finance, HR, Payroll, and Procurement services to four partner councils - Cheltenham Borough Council (CBC), Cotswold District Council (CDC), the Forest of Dean District Council (FODDC) and West Oxford District Council (WODC). In addition, GOSS provide services to Ubico Ltd, and Cheltenham Borough Homes (CBH) Ltd. The contractual arrangements are complex. The table below sets out the various legal agreements in place.

Contract/Agreement	Term	Commencement Date
Collaboration Agreement (All 4 partner councils)	10 years	8 Nov 2010
Sprint II Framework Agreement	Expires 31 st March 2014	8 Nov 2010
(Collaboration) Variation Deed	The remainder of the Collaboration Agree't dated 8 Nov 2010	1 April 2012
s101 Agreements re Finance, HR, Payroll and Procurement Services x3 (CBC/WODC/FODC with CDC)	2 years	1 April 2012
s101 Agreement re ICT Support & Hosting Centre. (CDC/WODC/FODC with CBC)	10 years	8 Nov 2010
s101 Addendum re ICT Support & Hosting Centre (CDC/WODC/FODC with CBC)	The remainder of the s101 Agreement dated 8 Nov 2010	1 April 2012
Data Sharing Protocol (inc Gloucestershire Information Sharing Partnership Agreement (GISPA))	On going	1 April 2012
Ubico Agreement re:GOSS with CDC	2 years	1 April 2012
CBH Agreement re:GOSS with CDC	2 years	1 April 2012
S101 Agreement re ICT Support & Hosting Centre Variation (delegating from CBC to FODC as host authority for CBC/CDC/WODC)	The remainder of the s101 Agreement dated 8 Nov 2010	28 March 2013

- 1.2 Cheltenham Borough Council is in the process of establishing a Trust to operate its leisure and cultural services. The Head of GO Shared Services is working with Cheltenham Borough Council on a proposal for Cotswold District Council to provide Finance, Procurement, HR and Payroll services to the Trust via its GO Shared Services team. The Trust will be an independent entity and therefore its Trustees will decide upon how its support services will be commissioned. The Trustees have now been appointed and, therefore, will be considering the provision of support services over the course of the next few months. Should the Shadow Board of Trustees approve the proposal from GO Shared Services, it is envisioned that Cotswold District Council (lead authority for GOSS) will begin to provide services from October 2014.

- 1.3 In order to ensure that the Cotswold District Council has the resources in place to be able to deliver against the new contract, it is necessary to extend the existing governance arrangements in place for GO Shared Services. Given that the Collaboration Agreement, which underpins GO Shared Services, expires on 7th November 2020, it is logical to extend the other legal agreements (s.101 delegations) to the same time frame. Without the extension delegation arrangements, Cotswold District Council cannot provide the services to the Trust.
 - 1.4 In addition, the Chief Executive of Cotswold District Council is leading a project to develop further joint working, one element of which is review of the governance model for GO Shared Services. Once the review is complete, a report will be presented to the Partner Councils recommending a future governance model for GO Shared Services. The extension will allow this to be completed and it is anticipated that this report will be considered during the 2014/15 municipal year.
 - 1.5 By extending the governance arrangements to November 2020, the Council and the Trust have assurance that the Cotswold District Council will have access to the resources necessary to deliver the services to the Trust. However, this does not prevent the GO Partner Councils from considering, determining and implementing alternative governance model during this period. The implications for the Trust would be considered as part of the review process.
2. **Transfer of responsibility for system administration and associated helpdesk function from Forest of Dean District Council to Cotswold District Council**
 - 2.1 At present, the Support and Hosting team (employed by Forest of Dean District Council) are responsible for the system administration, training and helpdesk aspects of the Agresso Business World system. However, this cannot be delivered effectively without a close working relationship between the system administrators and the GO Shared Services team.
 - 2.2 The boundaries of responsibilities between the GO Shared Services team and the Support and Hosting Teams are not always clear to GO Shared Services customers. The split of responsibilities is hampering service delivery to GO customers; it is therefore proposed that responsibility for system administration function, training and associated helpdesk functions are transferred from the Support and Hosting Team to the GO Shared Services team employed by Cotswold District Council.
 - 2.3 Responsibility for maintenance of the ICT infrastructure, database, Agresso Business World platform upgrades, back up processes, Agresso Business World business continuity plan and network functions will remain with the Support and Hosting team.
3. **Reasons for recommendations**
 - 3.1 The existing governance arrangements in place for GO Shared Services expire on 31st March 2014. It is possible that Cotswold District Council will be entering into a contract to provide Finance, Procurement, HR and Payroll services to a new Leisure and Cultural Services Trust which is currently being established by Cheltenham Borough Council. Should the Trustees approve the contract terms, it is envisaged that Cotswold District Council will begin to provide services from October 2014. In order to ensure that the Council has the resources in place to be able to deliver against the contract, it is necessary to extend the existing governance arrangements in place for GO Shared Services. Given that the Collaboration Agreement, which underpins GO Shared Services, expires on 7th November 2020, it is logical to extend the GOSS s.101 delegations to the same time frame.
 - 3.2 The project on extended joint working will include a review of the governance arrangements for GO Shared Services. It is anticipated that the outcome of the review and any resulting recommendations to the Council will be presented to Cabinet and Council during the 2014/15

financial year. Extending the governance arrangements until November 2020, does not prevent this review of governance arrangement being carried out and subsequent changes to governance arrangements being approved and implemented accordingly.

- 3.3 The aim of changing the delegation arrangements for the systems administration and call handling arrangements is to improve services to users of the Agresso Business World product by enabling system administration work to be completed in a more effective and timely manner.

4. Alternative options considered

- 4.1 Resourcing pressures have not allowed for alternatives to be considered.

5. Consultation and feedback

- 5.1 SLT and Cabinet Leads are supportive of the proposals.

6. Performance management –monitoring and review

- 6.1 Performance information is provided to the Client Officer Group on a quarterly basis and the Joint Monitoring and Liaison Group on an exception basis. The Director (Corporate Resources) represents the council on the Client Officer Group and the Cabinet Member for Support Services represents the Council on the Joint Monitoring and Liaison Group.

Report author	Contact officer: Mark Sheldon , mark.sheldon@cheltenham.gov.uk 01242 264123
Appendices	1. Risk Assessment
Background information	

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 the proposal to transfer responsibilities is not supported, then the ability to provide customer satisfaction by resolving issues in an effective manner will continue to be hampered.	MS	18/12/13	2	1	2	Reduce	Cabinet to support proposal	14/1/14	Mark Sheldon	
	If the proposal to extend the governance arrangements is not supported, then GOSS cannot provide services to the Leisure and Culture Trust.	MS	18/12/13	2	1	2	Reduce	Cabinet to support proposal	14/1/14	Mark Sheldon	
<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>											

Guidance

Types of risks could include the following:

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

- Capacity risks in terms of the ability of the organisation to ensure the effective delivery of the decision
- Legal risks arising from the decision

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

Risk ref

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

Risk Description

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

Risk owner

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

Risk score

Impact on a scale from 1 to 5 multiplied by likelihood on a scale from 1 to 6. Please see risk = for more information on how to score a risk

Control

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

Action

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

Responsible officer

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

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

Transferred to risk register

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

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