



CHEL TENHAM

BOROUGH COUNCIL

Notice of a meeting of Council

Monday, 19 October 2015

3.00 pm

Council Chamber, Municipal Offices

Membership	
Councillors:	Duncan Smith (Chairman), Chris Ryder (Vice-Chair), Matt Babbage, Flo Clucas, Adam Lillywhite, Chris Mason, Dan Murch, Chris Nelson, John Payne, Max Wilkinson, Wendy Flynn, Andrew Chard, Paul Baker, Garth Barnes, Nigel Britter, Chris Coleman, Bernard Fisher, Jacky Fletcher, Colin Hay, Tim Harman, Rowena Hay, Sandra Holliday, Peter Jeffries, Steve Jordan, Andrew Lansley, Helena McCloskey, Andrew McKinlay, David Prince, John Rawson, Anne Regan, Rob Reid, Louis Savage, Diggory Seacome, Malcolm Stennett, Klara Sudbury, Pat Thornton, Jon Walklett, Simon Wheeler, Roger Whyborn and Suzanne Williams

Agenda

1.	APOLOGIES	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES OF THE LAST MEETING Minutes of the meeting held on 20 July 2015	(Pages 5 - 24)
4.	COMMUNICATIONS BY THE MAYOR	
5.	COMMUNICATIONS BY THE LEADER OF THE COUNCIL	
6.	PUBLIC QUESTIONS These must be received no later than 12 noon on Tuesday 13 October 2015.	(Pages 25 - 26)
7.	MEMBER QUESTIONS These must be received no later than 12 noon on Tuesday 13 October 2015.	(Pages 27 - 32)
8.	2020 VISION Report of the Leader	(Pages 33 - 136)
9.	INTERIM REVIEW OF POLLING DISTRICTS, POLLING PLACES	(Pages

	AND POLLING STATIONS FOR LANSDOWN WARD Report of the Cabinet Member Corporate Services	137 - 144)
10.	RECOMMENDED OPTION FOR THE FUTURE PROVISION OF THE CHELTENHAM CREMATORIUM SERVICE Report of the Cabinet Member Clean and Green Environment	(Pages 145 - 190)
11.	SCRUTINY ANNUAL REPORT 2014-15 Report of the Chair of Overview and Scrutiny, Councillor Tim Harman	(Pages 191 - 208)
12.	<p>NOTICES OF MOTION</p> <p>Motion A Proposed by: Councillor Wilkinson and seconded by: Councillor Clucas</p> <p>“Council notes with concern the Government's antipathy to the renewable energy industry. In particular, council condemns the removal of support for popular technologies such as solar and wind which, between 2010 and 2015, helped the UK become a world leader in renewable energy. Council resolves to write a letter to the Secretary of State for Energy and Climate Change encouraging her to reconsider the decision to make such drastic cuts to the subsidy for the industry.”</p> <p>Motion B Proposed by: Councillor Harman and seconded by Councillor Mason</p> <p>“That this Council commends the initiative of the "Wombles" group of volunteers and other groups of volunteers in tackling the issues of litter and general grot which plagues our Town and calls upon the Borough Council to raise its game in tackling these issues.</p> <p>Whether litter, graffiti, etc is on public or private land it detracts from our splendid Town and it is surely the duty of all of us to show leadership backed by practical steps I hope that Council will support this motion today and instruct the Cabinet to bring forward an action plan.”</p> <p>Motion C Proposed by: Councillor Whyborn and seconded by Councillor Flynn</p> <p>“Cheltenham Borough Council notes that many councils across the country, of various party political control, have implemented or are now implementing 20mph speed limits over wide areas without traffic calming. Over 14 million people now live in areas, where 20 mph has become the default speed limit in residential and urban streets, except for arterial roads.</p> <p>Council recognises that 20 mph limits have the potential to promote increased road safety, particularly for young and elderly pedestrians and cyclists, as well as to enable active and sustainable travel. Nationally Public health and other bodies such as NICE, Public Health England, the LGA and the WHO all support such a policy. It is described as the most cost-effective way to improve health equality</p>	

	<p>by tackling inactivity, obesity and isolation, whilst also being child, disability, elderly and dementia friendly.</p> <p>Council notes that the report of the Cycling and Walking Scrutiny Group includes recommendations to "initiate a review to assess the appetite for a 20 mile speed limit across town from residents, businesses, and visitors".</p> <p>Council requests that Cabinet consider the recommendations of the Cycling and Walking Scrutiny Group, and include provision for a consultation exercise in the 2016/17 corporate work plan to establish where there is potential for 20 mile per hour limits in Cheltenham and that the Council use its best endeavours in conjunction with Gloucestershire County Council to work towards trials in suitable areas where public support exists."</p>	
13.	TO RECEIVE PETITIONS	
14.	<p>ANY OTHER ITEM THE MAYOR DETERMINES AS URGENT AND WHICH REQUIRES A DECISION</p> <p>The following motion has been proposed by Councillor Chris Nelson and seconded by Councillor Chard</p> <p>"This Council directs the Leader of the Council to write urgently to the National Planning Casework Unit in support of the SD2 Call-In request by Alex Chalk MP and Laurence Robertson MP, highlighting the need to await the recommendation of the JCS Examination in Public on Local Green Space"</p>	
15.	<p>LOCAL GOVERNMENT ACT 1972 -EXEMPT INFORMATION</p> <p>The Council is recommended to approve the following resolution:-</p> <p>"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:</p> <p>Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p>	
16.	<p>EXEMPT MINUTES</p> <p>Exempt Minutes of the meeting held on 20 July 2015</p>	(Pages 209 - 210)

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Andrew North

Council

Monday, 20th July, 2015

2.30 - 6.05 pm

Attendees	
Councillors:	Duncan Smith (Chairman), Chris Ryder (Vice-Chair), Matt Babbage, Flo Clucas, Adam Lillywhite, Chris Mason, Dan Murch, Chris Nelson, John Payne, Wendy Flynn, Andrew Chard, Paul Baker, Garth Barnes, Nigel Britter, Chris Coleman, Bernard Fisher, Jacky Fletcher, Colin Hay, Tim Harman, Rowena Hay, Sandra Holliday, Peter Jeffries, Steve Jordan, Helena McCloskey, Andrew McKinlay, John Rawson, Anne Regan, Rob Reid, Louis Savage, Diggory Seacome, Malcolm Stennett, Klara Sudbury, Pat Thornton, Jon Walklett, Simon Wheeler and Suzanne Williams

Minutes

1. APOLOGIES

Apologies had been received from Councillor Andrew Lansley, Councillor David Prince and Councillor Max Wilkinson and Councillor Klara Sudbury had indicated she would be arriving late and subsequently arrived at 3:30 p.m.

2. DECLARATIONS OF INTEREST

Councillor Smith declared an interest in agenda item 10 as a board member of Cheltenham Borough Homes and announced his intention to leave the chamber for that item.

As members had indicated to him that they wished to discuss the exempt information circulated for agenda item 10, he advised that he would take that item as agenda item 16 in exempt session and the deputy Mayor would take the chair.

Councillors Chard and Regan declared an interest in agenda item 15 as members of Leckhampton and Warden Hill Parish council. Councillor Nelson also declared an interest in this item.

3. MINUTES OF THE LAST MEETING

The minutes of the last meeting held on 22 June 2015 were signed and approved as a correct record.

4. COMMUNICATIONS BY THE MAYOR

The Mayor announced the sad news of the death of Pat Freeman, the wife of the late Les Freeman and an ex Mayoress of the borough and their thoughts were with their family.

He advised that John Rees the manager of parks and gardens was retiring from Ubico and a collection and retirement card was circulating.

The Mayor updated members on his recent Mayoral engagements.

He advised that the Mayor's PA had not heard back from many members on whether they would be attending the VJ day on Saturday 15 August and asked members to confirm their attendance or otherwise. As a general point he urged members to respond promptly to any such invitations from his PA as otherwise this made it very difficult to finalise arrangements for any event. The next event was Battle of Britain on 20 September.

5. COMMUNICATIONS BY THE LEADER OF THE COUNCIL

The Leader advised that Councillor Clucas would be stepping down from Planning Committee and would now be a reserve and similarly Councillor Wheeler, currently a reserve on the committee, would become a full member.

He advised that the local plan consultation was ongoing and a consultation on the options for the cemetery and crematorium was now online and in the reception area.

Leadership Gloucestershire had announced their intention to put a bid to central government regarding devolution. At this stage this would take the form of an expression of interest. The original intention had been that this would be a simple letter but this had now been extended to a 15 page brochure, a draft of which had been circulated to members for comment before the meeting. The aim of the motion to be debated later in the meeting was to gauge members support for devolution and to get comments on the document circulated.

6. PUBLIC QUESTIONS

1. Question from Peter Sayers to the Leader of the Council, Councillor Steve Jordan	
	Why, in the rules pertaining to the calling of an Extraordinary Meeting 2015_07_02_CWG_Appendix_5_Committee_Rules , item 11. PDF 52 KB (https://democracy.cheltenham.gov.uk/documents/s16083/2015_07_02_CWG_Appendix_5_Committee_Rules.pdf) are the following not enshrined: the time when information is made available; the methods by which it made public; the time period for consideration; the deadline for responses; a statutory obligation to respond to such comments/questions etc.. ? It may be that there is a document somewhere that covers all this. My question is why is this document not referred to in these rules?
	Response from Cabinet Member
	The Council's Constitution covers the processes for public engagement in decision making by the Authority and the constituent parts of the Constitution should be read together. The Appendix 5 referred to in the question includes the rules for the order of business for an Extraordinary Meeting and these should be read in conjunction with the Access to Information Rules. Rule 5 of those Rules sets out when and how agendas and reports will be made available.

	<p>The rules for dealing with public and member questions for an Extraordinary Meeting are set out in Council and Committee Procedure Rules. Rules 2.13 (c) and 5.3 (c) state that the questions must relate to the nature of the business for which the Meeting was convened. Responses to any public/member questions will be made available on the day of the meeting and responses will be given at the Meeting with the option to ask a supplementary question if present at the Meeting.</p> <p>The Authority may undertake specific public consultation before a report is brought to Council, Cabinet or Committee and the nature of the consultation and the results will be detailed in that report. In some cases the Authority has a statutory duty to consult on certain matters and more details about these and any other consultations can be found on the council's website: Consultations - Cheltenham Borough Council.</p> <p>In a supplementary question, Mr Sayers considered he had asked a very simple question and had expected a simple yes or no answer. He asked again whether there was a document which makes it clear that there are certain rules of procedure to be followed for an Extraordinary Meeting.</p> <p>The Leader advised that in his response he had directed the questioner to the appropriate part of the Constitution which answered his question. The Constitution was available online on the council's website and Democratic Services would be available to give guidance to any member of the public who contacted them.</p>
<p>2.</p>	<p>Question from Peter Sayers to the Leader of the Council, Councillor Steve Jordan</p>
	<p>Are there other documents that refer to members or citizen communication and response requests that also do not refer to a central document? If so, what is being done to ensure consistency?</p>
	<p>Response from Cabinet Member</p>
	<p>In addition to the Constitutional provisions referenced in the response to Question 1, the Authority is committed to consulting with the public and this will take a variety of forms depending on the nature of the issue. The current consultations are made available on the council's website. Consultations - Cheltenham Borough Council.</p> <p>In a supplementary question Mr Sayers asked, if there were such a document why was it not referred to?</p> <p>In response the Leader clarified that the purpose of the Constitution was to give guidance to cover all situations and as such sits aside individual documentation for a report or consultation. Democratic Services would always be available to give guidance to any member of the public who contacts them.</p>

7. MEMBER QUESTIONS

<p>1.</p>	<p>Question from Councillor Tim Harman to Cabinet Member Finance,</p>
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	Councillor John Rawson
	During the debate on the Council's budget earlier this year the cabinet member agreed to look at the issues raised by my group in relation to the employment of additional apprentices and the need to enhance enforcement in the fields of planning and Public Safety. Can he please update the Council on progress?
	Response from Cabinet Member
	<p>In respect of apprenticeships, the Council has been employing apprentices for 6 years. We currently employ 7 apprentices in CBC and our partner organisations working in Democratic Services, GOSS and Ubico.</p> <p>In line with the People & Organisational Development strategy, managers are encouraged to consider apprenticeships as part of a process of succession planning and talent management.</p> <p>Since the budget meeting, GOSS have prepared guidance to be issued to managers to reinvigorate the use of apprenticeships across the Council. Managers will be asked to identify if there are any administration or customer service elements in the professional roles that could be undertaken by an apprentice. Ubico and GOSS are currently actively looking to make appointments.</p> <p>In respect of regulatory and enforcement work, the REST programme is designed among its other objectives to create a more seamless, efficient and joined-up enforcement service for the Council. Systems Thinking is being used to reshape the way the service is provided and a number of reforms identified by this process are now being trialled, under the supervision of a member working group. The increased use of technology to increase the efficiency and mobility of staff is also part of a process of making better use of the resources we have.</p> <p>In a supplementary question, Councillor Harman asked the Cabinet Member whether he would agree to taking back these important issues to Cabinet so members could have a full report on both apprentices and enforcement resources. He had raised this at the budget meeting in February and the response appeared to be an obviscation of responsibilities.</p> <p>In response the Cabinet Member reminded members that the recommendations in the budget had been supported by members across the chamber. Considerable progress had been made in the resources now available and it was certainly not a case of obviscation. The issues would be looked at again as part of the budget process for the coming financial year which had already started.</p>
2.	Question from Councillor Louis Savage to Cabinet Member Finance, Councillor John Rawson
	Flying the Union flag allows the Council to show its support for patriotism, civic pride and community cohesion. It also provides the opportunity to officially recognise worthy causes, recently demonstrated by flying the Armed Forces Day flag. Can members be assured that this important

	aspect of our town's civic tradition will continue in our new premises?
	Response from Cabinet Member
	I do not believe that Delta Place has a flagpole but it would be well within the Council's capabilities to erect one in time for the relocation of the council offices. I would also anticipate that arrangements could be made to continue to fly the flag from the Municipal Offices building to mark special occasions, subject to the agreement of any future head lessee.
3.	Question from Councillor Louis Savage to Cabinet Member Corporate Services, Councillor Jon Walklett
	Does the now-abandoned Social Media Policy represent a good use of officers' time and taxpayers' money?
	Response from Cabinet Member
	The draft Social Media Policy arose from a meeting of a cross-party Working Group and was put forward to the Standards Committee for consideration. The Standards Committee decided that such a Protocol was not necessary but that the draft document should be used for Member training purposes. I do not consider the relatively small amount of resource expended to have been wasted. It is entirely appropriate for cross-party working groups to develop protocols for consideration through the democratic process. In a supplementary question, Councillor Savage suggested that inappropriate use of social media was reasonably low on the priorities for his constituents and asked the Cabinet Member whether he considered the time, energy and council resources could have been better directed elsewhere. In response, the Cabinet Member advised that the officer in One Legal had spent approximately 1 day in creating the draft protocol for consideration by the Standards Committee. He considered this was an appropriate investment of resources by the council which could prevent officers having to invest time in the future investigating issues which may arise if members did not receive some guidance in the use of social media.
4.	Question from Councillor Adam Lillywhite to Cabinet Member Development & Safety, Councillor Andrew McKinlay
	Cheltenham Transport Plan Given the absence of a model or trial of the traffic restrictions intended to be imposed on Oriel Rd in its current form, and the failure of the Bath Rd scheme which had to be terminated early due to public outrage, even though, <ul style="list-style-type: none"> • the reduction in flow capacity was considerably less; • it had lower traffic volumes; • not responsible for the flow of the A46 Northbound; under what conditions would it be considered the traffic restrictions in Oriel Rd to have failed and be backed out rather than just tweaked?
	Response from Cabinet Member
	GCC is the highways authority responsible for determining the final shape and implementation of the Cheltenham Transport Plan and I suggest that the question is posed to County colleagues.

5.	Question from Councillor Adam Lillywhite to Cabinet Member Development & Safety, Councillor Andrew McKinlay
	Brewery Scheme Can you please outline how the Brewery development has been allowed to narrow the lower High Street? Has a transfer of property rights occurred? If so, by whom, and who has sanctioned this encroachment?
	Response from Cabinet Member
	GCC as the highways authority approved the proposed scheme to which they were formally consulted as statutory consultee. I am not aware that any transfer of property rights has occurred. The public highway remains in the ownership of GCC and my understanding is that GCC were extremely grateful that this development funded such a major uplift in the public realm.

8. RESTRUCTURE OF ENVIRONMENTAL AND REGULATORY SERVICES DIVISION

The Chief Executive introduced the report and explained that the REST (Regulatory and Environmental Services Transformation) project envisaged that a restructuring of the Environmental and Regulatory Services Division would be necessary to achieve its aims of providing more of a customer focus, drive efficiency and create a more commercial focus to drive economic development in the town. Many elements of the restructuring were within the authority delegated to the Chief Executive (as Head of Paid Service), but where director level posts were affected by any proposed changes, the authority to approve these rested with the Appointments and Remuneration Committee. The Chief Executive went on to report that the Committee had now endorsed the Chief Executive's proposals for a new divisional triumvirate structure and Council approval was now requested to approve the structure proposals and agree their financing in view of the fact that the intended structure was initially more expensive than the current one. However he explained that the intention was that any additional cost in 2015/16 and 2016/17 would be funded from other budgets and in subsequent years the aim would be to recoup any additional costs by organisational changes elsewhere in the division as a Phase 2 restructure. The proposal was therefore for one off investment over two financial years with no overall increase in ongoing revenue costs; the objective being to create senior capacity to achieve better, more focussed and more efficient services in the longer term. The Chief Executive explained that the Budget Scrutiny Working Group had also considered the proposals and added value to the report which had changed considerably as a result. It was proposed that BSWG continue to be involved in a monitoring role.

The Chief Executive explained that the current structure of the division was not fit for purpose with the existing Director having nine direct reports. The REST programme was based on continued direct council provision of services commissioned against clear outcomes with customer focus, efficiency and effectiveness of service delivery and financial savings achieved through a systems thinking approach. The other key influence on the proposal was the urgent need to create senior level capacity to improve Cheltenham's economic performance in the light of the Athey Consulting report. It emphasised the need for collaboration with Cheltenham Development Task Force, GFirst LEP,

government agencies and local businesses. He highlighted that Government policy continued to promote economic growth and reward local authorities who were successful in this objective through the business rates retention scheme and via New Homes Bonus. The Chief Executive emphasised that REST was crucial to shaping the council response to the need for economic growth in that it embraced the land use and infrastructure planning functions which were crucial to unlocking growth potential by facilitating the growth in existing business.

In terms of the financial implications of the proposals the Chief Executive reiterated that the cost arising from the structure would for a full year be approx. £157k. The full cost would not fall on this current financial year as it was unlikely the positions would be filled for six months. The actual cost in the next financial year would depend on how quickly the structure would be changed in Phase 2 which would be the responsibility of the newly appointed Managing Director. The Chief Executive emphasised that additional income generation could mitigate the need for reductions in staff numbers as part of Phase 2. In any case the financial implications of the restructure have been covered by one off funding to ensure that budgets were in balance for the 2017/18 financial year.

How the REST project fitted alongside 2020 Vision was then explained by the Chief Executive. He said that whilst REST focussed on the continued direct delivery of services by this council, 2020 Vision was focussed on progressively sharing back office activities. The Chief Executive believed that structural change was vital now in the REST division regardless of 2020 to create additional capacity to the service and progress the economic development objectives.

Finally the Chief Executive outlined the alternative options that had been considered. The “do nothing” approach was in his view not realistic as it was vital to build in additional capacity to address the current inadequacies in the service. He also explained that originally it was felt that the Director post should be out of scope for the restructure but this would have limited the emerging options for the new structure and would fail to address a capacity shortfall. The option of splitting the division into two, and having just 2 directors instead of 2 directors with the overarching MD post was considered but this would not support the REST Project vision of a more joined up, commercial and customer focussed service.

A question was raised with regard to staff morale. In response the Chief Executive highlighted that senior staff had been very involved in the co-creation of the triumvirate structure. The trade unions had also been involved in the process and their concerns regarding phase 2 would be addressed. All staff presentations had been held which included REST and 2020 Vision and their concerns would be taken on board. He believed that Phase 2 would be achieved to a large degree by natural wastage.

The following points were raised by Members during the debate :

- Members welcomed the integrated structure and the savings of £157k which had already been achieved as part of the REST process, a result of creating efficiencies through the redistribution of staff and better use of resources

- Members recognised that adding capacity was fundamental to achieving the economic development objectives which included further working with partners such as the LEP, the Cheltenham Business Partnership and the Cheltenham Development Taskforce
- The ongoing involvement of the Budget Scrutiny Working Group was welcomed
- Faced with decreasing resources the council had progressed with commissioning and in 2013 business rates sharing arrangements meant the council had more of a direct influence on economic development in the town. It was recognised that the Athey report highlighted the need to focus more on economic development and the proposed model should achieve this.
- Members recognised the need for leadership to take economic development forward and this structure would fit that purpose
- A member highlighted that students were key to the town's future and the fact that the university was now offering a course on cyber security was welcomed
- Concern was expressed about staff and whether their fears about REST and 2020 were being addressed; meaningful engagement with staff was vital
- It was proposed that the Managing Director's job description should include attracting European funding to the town, including for tourism

The Cabinet Member Development and Safety welcomed the proposals. He believed they would ensure the delivery of the council's key services in the long term in an effective and efficient manner.

RESOLVED (with one absence) THAT

- 1. the restructure and the financial implications arising as set out in this report be approved.**
- 2. the Budget Scrutiny Working Group be requested to monitor the staffing budget for the Division to ensure that cost savings achieved from the Phase 2 restructure are not at the expense of service outcomes, quality or effectiveness**
- 3. the Chief Executive be authorised to make minor amendments to the structure prior to implementation**

9. FINANCIAL OUTTURN 2014/15 AND BUDGET MONITORING TO JUNE 2015

The Cabinet Member Finance introduced the report which highlighted the Council's financial performance for the previous year which set out the General Fund and Housing Revenue Account (HRA) revenue and capital outturn position for 2014/15. The information contained within the report had been used to prepare the Council's Statement of Accounts for 2014/15.

The Cabinet Member said that 2014/15 had been a particularly difficult year for balancing the books. In January 2015 it had been forecast that there would have been a possible overspend of £178,000. There were at that time

particular concerns regarding shortfalls in parking income and crematorium income, although both these items had recovered. He reported however, that another problem had hit the council completely from left field and this related to the impact on the Gloucestershire business rates pool of a successful major re-evaluation appeal by Virgin Media in Tewkesbury Borough. This has led to a far bigger reduction in rateable value than was expected. He explained that this had hit Tewkesbury the worst but because all the councils in the Pool share the risk, it has left the Pool in deficit and the council has had to contribute £285,000 as its share of the deficit. The Cabinet Member stressed however that he did not believe that this problem outweighed the benefit of being in the business rates pool. That said councils across the country were being hit by valuation appeals and the LGA were pressing Government to provide them with a degree of protection of sudden losses against valuation appeals.

The Cabinet Member reported that despite the business rates problem the council finished the financial year within budget, with a very small underspend of just over £9,000. He paid tribute to the very good financial management within the council by officers. He said that across the authority officers and its partner organisations worked hard to find savings, cut costs and generate income wherever they could. He welcomed the fact that Ubico had delivered an overall net surplus of £370,000 for the Council.

The Cabinet Member then went on to explain that as always a certain amount of revenue expenditure had been carried forward subject to Council approval. This included £23 000 to commission a new tourism and marketing strategy for the town, £40,000 to the planning appeals reserve and £40 000 for costs related to the JCS which would be matched by Tewkesbury and Gloucester councils.

The Cabinet Member also referred to major proposals in the report regarding accelerating capital investment in ICT. It involved reshaping the existing five-year ICT investment programme, switching some expenditure within the ICT capital budget, bringing some investment forward into 2015 to 2016, and adding a further allocation from unapplied capital resources. He explained that the effect of this accelerated investment would be to make CBS's ICT fully fit for purpose and aligned with other councils in the 2020 Vision programme. It would give the council among other things better data recovery in the event of a disaster, better storage arrangements and processing performance, a cluster of high speed servers to support shared working arrangements and reduce licensing costs, and better video conferencing facilities.

The Cabinet Member Finance informed Members that the General Reserve currently stood at £1.6 million. Although this was within the £1.5 to £2 million range that is regarded as adequate, it was not as high as desired due to the business rates impact. However he reported that there was a possibility that Ubico may want to distribute a further amount of money to its shareholders, subject to the views of its auditors. Should this happen it would bring the General Reserve up to about £1.75, which would be more satisfactory.

The Cabinet Member Finance also highlighted that the Housing Revenue Account faced big challenges in the future. He explained that the Government's decision that rents should be reduced by one per cent year on year for the next few years would mean that £6.8 million would need to be cut from HRA

spending plans between now and March 2020. The rent cut would test the ability to cut spending without negatively impacting either existing tenants or people in housing need.

Finally the Cabinet Member Finance referred to the Tour of Britain cycle race which was referenced in section 14 of the report. Cheltenham and some other local councils were in discussion with the organisers of the 2016 Tour of Britain Cycle Race about the possibility that one of the eight stages of the event might begin and end in Gloucestershire.

He emphasised that this was still at the discussion stage; it would be a huge boost to the economy and would raise Cheltenham's profile nationally and internationally as a festival town and tourist destination. If it went ahead, with a major stage of the race taking place in Cheltenham, the council would be asked to underwrite £75,000 of the cost. Officers were working hard with the Cheltenham Trust to cover that cost through sponsorship by local businesses and other organisations.

The following responses were given to questions raised by Members :

- The increase in the outstanding balance of section 106 receipts from £573,321 in 2013/14 to £1 801, 684 was due to the development at Thirlestaine Hall by Berkeley homes. Officers were currently working on this.
- Asked how the decrease or lower increase in Council rents would impact the business model of ALMOs such as CBH, the Cabinet Member Finance explained that whilst it was a benefit that tenants would have to pay lower rents the drawback was that the HRA would decrease by £6.8 million which meant there would be a reduction in investment in the current housing stock and in building new houses. He informed that CBH was looking at reshaping its business plan and the intention was to preserve the most high priority schemes. He would take on board the suggestion to write to Government seeking it to fund the cost.
- When asked why the increase in the Art Gallery and Museum utilities bill had not been anticipated the Cabinet Member Finance acknowledged that this was a matter of concern and one which property services were investigating. He highlighted that the AGM now comprised a larger floor area and was more intensively used for more hours than previously. There appeared to be more complex problems associated with the controlled environment equipment which was unbalanced and consultants had been engaged to assist with this. Work was also ongoing with regard to monitoring energy consumption and training the Wilson staff to have a greater ownership of energy consumption. He acknowledged that this issue had not figured in earlier budget monitoring reports but highlighted that the budget scrutiny working group would be monitoring this further.
- Tourism strategy-£22k would be allocated to this and it would dovetail into the response to the economic development strategy. Now there was a need for an organisational structure to carry through the recommendations. The potential to attract external funding and work with partnership organisations was highlighted by the Cabinet Member.

- Funding Planning appeals-the £40k allocated may not be sufficient which is why the Cabinet Member Finance was anxious to maintain sufficient money in the General Reserve.

The following points were made during the debate :

- Business rates-Concern was expressed at the level of loss. In response the Leader expressed his concern that Government had delegated its historic valuation appeals locally which in the Virgin media case had effectively wiped out 3 years' worth of surplus for the whole of Gloucestershire. He emphasised that concerns had been expressed to the Secretary of State and there was an ongoing conversation at Gloucestershire level. Despite this issue the Leader welcomed the fact that the council's finances were still on track.
- Members supported the Tour of Britain coming to Cheltenham and acknowledged the need to underwrite this event.

RESOLVED THAT

- 1. the financial outturn performance position for the General Fund, summarised at Appendix 2 be received, and that it be noted that services have been delivered within the revised budget for 2014/15 resulting in a saving (after carry forward requests) of £9,021 which will be returned to general balances.**
- 2. £380,700 of carry forward requests (requiring member approval) at Appendix 5 be approved.**
- 3. the annual treasury management report at Appendix 7 be noted and the actual 2014/15 prudential and treasury indicators be approved.**
- 4. the additional ICT requirements (section 6) to be funded from capital resources unapplied be approved.**
- 5. the additional capital programme in respect of affordable housing (section 7) be approved.**
- 6. the capital programme outturn position as detailed in Appendix 8 be approved and the carry forward of unspent budgets into 2015/16 (section 8) be approved.**
- 7. the position in respect of Section 106 agreements and partnership funding agreements at Appendix 9 be noted(section 10).**
- 8. the outturn position in respect of collection rates for council tax and non-domestic rates for 2014/15 in Appendix 10 be noted (section 11).**
- 9. the outturn position in respect of collection rates for sundry debts for 2014/15 in Appendix 11 be noted (section 12).**
- 10. Receive the financial outturn performance position for the Housing Revenue Account for 2014/15 in Appendices 12 to 13 be received**

and the carry forward of unspent budgets into 2015/16 be approved (section 13).

11. the guarantee any shortfall in the funding of the Gloucestershire leg of the Tour of Britain up to a value of £75,000 be agreed, to be funded from General Balances as outlined in section 14.
12. the budget monitoring position to the end of June 2015 (section 15) be noted and the budget virement of £65,000 be approved.

10. CONSTITUTION

The chair of the Constitution Working Group, Councillor Colin Hay, introduced the review of the Constitution report which detailed the recent work of the group and set out their recommendations.

Councillor Harman welcomed the recommendations on behalf of his group and suggested that consideration should be given to combining the Annual Council meeting with the inauguration of the Mayor ceremony, although he acknowledged that Annual Council was combined with Selection Council in election years. Councillor Hay suggested it was a matter for Group Leaders to discuss.

A member asked about the cost of drafting the social media protocol. In response Councillor Hay advised members that there were a number of councillors in other councils who had had to resign because of their inappropriate use of social media and therefore he considered it perfectly reasonable for this council to invest a limited amount of time to produce some short guidance for its members.

Upon a unanimous vote it was

RESOLVED THAT

1. The following be approved
 - Access to Information Rules – Appendix 2**
 - Employment Rules – Appendix 3**
 - Rule 2.13 Council Procedure Rules – Appendix 4**
 - Rules 5.3 and 15.3 Committee Procedure Rules and Overview & Scrutiny Rules – Appendix 5**
2. The two independent persons on Standards Committee be appointed to the Disciplinary Committee for such term as is necessary for the purpose of making recommendations to Council on disciplinary action against a statutory officer and, in the event of one or both of those persons not being available, to authorise Disciplinary Committee to appoint for the same term and purpose

an independent person or persons from another local authority's Standards Committee

- 3. The Committee Procedure Rule 3 (Substitute Members) be amended as proposed in paragraph 5 of this report**
- 4. The miscellaneous changes set out in Appendix 6 be approved**
- 5. The inclusion as appendices to the Constitution of the documents in Appendix 7-9 be agreed**
- 6. Authority be delegated to the Borough Solicitor to make any textual or other amendments which are necessary to ensure accuracy, consistency and legality of the Constitution when incorporating the revisions authorised by Council.**

The chair of the Standards Committee, Councillor Fisher, introduced the report on the Planning Code of Conduct. The report explained that the Planning Code of Conduct which was adopted by the Council in October 2006 had been reviewed and amended by a Working Group of Members and approved by the Standards Committee for adoption by the Council. The draft revised Planning Code of Conduct reflected changes to legislation, the Code of Members' Conduct and best practice which had taken place since 2006. The Council was asked to adopt the revised Planning Code of Conduct for inclusion as Part 5D of the Constitution.

A member asked for an explanation of the apparent anomaly that a member of the Planning Committee could declare an interest in an item and be required to leave the room once public speaking had been completed but a ward member who was not a member of the committee could stay even though they too have an interest.

The Head of Law, advised that there was an important difference between members participating in the decision-making process and those not participating. He would be happy to look at the relevant parts of the Code again to ensure consistency. A Member stated that the same issue had been raised at Standards Committee and the Committee had decided to remove the requirement for a ward member to remove themselves from the chamber after taking advice from the Monitoring Officer.

Councillor Coleman spoke as a former chair of the Planning Committee who had initiated the need for a simple reference guide for members on planning issues. He commended the work of officers and members in producing this valuable guide.

Upon a unanimous vote it was

RESOLVED THAT the revised Planning Code of Conduct attached at Appendix 1 be adopted and be included as Part 5D of the Council's Constitution.

11. ANNUAL PERFORMANCE REPORT

The Chief Executive indicated that a number of members had questioned why this document was coming to Council as it had already been discussed at a meeting of Overview and Scrutiny Committee and subsequently endorsed by Cabinet at its meeting on 14 July 2015. He explained that previously the annual performance report had been a regular item for the Cabinet and the Council agenda but it had been acknowledged that Council would have little to add given that it had been through the scrutiny process. This year the item had been recorded on the forward plan for both Cabinet and Council and this had not been picked up when the forward plan had been published or when the draft agenda for Council had been circulated. As the item had been included on the published agenda, it had been necessary to include it for debate today.

The Cabinet Member Corporate Services introduced the performance report for the end of the financial year 2014-15. He explained that the covering report summarised how the council had performed in regard to milestones and measures set out in the 2014-15 action plan. 84 milestones had been identified in the 2014-15 action plan and of these 67 (80%) were complete. The 2014-15 action plan identified 59 key indicators which were used to track progress; of which the council was directly accountable for 42 and 7 of which were community-based indicators, where no targets had been set. Of the 42 CBC indicators, 11 targets had been missed.

Overall he considered the report represented a commendable level of achievement in difficult financial circumstances. He highlighted that the figures in the report represented the position as at the end of March 2015 and he invited the Strategy and Engagement Manager to update members on the position as at the end of June 2015.

The Strategy and Engagement Manager, Richard Gibson, updated members on the latest situation with regard to the Red and Amber milestones and the Red Indicators. This indicated a good progress was being made on all these milestones. In particular he referred to the car parking strategy, the production of which was included in this year's corporate strategy and it would be reported to Cabinet in March 2016. He also updated members on a recent clear out week where staff had attempted to reduce the documentation held by their service area. Progress would continue to be monitored by the information management group.

A member asked about the reference to document management and why this was relevant to the move to Delta House when this could be at least eight years away. Was it 8 years or 3 years?

In response the Chief Executive said that the organisation currently had lots of paper and although retention strategies were in place, there was a real need to start managing the organisations paper storage. The ultimate aim was not to move lots of paper when the council occupies its new offices but this would take some time to achieve. With regard to the timescales for the move, the council would continue to monitor the opportunities.

Another member highlighted the importance of a car parking strategy and felt different reasons for the delay were given every time this was discussed. The outturn report presented to council today had also highlighted the lack of income from North Place car park, an underspend on CCTV and equipment for

the Regent Arcade car park and a problem with cleanliness. He asked for reasons for these delays and why the council was not finding resources to progress this very important strategy for the council. Another member suggested that many members had similar concerns and suggested a Cabinet member working party be set up to seek members' views at an early stage.

The Cabinet Member Finance advised that the car park cleaning issue had now been resolved through a fixed-price contract with Ubico. He acknowledged that there had been a slippage in the capital programme regarding CCTV and equipment however this was not down to a lack of car parking strategy and the funding was not lost. He acknowledged the need for a car parking strategy which could encompass the feasibility of acquiring new sites and he hoped would join up with the county council in producing a combined strategy for both on and off street car parking that would work for Cheltenham.

The Cabinet Member Built Environment advised that CCTV for the Regent Arcade car park had now been commissioned and a tendering process was under way for new equipment. He agreed to set up a Cabinet Member working group and the scope of the strategy would be to look at all car parks in the town and not just those owned by the local authority. He would review the timetable with officers and then ask members for nominations for the group.

Resolved (unanimously) that the report be noted.

12. NOTICES OF MOTION

The Leader proposed the following motion which was seconded by Councillor Fisher.

This Council:-

- believes that decisions taken locally are likely to be better informed than those taken centrally and so welcomes discussion with government about further devolved powers
- believes that funding must follow any devolved powers giving the opportunity to redesign services locally to make them more efficient and effective for local people
- any process of devolution must also involve discussion on how decisions already taken within Gloucestershire can be made more effective (e.g. road schemes in Cheltenham)
- recognises the important role of District and Parish Councils in democratic government and the immediate recourse that Parish and District Councils give to citizens
- comments on the draft document to be sent to the Secretary of State on behalf of Leadership Gloucestershire.

In proposing the motion, the Leader said this was an opportunity for the council to debate devolution and on balance he believed that decisions taken locally would achieve better results for local people.

Councillor Harman, as leader of the Conservative group, indicated their support for the expression of interest although he personally favoured a unitary

approach. He welcomed the reference to Parish Councils and the potential opportunity to review responsibilities for issues such as road schemes and car parking.

A member referred to the recent members' seminar where a target date of the end of July had been given for submission of an expression of interest and asked whether this bid was too late.

Other members felt it was important that once the letter of interest had been sent, all members participated fully in the debates that would need to follow in what would be a major political reform. This would include discussions on governance issues and appropriate arrangements for scrutiny of any joint boards and committees. This would ensure the right structure for Cheltenham as well as the county council. Another member thought that Gloucestershire should be putting forward a comprehensive proposal for the offer that they wanted rather than wait for central government to advise what they would be prepared to give. The local authorities in Gloucestershire needed to work together to make it happen. It would be essential that any devolved powers from government were supported by the appropriate level of funding.

A member expressed concern that there were previous examples of signing up to county council initiatives with words that promised joint delivery but in reality retained funding at county level with decisions being made by the county council Cabinet. They questioned how this council could sign up to this document without firm agreements with the county council regarding governance and funding.

A member asked how the proposals for devolution fitted in with the 2020 vision programme.

The Chief Executive advised that the fundamental principle of 2020 Vision was that the council should remain autonomous and retain decision-making on what services should be provided in Cheltenham. How those services are delivered is then an issue which would be resolved in partnership. It is vital therefore that we have the capacity within the Council to negotiate strategies and contracts to meet Cheltenham's needs.

As the seconder of the motion, Councillor Fisher stressed the need for decisions affecting Cheltenham to be taken within Cheltenham and cited Boots Corner as an example where clearly this was not happening. Local decision-making must be supported by appropriate funding and would allow Cheltenham to preserve its uniqueness.

The Leader emphasised that this was not a bid for a unitary approach as this would have to be agreed unanimously across the county council and the district councils in Gloucestershire. With regard to devolution it was important to agree what outcomes were important for Gloucestershire. He confirmed that there was no set timetable for submission of bids however if there were a number of proposals nationally, it may be preferable for Gloucestershire to get in early. He acknowledged that the October date indicated in the brochure for submitting a proposal to government would be challenging and there would need to be much debate with members before then culminating in a report to Council in October. He acknowledged the point that funding must follow devolved powers at all

levels. In conclusion he invited members to contact him with any further comments on the document which he would then feed back to Leadership Gloucestershire.

Upon a vote the motion was agreed unanimously.

13. TO RECEIVE PETITIONS

None.

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

The Mayor had determined that this late report, which had been circulated the previous week, should be considered to ensure that the Authority processed the matter in a timely manner and in the public interest.

The Leader introduced the report which asked Council to publicise and publish the application for designation of a neighbourhood area for the parished area of Leckhampton with Warden Hill for a period of four weeks.

The Town and Country Planning Neighbourhood Plan (General) Regulations 2012 (as amended) requires local authorities to publicise and publish a neighbourhood area application for public consultation, prior to formal designation. It is only following the successful completion of this stage that the parish council can formally progress with the preparation of their neighbourhood plan. The report sets out an outline of the required steps to designate a neighbourhood area and details the next stages in the process for the parish council.

Given that the next meeting of Council is 19th October 2015, it also recommended that Council authorises Cabinet to determine the area application so as to comply with regulations that require Cheltenham Borough Council to determine the application within eight weeks of the application being publicised

In response to a question, the Leader said that he hoped that the final plan would come back to Council at a later date for approval.

The Head of Law advised that Council was responsible for the policy framework and as such approval of this neighbourhood plan was a Council responsibility. In this case Council was being asked to authorise Cabinet to undertake the next stages in the process. As to whether the final plan could be referred to Council advice was needed from planning officers on how this might affect timescales. He therefore suggested that Council could request Cabinet to, subject to not prejudicing timescales for progression of the plan, bring back the final plan to Council for approval.

Upon a vote (with one abstention from a member who was absent for the debate) it was

RESOLVED THAT

1. That the commencement of the consultation process on the application for the neighbourhood area be arranged by immediate publication of the application on the website and other forms of communication deemed appropriate for the minimum period of four weeks.
2. That Cabinet be authorised to determine the area application and to determine all subsequent stages in the processing of the Leckhampton and Warden Local Development Plan.
3. That, provided it will not prejudice timely progression of the Plan, Cabinet be requested to bring back the final Plan to Council for approval.

15. LOCAL GOVERNMENT ACT 1972

The Mayor left the chamber at this point and handed over the chair to the Deputy Mayor, Councillor Ryder. Councillor Williams also left the room and did not participate in the debate.

Upon a vote it was

RESOLVED (unanimously)

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)

16. HOUSING REVENUE ACCOUNT NEW BUILD

The Cabinet Member Housing introduced the report and explained that in March 2015 Cabinet resolved that the Authority should seek bids from contractors to build new homes across Cheltenham on a number of garage sites. He stated that following a recent procurement exercise this report sought approval to enter into a JCT Design and Build Contract with J Harper and Sons with Total Scheme Costs not to exceed £1,684,800. He reported that the scheme would deliver up to ten new homes on four HRA garage sites, representing the first Council owned stock built since the late 1980's. The Cabinet Member wished to put on record his thanks to officers both at the council and CBH for their hard work. These were complex redevelopments and Cheltenham was now leading the south west in the provision of affordable homes.

The Cabinet Member drew Members' attention to section 6 of the report. He explained that the majority of the dwellings CBC proposed to build would be at 80% of market rent, however there was a risk that if the proposed 4 bedroom dwelling was set at the 80% level, then this would be unaffordable for larger households on low incomes. It was therefore proposed that this be set at 70 % of market rent.

Members supported the proposals. They congratulated CBH in what they had achieved to date and it was hoped that there would be more new build going forward as this was desperately needed in the town. Some Members commented on the high standard of the developments to date. It was suggested that in the future CBH should look at its own in house team to develop “shared equity”. A member also mentioned “sweat equity” whereby tenants or part owners provided labour for their share of the housing equity. CBH should also be encouraged to look at ever greener houses and showcase what they are able to achieve and push harder to be even better and more innovative in its approach. CBH was commended for its record for taking on apprentices in the repairs team.

The Cabinet Member Housing informed Council that CBH was envied across ALMOs for its achievements in the regeneration of St Pauls. He reported that in the light of the recent budget announcement there would be a refresh of the HRA business plan later in the year in order to determine innovative ways to progress.

RESOLVED (unanimously) THAT

- 1. the allocation of up to £1,684,000 be authorised for the construction of up to ten new dwellings on the garage sites listed in section 2 of this report.**
- 2. It be noted that the total scheme costs of £1,684,800 (broken down in further detail in exempt appendix 3) will be funded by circa £500k of RTB receipts with the balance funded by the most appropriate combination of the other funding streams noted within the report – this decision being delegated to the Section 151 Officer in accordance with Financial Rules B7 and B8.**
- 3. the Authority be approved to source loan finance of up to £1.0m from the Public Works Loan Board to be used for the construction of up to ten new dwellings on the garage sites listed in section 2 of this report.**

Duncan Smith
Chairman

Council – 19 October 2015

Public Questions (1)

1.	Question from Naturewatch Foundation to the Cabinet Member Development and Safety, Councillor McKinlay
	<p>According to Battersea Dogs & Cats Home at least 560,000 puppies are born in Britain each year. The Pet Food Manufacturer's Association estimates suggest a number closer to 800,000. At the time of writing 142 litters are currently listed for sale in Cheltenham by the top five online advertisers.</p> <p>Meanwhile reports such as BBC2's The Dog Factory, BBC1's Watchdog (broadcast 8th October) and those of national animal welfare charities, including Naturewatch Foundation, show a clear link between commercial, volume distribution of puppies and disease, distress and damage to families, communities and individual animals.</p> <p>Given that commercial traders and careful, considerate local breeders will both post adverts which look the same, what can Cheltenham Borough Council do to identify licensable trading and to ensure full adherence to specified conditions thereafter?</p> <p>Also, in the event that prospective puppy buyers in Cheltenham identify adverts or trading circumstances which they believe either warrant licensing, or breach licence conditions which have been applied by Council, how can they best help achieve the high standards local people and animals both need and deserve?</p>
	Response from Cabinet Member Development and Safety
	To be advised at the Council meeting

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Council - 19 October 2015

Member Questions (12) – a response to all questions will be given at the meeting

1.	Question from Councillor Harman to Cabinet Member Finance, Councillor Rawson
	Can the Cabinet Member update the Council on whether there is any progress with regard to the North Place Site and whether any Car Parking Spaces can be secured for the important Christmas period?
	Response from Cabinet Member Finance
	Add response here
2.	Question from Councillor Harman to Cabinet Member Finance, Councillor Rawson
	Can the Cabinet Member update the Council on the Plans announced in his budget on improvements to the Royal Well Bus station, shelters and public facilities?
	Response from Cabinet Member Finance
	Add response here
3.	Question from Councillor Harman to Cabinet Member Corporate Services, Councillor Walklett
	I attended an event on 8th October, also attended by the Mayor other Civic Leaders and many Business leaders, recognising the importance of our Reserve Armed Forces which also encouraged Employers to support members of Staff who volunteer for the Reserves of The Royal Navy, The Army and the Royal Air Force.
	Can the Cabinet Member inform Council how many of our staff are currently serving in the Reserves and what policies the Council has for supporting them and encouraging others to serve.
	Response from Cabinet Member Corporate Services
	Add response here
4.	Question from Councillor Wilkinson to Cabinet Member Clean and Green Environment, Councillor Coleman
	In the light of the recent missed bin collections in the St Stephen's Road area, would the cabinet member for clean and green environment please explain the process undertaken by Ubico and the county highways contractor when roadworks may prevent bins being collected? What can be done in future to ensure residents are not inconvenienced when highways works clash with bin collection days?
	Response from Cabinet Member Clean and Green
	Add response here
5.	Question from Councillor Wilkinson to the Leader, Councillor Jordan
	I'm sure all members will welcome the news that John Lewis has announced it will open a shop in Cheltenham. Please would the leader of the council outline the role of the borough council in bringing this flagship retailer to town?
	Response from the Leader

	Add response here
6.	Question from Councillor Savage to Cabinet Member Clean and Green Environment, Councillor Coleman
	For Chris Coleman: "Has the Council considered installing bins in public spaces for recyclable as well as general waste?"
	Response from Cabinet Member Clean and Green Environment
	Add response here
7.	Question from Councillor Payne to Cabinet Member Healthy Lifestyles, Councillor R. Hay
	<p>As a member of the Overview and Scrutiny Task Group that reported on the relocation of the Shopmobility Service I am very disappointed at the Cabinet decision on 15th September to re-locate the service to the Horse and Groom, in St George's Place.</p> <p>This location fails to recognise the criteria put forward by the staff and current users of the facility. It is:</p> <ul style="list-style-type: none"> - not a town centre location - it does not provide ready access from buses - it does not have easy access from parking facilities for the disabled. <p>The proposed location does not provide a sufficiently high profile that would attract third party providers to support the service.</p> <p>There is no mention in the proposal that the reception area of The Wilson would provide a portal for the service, something the Task Group believed The Wilson was keen to pursue.</p> <p>The consequence of the chosen location will inevitably lead to a reduction in the number of customers, a fact that was highlighted in the Community Impact Assessment.</p> <p>This decision will disadvantage vulnerable members of our society, and says little about Cheltenham's commitment to make Cheltenham an accessible place for tourists.</p> <p>My question is this, giving that the number of customers has been in decline, and will with this relocation decline further, at what point will this administration say, enough is enough and withdraw support for the service.</p>
	Response from Cabinet Member Healthy Lifestyles
	Add response here
8.	Question from Councillor Fletcher to Cabinet Member Development and Safety, Councillor McKinlay
	Following the excellent news that John Lewis is locating to The Beechwood, which I believe will bring shoppers from adjoining counties and beyond to Cheltenham, isn't now the right time to consider lowering our parking charges both in our car parks and 'on street' parking in negotiations with Gloucestershire County Council. These charges are considered by many to be extortionate, and surely we want to encourage more visitors and shoppers to Cheltenham?

	Response from Cabinet Member Development and Safety
	Add response here
9.	Question from Councillor Regan to Cabinet Member Clean and Green Environment, Councillor Coleman
	<p>Will the Cabinet member ensure our streets and paved areas are regularly cleaned of chewing Gum which encompasses the whole of the town centre and inform us when the last time chewing gum was cleaned off our streets?</p> <p>Will the member agree it is ugly, unsightly, and that spitting out gum is unacceptable?</p> <p>Is he aware that the whole pavement length of the promenade outside our prestigious shops is covered in discarded gum?</p> <p>Will he approach the manufacturers for funding towards removal of this unpleasant habit?</p> <p>Can he look at the possibility of installing Gum Bins?</p> <p>*Pictures attached below.</p>
	Response from Cabinet Member Clean and Green Environment
	Add response here
10.	Question from Councillor Wilkinson to Cabinet Member Healthy Lifestyles, Councillor R. Hay
	<p>Please could the cabinet member for healthy lifestyles make a statement on the appointment by Cheltenham Poetry Festival of a Poet in Residence for Cheltenham?</p>
	Response from Cabinet Member Healthy Lifestyles
	Add response here
11.	Question from Councillor Lillywhite to the Leader, Councillor Jordan
	<p>Question for Steve Jordan following his recent comments in the Echo;</p> <p>Why would John Lewis want Boots Corner closed? It is the principle access to their proposed Car Park for the majority of Cheltenham's population, possibly 70% of which live south of the High street.</p> <p>The alternate route through Rodney Road is also likely to be severed by a 'rising bollard'. So that 'dispersed' traffic does not travel along the High Street to Winchcombe Street, at 'Thomas Cook Corner', a far greater severance than Boots Corner with a much higher impact on the new store.</p> <p>Will he please outline how traffic that would have used Boots Corner would now reach the new store from the South of town, specifying road names.</p>
	Response from the Leader
	Add response here
12.	Question from Councillor Lillywhite to the Leader, Councillor Jordan
	The Council leader refers to 'The County's endorsement' of the Transport Plan.

	<p>Had he attended the Cabinet meeting he would understand in no uncertain terms and direct from Mark Hawthorne, their leader, that they do not approve and were going to throw it out as the Traffic Authority were unable to answer so many of the questions formally raised and opposition was so strong. However, they were stopped by the last minute interjection of 'strong voices from the Cheltenham business community'. They had to fashion a means of implementing it in a conditional, phased manner each one subject to the 'success' of the last.</p> <p>The 'strong voices' were of the Brewery Scheme developer and a spokesman for the Chamber of Commerce, who claimed 99% support, which is yet to be substantiated despite requests.</p> <p>The impression the leader has given to the general public in his statements regarding the 'Counties endorsement' is misleading, is he intending to correct this?</p>
	Response from the Leader
	Add response here





Pictures in reference to Question 9

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Cheltenham Borough Council

Cabinet – 13 October 2015

Council – 19 October 2015

2020 Vision

Accountable member	Leader, Councillor Steve Jordan
Accountable officer	Pat Pratley, Deputy Chief Executive
Ward(s) affected	All indirectly
Key/Significant Decision	Yes
Executive summary	<p>Members will be aware that 2020 Vision is a partnership between Cheltenham Borough Council (CBC), Cotswold District Council (CDC), West Oxfordshire District Council (WODC) and Forest of Dean District Council (FoDDC). 2020 Vision sets out an ambition for the authorities to become more efficient and effective by working together. The vision is:</p> <p><i>“A number of councils, retaining their independence and identities, but working together and sharing resources to maximise benefit leading to more efficient, effective delivery of local services”.</i></p> <p>In December 2014 CBC Cabinet endorsed a number of recommendations to progress 2020 Vision including a recommendation for the</p> <p><i>“establishment of a shared services partnership venture in early 2015, between the 4 authorities, managed by a joint committee operating under a Memorandum of Understanding (MoU) for an interim period pending a further report being considered in the autumn of 2015”.</i></p> <p>Members will recall that the partnership has been granted a total of £3.8M from the Government’s Transformation Challenge Fund to support the implementation of 2020 Vision.</p> <p>The December report also signalled that a further report would be considered in the autumn of 2015 regarding any recommendations for the future governance arrangements of the partnership venture.</p> <p>Cabinet received a report in April regarding the MoU and approved it. The MoU did not give rise to any legally binding obligations, instead it provided a clear and accountable framework for working together to deliver the 2020 Vision Programme up to the point of a formal joint committee being implemented.</p> <p>The purpose of this report is principally therefore to obtain the agreement of Cabinet and Council to:</p> <ul style="list-style-type: none"> • Enter into the 2020 Vision Partnership structure. • Endorse and approve the establishment of a revised CBC senior management structure which includes the deletion of the post of Chief Executive, proposed date being 27 March 2016, after which date the new structure will formally take effect.

- Approve the creation of the 2020 Vision Joint Committee and the associated terms of reference and constitution including the delegation of GO Shared Services (GOSS) and ICT to the joint committee on its creation.
- Approve the 2020 Vision Business Case.
- Request for each proposed new shared service, not already identified in this report, for example, Commissioning, a business case demonstrating that all delivery options have been considered.
- Request a further report during 2016 on the business case for a local authority company or alternatively the continuation of the 2020 Vision Joint Committee.

Recommendations

It is recommended that Cabinet and Council:

1. Agrees to enter into the shared services partnership structure described in **Appendix 2**.
2. Endorses the consequential revised senior management structure for this Authority as set out in **section 7**.
3. Approves the 2020 Vision Business Case at **Appendix 3**.
4. Adopts the Commissioning Strategy at **Appendix 5**.
5. Agrees to establish the 2020 Vision Joint Committee in accordance with Sections 101 and 102 of the Local Government Act 1972, and the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012 made under Section 9EA, 9EB and 105 of the Local Government Act 2000, with draft Constitution at **Appendix 6** including a protocol which requires the Joint Committee to defer any item relating to changes to employment terms and conditions where it is unlikely to be passed by unanimous decision in order to seek a resolution to the matter.
6. Delegates authority to the Chief Executive in consultation with the Leader, the Section 151 Officer and the Borough Solicitor to finalise and complete the Inter Authority Agreement (including the Constitution) and other documentation on terms to be approved by the Borough Solicitor and to take all necessary steps to create the 2020 Vision Joint Committee by April 2016.
7. Agrees that the existing 2020 Vision Member Governance Board arrangements will continue until the 2020 Vision Joint Committee is created.
8. Upon establishment of the 2020 Vision Joint Committee
 - 8.1 Delegates to the 2020 Vision Joint Committee those functions of the Authority as described in the draft Constitution for the 2020 Vision Joint Committee, subject to retained decisions as set out in **section 10** of this report
 - 8.2 Agrees to appoint Forest of Dean District Council as Administering Authority to provide administration support to the Joint Committee
 - 8.3 Agrees to appoint Cotswold District Council as the Accountable

Body to provide financial support to the Joint Committee and enter into any contracts required on behalf of the Joint Committee

- 8.4 Agrees to appoint the following councils to provide the following functions of the Joint Committee;

Forest of Dean District Council – Monitoring Officer

Cotswold District Council – S151 Finance Officer

Forest of Dean District Council – Clerk to the Joint Committee

9. That each partner authority confirms the appointment of David Neudegg as Partnership Managing Director.
10. Agrees to make available such of this Authority's staff as are necessary for the 2020 Vision Joint Committee to fulfil the functions which the Authority delegates to it

It is recommended that Cabinet:

1. Recommends to Council the appointment of Councillor Walklett as the Cabinet Member representative on the 2020 Vision Joint Committee.
2. Receives and approves further business case briefings and proposed Service Level Agreements providing reassurance on the benefits, costs and savings to this Authority of the services outlined in **section 14.4** of this report, and demonstrating that other sharing options have been considered, prior to delegation of those services to the 2020 Vision Joint Committee.
3. Receives a report and business case during 2016 on the establishment of a local authority company for the delivery of the functions of the 2020 Vision Partnership, or alternatively the continuation of the 2020 Vision Joint Committee, and makes an onwards recommendation to Council as necessary.

It is recommended that Council:

1. Approves the revised senior management structure for this Authority as set out in **section 7** (which includes the deletion of the post of Chief Executive and consequential costs) for consultation with affected staff and recognised trade unions with a proposed implementation date of 28 March 2016.
2. Authorises the Chief Executive to undertake all necessary processes for the introduction of the revised senior management structure and to make any changes to the structure arising from consultation provided that such changes fall within the budget and overall parameters of the structure (as referenced in this report).
3. Agrees to internal recruitment to the post of Head of Paid Service (who it is anticipated will also become the Returning Officer/Electoral Registration Officer from 23 May 2016) and notes that the appointment to the post will be undertaken by Appointments and Remuneration Committee with final approval resting with Council.
4. Agrees that, in the event of it being necessary to second any of the Authority's staff in order to facilitate the functions which it delegates to

the 2020 Vision Joint Committee, the Head of paid Service be authorised to approve such secondment.

5. Agrees to appoint Councillor Walklett and x as the Authority's Members on the 2020 Vision Joint Committee.
6. Authorises the Democratic Services Manager, in consultation with the Borough Solicitor, to make such changes to the Constitution as are necessary to reflect and facilitate the implementation of the recommendations in this report.

Financial implications

As detailed within **section 16** of the report.

The detailed financial implications of the 2020 Vision Programme, as set out in the business case, have been worked on by the S151 Officer and his equivalent in each of the four partner councils.

The business case includes all savings arising from transformational and joint working set out in the Strategic Outline Case presented to Government which formed the basis of the Transformational Challenge Award Funding of £3.8m.

The business case objective is to ultimately deliver £1.252m of annual recurring revenue savings for this Council.

An independent review of the business case has been undertaken by CIPFA and Proving Services. Their initial feedback is that the business case is positive with a large degree of tolerance making it both achievable and deliverable.

The proposed cost of the project is £10.140m over the 5 years of the expected lifetime of the programme, of which the cost to this Council is £1.224M. This Council has already earmarked £1.095m of the programme costs as part of the budget setting process in February 2015. The Member Governance Board / Joint Committee will keep the programme finances under review, and any additional funding request will be recommended to the Councils as the programme progresses and actual costs become known. Funding of core programme expenditure (i.e. of benefit to all partner authorities) will be initially funded from the £3.8m award of Transformation Challenge Award Funding.

Contact officer: Paul Jones, S151 Officer
paul.jones@cheltenham.gov.uk, 01242 775154

Legal implicationsRevised Senior Management Structure

Council is being recommended to agree the revised senior management structure which includes the deletion of the post of Chief Executive and consequent redundancy of that post holder from that role and cessation (by resignation) of his role as Returning Officer and Electoral Registration Officer. Appointment to the new post of Head of Paid Service will be undertaken by Appointments and Remuneration Committee with onward referral to Council for approval. Council will also appoint to the roles of Returning Officer and Electoral Registration Officer.

Appointment of Partnership Managing Director

The formal appointment of the Partnership Management Director (who is responsible for the Joint Committee functions) is to be undertaken by their 'home' partner council. Whilst the employment relationship will be between the post holder and their 'home' council, all partner councils are being recommended to confirm their acceptance of the appointment of that post holder for the purpose of agreeing/identifying the senior officer responsible for delivery of the Joint Committee functions.

Inter-Authority Agreement

The existing s101s and Collaboration Agreement will need to be terminated and replaced by the Inter Authority Agreement. Arrangements with Ubico, The Cheltenham Trust and CBH would also need to be amended accordingly. The relationship between the partner councils will be set out in an inter-authority agreement which will, inter alia, set out the partner council obligations (including financial), the administering authority's obligations, the accountable body's obligations, staffing and exit arrangements. It is intended that the agreement will be developed following the partner council decisions to set up the Joint Committee and finalised by the end of 2015. Therefore, this report contains an officer delegation to take forward and finalise the agreement.

Appointments to Joint Committee

It is for Council to appoint the initial Members to the Joint Committee. As the functions to be delegated to the Committee include executive functions, at least one Member must be a Cabinet Member. Unless otherwise expressly agreed by Council, the term of membership for the Committee Member appointments will run in accordance with the usual practice for committees, i.e. until the next meeting of Selection Council.

Amendments to Constitution

The Constitution will require amendment to reflect and facilitate the delegations to the Joint Committee. In particular, changes will need to be made to Part 3 in respect of delegation of executive functions, the terms of reference of Appointments & Remuneration Committee and the delegations to officers regarding HR matters. The report recommends that the Democratic Services Manager (in consultation with the Borough Solicitor) be authorised to make the necessary changes.

Further delegations to the Joint Committee

Any delegation of additional functions to the Joint Committee will, under the current executive arrangements delegation scheme, require formal approval by Cabinet. If non-executive functions were to be included, then Council approval would be required.

	<p><u>Provision of services through a company structure</u> Consideration of this future option will require specialist legal support which would need to include company/governance law and practice and procurement advice.</p> <p>Contact officer: Shirin Wotherspoon, One Legal; shirin.wotherspoon@tewkebsury.gov.uk</p>
<p>HR implications (including learning and organisational development)</p>	<p>The 2020 Vision programme is one of the most challenging and ambitious shared services programmes in local government. The HR implications arising from the implementation of a large scale change programme are extremely complex. GO Shared Service (GOSS) Head of HR is a member of the programme team and has worked with the team to outline the key HR & Employment matters. These are set out in the accompanying annexes to this covering report.</p> <p>The Authority already publishes its approach to severance payments for chief officers/senior managers as part of its annual Pay Policy Statement, approved by Council each year. All members of staff, including chief officers/senior managers are subject to the same policies. The remuneration of senior employees, including details of any severance payments is also published in the Authority's annual statement of accounts and on the Authority's website.</p> <p>In the interests of transparency, guidance from the government suggests that any severance payment exceeding £100,000 should be approved by Council. Interpretations on the guidance vary but the majority of councils take this figure to mean the full cost to the council.</p> <p>In agreeing the revised senior management structure for the Authority and making the post of Chief Executive redundant the severance costs are circa £178,900 (Pension actuarial costs of early pension release £119,000 and Redundancy Lump Sum payment of £59,900). In this case the full severance costs are being met from the 2020 Programme funding and not directly from the Council.</p> <p>The Authority and the 2020 Vision Programme will continue to be supported by the GOSS HR team who will ensure that local and regional trade union officers from the two recognised trade unions and all council employees are briefed and fully consulted on the proposed changes as the programme moves forward.</p> <p>To ensure that all aspects of the programme, as well as business as usual and other competing projects are delivered on time and within budget, it is important that capacity is carefully monitored and managed by the senior leadership team.</p> <p>Contact officer: Julie McCarthy, GOSS HR Manager Julie.McCarthy@cheltenham.gov.uk, 01242 264355</p>
<p>Key risks</p>	<p>The key risk for this Council is the potential for the partner councils not to reach agreement leading to be programme not being delivered and the impact this will have on this Council's ability to deliver savings to support the MTFS. This risk is reported to Cabinet on the corporate risk register.</p>

<p>Corporate and community plan Implications</p>	<p>2020 Vision supports the Council's objective of providing value for money services that effectively meet the needs of customers.</p>
<p>Environmental and climate change implications</p>	<p>There are no direct implications arising from this report, however, potential environmental and climate change implications will need to be identified and considered as part of any further refinement of the business case, business plan and any new sharing projects.</p> <p>Contact officer: Gill Morris, Client Officer Gill.Morris@cheltenham.gov.uk; 01242 264229</p>
<p>Property/Asset Implications</p>	<p>The sharing of services has resulted in a reduction in space requirements in the Municipal Offices which supported the business case for the relocation of the council into smaller space in Delta Place. The 2020 vision programme may facilitate a further reduction in the space needs resulting in further savings in the accommodation overhead cost to the council.</p> <p>Contact officer: David Robert, Head of Property David.Roberts@cheltenham.gov.uk, 01242 264151</p>

1. Background

- 1.1 Members will be aware that the 2020 Vision Partnership (the partnership) comprises Cheltenham Borough Council (CBC), Cotswold District Council (CDC), West Oxfordshire District (WODC) and Forest of Dean District council (FoDDC). 2020 Vision set out an ambition for the authorities to become more efficient and effective by working together. The vision is:

“A number of councils, retaining their independence and identities, but working together and sharing resources to maximise mutual benefit leading to more efficient, effective delivery of local services”.

- 1.2 Members will also be aware that the councils have shared services for a number of years. There has been a desire, subject to a credible business case, to build upon that shared working and to become more efficient and effective by working more closely together but without sacrificing political sovereignty, culture and local decision making.
- 1.3 The councils share a focus on efficiency and on achieving value for money whilst at the same time recognising they have a wider responsibility as democratically accountable bodies with a community leadership and stewardship role. The councils also have a responsibility for looking after the long-term environmental, social and economic needs of their localities, citizens and businesses.
- 1.4 Whilst the councils are rightly ambitious for their communities and localities, that ambition is in the context of a challenging financial landscape. Since 2009/10, this Council will have delivered £2.73M annually by 2018/19 through a commissioning approach to service delivery and the creation of a number of different delivery arrangements, e.g. One Legal, Building Control Shared Service, GO Shared Services (GOSS), ICT Shared Services, Audit Cotswolds, Ubico and most recently The Cheltenham Trust.
- 1.5 2020 Vision therefore provides the natural next step to deeper sharing with the GOSS partner councils. It also provides an opportunity not only to continue to deliver the outcomes that members want for Cheltenham, but also to deliver ongoing revenue savings that would not be otherwise achievable and to benefit from investment funded through the Transformation Challenge Fund (TCF).

2. CBC Financial Context

- 2.1 The role of the external auditor is to provide an opinion on the Council's financial statements and to provide a value for money (VFM) conclusion. The opinion will be either qualified or unqualified with the latter (VFM conclusion) having a sub-category of either adverse or except for.
- 2.2 To date both opinions have been unqualified but moving forward, the external auditor will base their VFM conclusion on how robust the Medium Term Financial Strategy (MTFS) is and what plans are in place to ensure austerity cuts are countered by either cuts in service or alternative delivery models.
- 2.3 Local government is undergoing rapid transformation in order to respond to the challenges associated with reduced government grants and growing pension costs. With 2015 Spending Review cuts potentially ranging from 25-40%, and annual pension contributions projected to double over the next two decades, there is a “burning bridge” case for the delivery of further savings, increased efficiencies and revenues.
- 2.4 The Medium Term Financial Strategy (MTFS) has been updated to cover the period 2015/16 to 2019/20 t, and identifies a funding gap over the next 4 years of c£3.9M. The MTFS proposes a strategy for ‘bridging’ the funding gap which includes the savings arising from 2020 Vision. It should therefore be noted that 2020 Vision plays a significant role in enabling this Council to

deliver a balanced budget in the short to medium term and alternative savings would have to be identified over and above those included within the revised MTFS.

3. Devolution and 2020 Vision

- 3.1 Gloucestershire has signalled its intent to seek further powers from Government as part of the current devolution agenda. Devolution is about the transfer or delegation of power by central government to local or regional administration. Members will also be aware that, on 4 September, Gloucestershire submitted a devolution proposal to Government. In Gloucestershire's case the proposal is for a combined authority, thus creating the potential to secure better outcomes for local people in the context of a reduction in public expenditure across all sectors.
- 3.2 Devolution is not an alternative to 2020 Vision. 2020 Vision is about working with our partner councils to maximise mutual benefit and being able to deliver more efficient and effective local services to communities, citizens and businesses. What will be important moving forward though is that each council has sufficient capacity to be able to respond to initiatives such as devolution when they arise, and for the partner councils to have a strong voice at the table either individually or collectively depending on the issue.
- 3.3 There is an opportunity through 2020 Vision for that capacity and collective ability to be enhanced as the partnership develops and matures whilst still ensuring that each council's sovereign voice is maintained and heard. Officers from this Council have been involved in the co-creation of the "asks" of government for a Gloucestershire combined authority. It will be important moving forward that, in the context of 2020 Vision and possible devolution, the Council continues to have the strategic and commissioning capacity to actively contribute to, and shape, the outcomes for Cheltenham.

4. 2020 Vision – Brief Recap on the Activist Report

- 4.1 Members may recall that in 2014 the 2020 Vision Programme Board commissioned Activist to develop a strategic business case. Activist consulted and engaged extensively with members from all the partner councils to determine what are the key drivers for the partnership and distilled down the views to:

Financial: the need to respond to long-term financial pressures

Efficiency: continuing to find ways of delivering value for money

Resilience: each authority needing a wider pool of expertise and greater capacity

Impact: more depth in strategic capacity needed to drive service improvement and wider social and economic benefits in each locality

Democracy: sufficient resources to be able to exercise choice and community leadership and the ability to continue to champion local needs and priorities.

- 4.2 As well as the above drivers Activist also captured the outcomes that members wanted to achieve from the partnership and the challenges that the programme would need to address to be assured of success:

Savings: realistic, sustainable, medium to long term return on investment, opportunities to generate income

Influence: respectful of individual authorities and local decision making, able to exercise community leadership, strong local knowledge in front-line services, impartial commissioning and client side advice

Quality: enhances good quality services, flexibility and adaptability to future changes, streamlined and easy to understand governance

Creativity: empowerment of staff to be creative, collaborative and enquiring, fosters and rewards

innovation.

- 4.3** The original vision for the programme was an approach whereby the councils would not employ any of their own staff, but would create a jointly owned local authority company to deliver all services, however, the Activist report proposed that a phased approach should be pursued which all partner councils accepted. The Activist advice was based on the outcomes the partners wanted to achieve, the principles of design of importance to the partners as well as at that time, the unknown financial impact of pension costs.
- 4.4** Activist concluded that 2 broad strategic options best met the partnership's outcomes and drivers, these options being either
- traditional sharing under a joint committee arrangement; or
 - a local authority company
- 4.5** Activist went on to recommend that a new partnership venture be established, under a joint committee, which should operate as an initial stage before the partners decided whether they wish to retain a joint committee or proceed to create a local authority company.
- 4.6** At this point there is still further work to do to confirm, in particular, the additional financial benefits/costs that the creation of a local authority company would bring and that is why a further report in 2016 is being recommended.

5. 2020 Vision Programme Governance

- 5.1** The December report signalled the creation of the 2020 Vision Programme and the appointment to a number of interim roles; Lead Commissioner, Managing Director and Programme Director. A programme team has also been recruited to and each Council's interests are being looked after by an officer acting in the capacity of head of paid service (actual or designated). The role is being carried out by the Deputy Chief Executive for this Council.
- 5.2** The programme is governed through the Member Governance Board (MGB) made up of the council leaders together with a cabinet member representative from each council. What the MGB has said it wants from 2020 Vision is:
- Evolution rather than revolution
 - Ease of access to advice from trusted advisors working in the interests of each council
 - Ease of access to good quality commissioning skills for each of the councils
 - Potential for increased shared working over time
 - A desire to retain control over some services at least in the short term.
- 5.3** These key messages, as well as the outcomes the partners want to see from 2020 Vision, have led to the recommendation of a joint committee governance model to operate as an initial stage pending a report back on whether a business case can be made to create a local authority company.
- 5.4** The purpose of this report is therefore principally to consider the:
- 5.4.1** Proposed 2020 Vision organisational structure and consequential implications for this Council's senior management structure;
- 5.4.2** Joint committee approach and how it meets the key requirements of the 2020 Vision Member Governance Board;
- 5.4.3** Proposed functions of the 2020 Vision Joint Committee, its terms of reference, highlighting some

elements of its Constitution which may be of particular interest to members and identifying the services that will be delegated to it upon its creation;

- 5.4.4 Matters which this Council is being recommended not to delegate to the 2020 Vision Joint Committee at this time;
- 5.4.5 Interim managing director arrangements for the 2020 Vision Joint Committee;
- 5.4.6 2020 Vision Commissioning Strategy;
- 5.4.7 Services that this Council is being recommended to commission in the next stage of the programme, subject to business cases;
- 5.4.8 2020 Vision Business Case and the estimated savings for this Council at this point of the programme;
- 5.4.9 Outcome from the independent review of the 2020 Vision Business Case and the programme and this Council's own informal gateway review.

6. 2020 Vision Organisational Structure

- 6.1 The MGB has endorsed a shared services partnership structure **Appendix 2** and is recommending it for adoption. The structure provides for either individual or shared lead directors (this council has termed the role head of paid service) who would be directly accountable back to their councils and who would act as lead commissioners.
- 6.2 The proposal is that the partnership venture would be managed by a Partnership Managing Director (MD) who will be accountable to the joint committee for delivery of the functions delegated to it and the continued improvement and strategic direction of the partnership venture.
- 6.3 The advantages of the structure are:
 - Members can clearly see who is accountable to their council, who is accountable to the joint committee and therefore conflicts of interest should be avoided.
 - In the scenario of a move to a local authority company the organisational model is easily transferable, conversely, if a business case for the creation of a company does not exist the model is not redundant and can continue to operate.
 - The potential to move more services into the partnership venture is possible should Members determine to do so.
- 6.4 The structure also provides for an informally constituted Partnership Venture Commissioning Group comprising the heads of paid service and the MD, which would sit outside the formal joint committee arrangement. Its role will include:
 - Ensuring that the overall aims and objectives of the 2020 Vision Partnership are achieved
 - In their respective roles as heads of paid service and MD advise the joint committee on effective delivery of the partnership venture services and on key strategic core policies such as finance, ICT and HR
 - Ensuring that service delivery is supported by an appropriate performance management framework
 - Ensuring collaboration and co-operation between the councils and the partnership venture to

maximise efficiency and effectiveness so that the individual needs of each council is met

- Providing a forum for discussing potential major changes to service delivery ahead of any recommendations to the partner councils
- Providing a forum for discussion on any potential expansion of the partnership venture to understand and mitigate any impact on the partner councils
- Heads of paid service will act as lead commissioners, working with representatives from each council, to ensure that the partnership venture is meeting the service standards agreed with the councils.

7. Implications for CBC Senior Management Organisational Structure

7.1 Members will be aware that Council, at its meeting on 20 July, approved the recommendations regarding the restructure of the Environmental and Regulatory Services Division. The report presented a diagram (see below) of what the senior officer structure for this Council could look like if Members endorsed the direction of travel for 2020 Vision. The report also made the point that the REST management structure was not dependent on 2020 Vision.



7.2 When Members considered the report in July it was explained that with the advent of this Council delegating a number of services to the 2020 Vision Joint Committee the number of retained services requiring direct line management would lead to a thinner structure (outside of Environmental and Regulatory Services). It was also explained that if the recommended approach to 2020 Vision was adopted that the time of the Head of Paid Service and Director of Resources and Projects would be focused not on direct management but on clienting existing commissioned services (Ubico, CBH, The Cheltenham Trust, Gloucestershire Airport, for example) and also sponsorship of strategic projects.

7.3 The savings attributable to this Council within the 2020 Vision Business Case provide for savings from the deletion of the post of Chief Executive proposed as 27 March 2016. The financial assumptions therefore have clear implications for this Council's senior management structure. It will therefore be important that the Council continues to have access to the right level of strategic capacity in the future.

7.4 From this report members will see that the initial sharing of new services through the partnership venture focuses primarily on customer-facing services currently under the management of the Director of Resources. This release of managerial capacity will enable the Director to progress this Council's potential strategic expansion of its investment portfolio as recommended by CIPFA in their recent Asset Management Health Check. Members will also recall that on 22 June 2015 Council approved the secondment of the Deputy S151 Officer to undertake the role of S151 Officer for a period of 18 months in order to further release the Director's capacity for strategic projects e.g. to progress the Accommodation Strategy, Town Hall redevelopment. It was also recognised in that report that 2020 Vision has the potential to create a new arrangement for the provision of this Council's S151 Officer in the longer term should Members be comfortable with

such an arrangement.

- 7.5 Members will be aware that the new organisational structure flowing from the REST project is being progressed. The Director – Planning has been appointed (on a secondment basis) and the Managing Director for Place and Economic Development post has been advertised. As the July report explained, in operational management terms the services covered by the REST project will be relatively self-contained with the senior management seen as contributing to whole council objectives and initiatives. In terms of delivering on an important economic agenda for Cheltenham, as explained in the Athey report, the recruitment to the post of Managing Director for Place and Economic Development will provide important strategic support to the Council.
- 7.6 With the exception of REST services the other significant area of this Council's currently retained services will lie within the Commissioning Division managed by the Deputy Chief Executive who is currently the Council's key commissioner. The Council describes itself as a commissioning council. At a most basic level this is defined as making the best use of all available resources to produce the best outcomes for our locality. Accordingly, this Council has brought together a range of professional disciplines including policy analysis, research, consultation, client management, communications, project management, and subject matter experts into the Commissioning Division.
- 7.7 Over the past year, and since the deletion of the post of Director of Commissioning, the focus has been on increasing the capacity and skills of the client officers in particular to enable them to undertake their client roles across the range of commissioned services now in place. The Activist report recommended that the design of commissioning across the partnership should be reviewed concluding that it may be more effective (and cheaper) if some or all of the commissioning functions were shared. 2020 Vision may therefore provide opportunities to share some of this client work, for example a shared client arrangement for ICT.
- 7.8 Moving forward the Executive Board will take on a collective role as key commissioners for this Council and key clients of the services delivered by 2020 Vision. The Executive Board will also ensure that the Council's interests are represented and support members at a county, national and regional level as appropriate. Together with the support of the statutory posts, the Executive Board will also continue to support elected members in ensuring that the Council's interests are properly protected and that this Council's own decision making, scrutiny and governance arrangements operate effectively.
- 7.9 Cabinet is, therefore, being asked to endorse the revised senior management structure outlined in **paragraph 7.1** above, including the deletion of the post of Chief Executive, and Council is being asked to approve the structure and to authorise the Chief Executive to undertake all the necessary resultant processes and consultation.
- 7.10 With regard to the Returning Officer/Electoral Registration Officer roles currently held by the Chief Executive, this is a separate office which attracts no salary – simply a formula fee which differs according to the nature of each election. The appointment to this office is in the gift of the Council, but once made carries personal responsibility and liability and is above party political influence. As Borough Elections and the election of a Police and Crime Commissioner are due to take place on 5 May 2016 it is proposed, for the sake of continuity, that the current Chief Executive retains this office but only until 22 May 2016 by which time the administration required for these elections will be complete. This will (by agreement) be regarded as a resignation from the office and thus avoid any redundancy implications and costs. The working presumption is that Council will appoint the new Head of Paid Service to this office with effect from 23 May 2016.

8. The Joint Committee Approach

- 8.1 The Member Governance Board has been clear about what it wanted to see from the 2020 Vision governance structure and it may be useful therefore to explain how the creation of the joint committee meets those requirements.

- 8.1.1 An evolutionary approach** – Joint committees are a tried and tested governance model and Members may have had experience of them elsewhere. The functions and activities to be undertaken by the joint committee, if endorsed by Members, represent the necessary building blocks for the partnership and also lay the foundations for a more straightforward transition to a company if a business case for that can be made.
- 8.1.2 Ease of access to advice from trusted advisers** - Members will still have access to directly employed trusted advisers as well as advisers who will be employed within the partnership venture, eg, S151 officer. All trusted advisers, either directly employed or in the partnership venture, will continue to work in the best interests of the councils they are employed to represent. The ambition is however that over time it may be possible to share more trusted advisers across the partnership.
- 8.1.3 Ease of access to good quality commissioning skills** - The MGB has endorsed a high level Commissioning Strategy for the partnership **Appendix 5**. Following the establishment of the joint committee the plan is to develop a more in-depth strategy and also to consider the functional organisation of commissioning in the short, medium and longer term. This will identify opportunities for collaboration and sharing whilst still ensuring that Members have access to the impartial commissioning advice and support they need.
- 8.1.4 The ability to retain control over some services at least in the short term as well as the potential for increased shared working over time** - Each partner council will retain its sovereignty and individual decision making powers with regard to the further sharing of services. Each of the councils has undertaken a preliminary assessment of its readiness to share at this point and this is explained later in this report. Members will also be aware that this Council has decided to retain in-house the Environmental and Regulatory Services Division following recommendations approved by Council on 20 July.

9. 2020 Vision Joint Committee - Constitution

- 9.1** The joint committee will be governed by a Constitution **Appendix 6**. The proposed functions of the joint committee are:
1. Provide strategic direction for the continued improvement and development of the 2020 Vision Partnership Venture; and
Direction, development and performance management of the 2020 Partnership Venture Services delegated to it by the delegating authorities.
 2. Secure the delivery of the following functions and activities delegated to it by the partner councils;
 - a. Human resources policies and procedures including pay and grading policy and total reward policy (including financial and non-financial benefits)
 - b. ICT network infrastructure, applications, policies and procedures
 - c. Finance and procurement rules
 3. Undertake the functions currently delegated under existing shared service arrangements for GO Shared Services and ICT Shared Services
 4. Providing strategic direction and oversee performance, development and continued operation of the 2020 Partnership Venture Services on behalf of the Councils and in accordance with the standards and specifications set out by those Councils.
- 9.2** The reasons for the proposed functions of the joint committee are:

- 9.2.1** The monitoring and governance arrangements for GOSS and ICT are currently undertaken through informal Joint Monitoring and Liaison Groups. Whilst these groups have been successful for individual shared services the joint committee brings together, in one place, monitoring and governance. The joint committee also requires a more clearly accountable and efficient governance arrangement which will be important as and when the partner councils delegate more services to it.
- 9.2.2** The partner councils' financial rules and policies are already largely the same but with some minor local differences. Therefore it makes sense for the Council's to delegate these to the joint committee to reduce duplication.
- 9.2.3** HR policies and procedures have been standardised where practicable to do so. However, each council operates a different job evaluation and grading process and also has variations in benefit packages. The advantage of a consistent approach is a feeling of fairness amongst staff as well as the ability, as the partnership develops, to create a flexible organisation model. The delegation of these HR matters will have implications for the responsibilities delegated to the Appointments and Remuneration Committee. These and other such matters will require consequential changes to this Council's own Constitution following on from approval of the recommendations in this report.
- 9.2.4** Members will be aware that this Council has been investing in its ICT infrastructure in order to improve IT performance and to enable the alignment of technologies with the partner councils. There is already a high degree of commonality. As more services and staff are shared it will be important, where relevant, to develop common IT solutions which will lead to greater efficiency, increased purchasing power and financial savings.
- 9.3** The first services to be delegated to the joint committee will be GOSS and ICT. The joint committee will undertake the management of those functions, e.g. appointment of staff, agreeing the staffing establishment, determining pay and grading etc.
- 9.4** It is also important to remember that in addition to providing services to the partner councils GOSS and ICT also provide services to CBH, The Cheltenham Trust and Ubico. There are existing client officer groups in place which provide an opportunity for representatives from all customers to meet to discuss service delivery and performance and there is a commitment to ensure that such arrangements continue to be in place.
- 9.5** With regard to the specifics of the joint committee constitution, Members' attention is in particular drawn to the following:
- 9.5.1 Member Representation** - The proposal is that each partner authority will appoint two of its elected members as its representatives on the joint committee *"one of who will be a member of that partner authority's executive, and the other may be either a member of the partner authority's executive or Council"*.
- 9.5.2** The Leader will consult with the group leaders with regard to the appointments.
- 9.5.3 Scrutiny Arrangements** – The constitution provides for decisions made by the 2020 Vision Joint Committee to be subject to the scrutiny arrangements of each partner council and decisions will be subject to the call-in processes of the partner councils. The constitution also provides for circumstances where more than one partner Council calls in a decision.
- 9.5.4 Material Changes** - The constitution allows for a partner authority, where they consider a "material change to the service design or cost of the services to have occurred" to bring such a matter before their own council for approval. For example, were the joint committee to take a decision which would have a budgetary impact on this Council then the matter would require the express approval of the elected members of the Council before the decision could be implemented by the joint committee.

9.6 The constitution of the 2020 Vision is clearly an important document as it governs the extent of the joint committee's remit and decision making powers as decided by Members of this and the other partner councils. It is also the case that delegation of powers to a joint committee does not necessarily prevent this Council from choosing to exercise those powers independently (consequences to be addressed in the Inter-Authority Agreement). However, clearly such an action is unlikely to promote the success of the joint committee.

10. Retained Matters

10.1 The functions to be delegated to the joint committee were considered by CBC advisers from finance, HR and IT to determine whether, in their professional view, there were any matters which this Council should identify as retained matters. The overall view was that, if the ambition of the partnership is to be achieved, it would be beneficial as far as possible to limit the number of retained matters.

10.2 Having regard to the finance delegations the finance and procurement rules will be approved by the 2020 Vision Joint Committee rather than being approved by this Council.

10.3 In considering the ICT delegated functions the view was that no matters needed to be retained. However, as it was recognised that the ICT service has a number of external clients, it would be important that the service continued to be able to respond effectively to the specific requirements of those organisations.

10.4 On reviewing the HR delegated functions it was felt, at this time, that for this Council, a number of named posts to which this delegation relates should be excluded, namely; Head of Paid Service, Deputy Chief Executive, Director of Resources, Managing Director for Place and Economic Development, Director - Planning, Director – Environment, Director Cheltenham Development Taskforce, Section 151 Officer, Monitoring Officer.

10.5 The reason for this retained matter is that it was felt that this Council needed to have flexibility and autonomy of decision making with regard to its chief officers and statutory officer posts. This view may change in the future once the joint committee is established and if it were the case that more services have been transferred to the partnership venture.

10.6 The officer view with regard to the delegation of HR functions to the joint committee was also that in light of this Council's acknowledged good working relations with the trade unions and employee representatives, it would want to ensure that effective and meaningful engagement was an explicit condition within the Inter Authority Agreement between this Council and the joint committee.

10.7 As a further retained matter the Joint Committee will not have the ability to privatise or outsource to another provider any of the shared services entrusted to it by this Council.

11. 2020 Vision Joint Committee – Interim Management Arrangement

11.1 At its meeting on 21 August the MGB considered a report on the appointment of an Interim Partnership Managing Director (MD) who would be accountable to the 2020 Vision Joint Committee. This Council's view is that the role of the MD will be to work with the council heads of paid service and act as a single point of contact for the joint committee and the partnership venture.

11.2 The post was ring-fenced to the two existing Chief Executives who have been consulted and asked to submit an expression of interest. An expression of interest has been received from David Neudegg.

11.3 The Board confirmed the selection of David Neudegg as the candidate for the role of Partnership Managing Director (MD) and to recommend to their respective councils that their selected

candidate is appointed by the 2020 Vision Joint Committee, subject to the final job description being agreed, evaluated and it being acceptable to the selected candidate.

12. Administering Authority

- 12.1 As a joint committee is not a separate legal entity, there is a need to establish one or more authorities to undertake certain functions.
- 12.2 There is a need for an Administering Authority, ie, one of the partner Councils which agrees to take on the role of employing the staff required to service the joint committee. An accountable body also needs to be nominated and provide financial support to the joint committee, to enter into contracts required on behalf of the joint committee. The MGB has agreed the accountable body with be CDC.
- 12.3 In addition, the joint committee will require a monitoring officer, finance officer and administrative support. The MGB has agreed the following with regard to these functions;
- Monitoring Officer – Forest of Dean District Council
- S151 Finance Officer – Cotswold District Council
- Clerk to the Joint Committee – Forest of Dean District Council

13. 2020 Vision Commissioning Strategy

- 13.1 The Commissioning Strategy at **Appendix 5** builds on the recommendations of the Activist Report and an initial preliminary review of commissioning across the partner councils. The strategy has been approved by the MGB.
- 13.2 Recognising that it is a high level report it will need further development and refinement. The strategy does outline the operating principles for commissioning which include sharing commissioning activity as an aspiration and the partnership venture being one of a number of key providers from whom the councils may source service provision.
- 13.3 As new shared services are commissioned it will be important to work across the partnership and each project will need to challenge current assumptions, encourage innovation and identify solutions. The focus will not just be on cost efficiency, but also on the effectiveness of what is commissioned. It is this process of fundamental challenge that will unlock the greatest potential for change, improvement and better value for money.
- 13.4 As part of the commissioning process there will still be a requirement to undertake comparisons with how other authorities address the challenges and some benchmarking of the services will be necessary. This is to check that the service being provided through the partnership venture will offer the most effective solution, is high performing and of good quality.

14. Further Sharing of Services

- 14.1 A preliminary assessment of the readiness to share more services has resulted in a potential “blend” of 3 and 4-way sharing across the partnership. The list of services is attached at appendix 1 to the Commissioning Strategy.
- 14.2 The factors considered in arriving at this first phase of services were: whether it was felt sharing could deliver savings otherwise not achievable; whether sharing could help achieve better outcomes for customers; whether the service was common to all partners or a specialism; the resilience of the current service; whether the services provided distinct client/commissioning support; and the degree of dependency on local relationships and partnerships.

- 14.3** There are also a number of factors which have impacted the ability to share some services at this time:
- Forest of Dean already has a partnership with Gloucester City Council and Civica for their revenues and benefits function.
 - This Council has decided not to take part in the 3-way 2020 Vision public protection project;
 - Existing procurements were already underway, e.g. Forest of Dean has just awarded its leisure services to an outsourced provider
 - Some service level agreements have recently been renegotiated, e.g. this Council has an existing service level agreement with One Legal which also provides the monitoring officer.
- 14.4** This preliminary assessment identified the following new shared services for this Council as:
- Customer services
 - Revenues and benefits including Council Tax
 - Property Services
- 14.5** In addition to the above, Members will be aware that the building control service, which is shared with Tewkesbury Borough Council, is embarking on a project to look to develop a 5-way shared service.
- 14.6** In addition, as the MGB has requested a further report and business case on the potential for a local authority company for 2020 Vision the proposal is that staff in existing roles would stay with their current employer at this time.
- 15. Drivers for Sharing**
- 15.1** The key drivers for sharing these new services are about improving services by sharing best practice and knowledge; investment in business systems which support the delivery of services to customers; further investment in core ICT infrastructure; reducing cost; improving efficiency and increasing service resilience.
- 15.2** The revenues and benefits, and customer services teams have exhausted savings through restructures and no more savings can be driven out locally without impacting on service levels. Staffing structures are at minimal levels making it more difficult to respond to new initiatives, e.g. Business Improvement Districts and Universal Credit preparation.
- 15.3** Sharing these services provides an opportunity to jointly develop a 'Customer Access Strategy' and to improve customer services by accessing funding for investment in technologies which support service delivery and delivering a step change in the delivery of digital access channels.
- 15.4** The property services team is a small service and therefore it too cannot drive out savings as a single service unit without impacting on the team and the delivery of many key council projects including the Cemetery and Crematorium and accommodation strategy. Following the CIPFA Health Check strategic capacity will be important if this Council is to deliver on the potential expansion of its investment portfolio to support future Council finances. The best chance of delivering this is through sharing the cost of strategic property expertise and resource.
- 15.5** Following the investment in this Council's core ICT infrastructure, there is now the need for further investment in new technology to modernise the delivery of front facing services, for example, telephony, switchboard, customer relationship management type system (CRM), and business applications. Ubico requires the development of an ICT strategy and investment to support operational activities given its recent expansion and future growth.
- 15.6** The increasing and differing needs of multiple ICT clients i.e. Councils, CBH and the Cheltenham

Trust require a remodelling of the ICT environment and 'offer' to provide a more flexible approach which meets these differing needs. Sharing will facilitate this and allow for further integration, rationalisation and modernisation of the core ICT infrastructure. This will include more robust Disaster Recovery arrangements and rollout of software to support shared working e.g. SharePoint thereby improving services, increasing resilience at the same time as reducing overhead costs.

- 15.7** Funding of £1.5M is available through the partnership to support the necessary step changes in technology, funding for which would otherwise need to be found from this Council's limited budgets.

16. 2020 Vision Business Case

- 16.1** In December 2014 it was reported that the 2020 Vision Business Case estimated the total programme cost at £7.845M with savings over 10 years estimated to be £5.175Mpa. Based on the S151 officers estimation of savings for this Council, at that time, by year 10 these were expected to be £1.32Mpa with 83% of that saving being delivered by year 5. The programme costs would be funded from £3.8M transformation challenge award with the balance of £4.945M being funded from the partner councils. This Council's contribution to the programme was £1.095M which was approved by Council as part of the 2015-16 budget process.
- 16.2** The estimated savings figure of £1.32Mpa captured all of the savings from transformational changes within this Council's MTFS not just those limited to 2020 Vision. Members should be aware that the savings from REST of £155.6K are included within this Council's MTFS but are not now included in the 2020 Vision savings.
- 16.3** It was not possible to give members any greater confidence in the estimated level of savings from 2020 Vision until there was greater clarity on which services were to be shared. Members will also recall that the original total savings figure was based on the vision of all services being shared through a local authority company, which is not the current proposal. However, there is now greater clarity on how 2020 Vision could develop, assuming that the recommendations in this report are carried, which make it possible to put forward a more robust business case.
- 16.4 High Level Financial Appraisal**
- 16.4.1** The business case follows the Treasury Green Book format as this was a requirement of securing grant funding and it has been important not to stray from that format.
- 16.4.2** The financial business case has been validated by external experts, the Chartered Institute of Public Finance and Accountancy (CIPFA), and has been assessed as both prudent and deliverable. Based on updated financial projections, annual partnership revenue savings are estimated as being £5.7Mpa (based on forming a local authority company). Gross programme costs are estimated at £10.14M with a payback of 4 years (with grant funding) and 6 years (without grant funding). The 2020 Vision Summary of Savings table (p13 of the business case) shows savings categorised as those to be delivered from sharing services and those that are classified as other savings. This Council's total 2020 Vision net savings figure is shown as £1.252M by 2019/20, i.e. 5 years' time.
- 16.4.3** At this point it is estimated that the creation of a local authority company could generate a further £709K savings (net) across the partnership, though a further detailed business case will be worked up and presented in 2016.

16.5 Savings Achievable and their Impact on the MTFS

- 16.5.1** 2020 Vision Business Case **Appendix 3** shows a total 2020 Vision net savings figure of £1.252M and shows the high level phasing of the savings for the partner councils. A detailed breakdown of the total savings per council is shown at **Appendix 4**, with associated phasing.

- 16.5.2** It should be noted that the shared service savings are based on reductions in current 2015/16 staff budgets ranging from 5-20%. The percentage reductions used are indicative of likely efficiency savings using available intelligence.
- 16.5.3** In general, savings have been allocated according to the 2015/16 baseline funding position for each partner council that is part of a shared service. The costs of the new structure for Trusted Advisors has been compared to each council's baseline funding position and savings calculated accordingly.
- 16.5.4** As can be seen from the business case, based on the assumptions in this report, the anticipated savings for this Council arising directly and specifically from 2020 Vision are £581K. Further savings of £227K could potentially be achieved through the establishment of a company model. Although these savings would not entirely close the funding gap in the MTFs on their own, they would make a very major contribution towards doing so.
- 16.5.5** Again, it should be stressed that the savings figures are not speculative figures arrived at by the partner councils but are based on our experience of what has actually been achieved by sharing services and have been validated by CIPFA.

17. Future Potential Savings

- 17.1** For all services, the initial savings are derived primarily from a reduction in staff costs either from reduced managing costs or shared staff savings.
- 17.2 Customer services:** By accessing TCA funding to invest in shared technologies e.g. switchboard and telephony, Customer Relationship Management Systems and replacement business systems e.g. garden waste and 'in cab' technologies which support the operational interface with Ubico, there is an opportunity to share the ongoing software costs. Shared development and funding of a shared 'Customer Access Strategy' including the creation of a 'my account' type interface for residents could facilitate channel shift reducing 'face to face' interactions and help reduce costs.
- 17.3 Revenues and Benefits:** Undertaking shared procurement for peripheral services e.g. the bailiff contract could deliver procurement efficiencies and savings resulting in increased buying power. By standardising and centralising some key processes e.g. document scanning and management, additional efficiencies and savings may flow. Longer term, by accessing TCA funding to invest in a replacement of the revenues and benefits business system to serve all partners, there is the opportunity to share the ongoing software costs and technical support staff costs.
- 17.4 Property:** Sharing the cost of specialist knowledge and advice to drive forward the council's aspiration to increase its property investment portfolio could also deliver savings and increase investment income. Longer term, using TCA funding to invest in the development of Uniform collectively using dedicated ICT business partnering resource to work with the supplier to support all 4 councils in the delivery of the service, could reduce some of the administration inefficiencies with the current systems and allow an opportunity to share the ongoing software costs.
- 17.5 ICT:** Initial savings are likely to arise from further sharing of management and staffing across 4 rather than 2 partners. Further integration and alignment of core ICT infrastructure i.e. streamlined networks, shared switchboard and telephony, rationalisation of domain names and user access to calendars will deliver operational benefits and efficiencies reducing the down time for officers already working across a number of sites. Sharing the cost of specialist staff and advice which supports key business processes required to provide the councils with a robust and Cabinet office accredited ICT infrastructure e.g. Public Services Network (PSN) and Payment Card Industry (pci) submissions, could also deliver future savings. By sharing the cost of remodelling the network to support different client needs there will be benefits to the business area e.g. The Cheltenham Trust, by not having to undertake certain processes e.g. BPSS checks for PSN connectivity. Longer term, using TCA funding to reduce and align the number of business applications could deliver significant savings in software costs in much the same way as we realised through sharing

the Agresso software supporting licence across 4 councils used by GOSS.

17.6 One Legal: One Legal continues to make efficiency savings and deliver income which benefit the council. Where opportunities arise to streamline the demand for legal services as a result of sharing more service areas, such as the JCS, then these will be fully explored.

17.7 Commissioning: The Activist report briefly considered the potential design of commissioning within the partnership but recognised that the precise nature and scale of any commissioning function would depend on the sourcing option chosen by the partnership. The report also stated that a principle would be that whilst *“each partner authority will have access to directly managed commissioning support ...”* the partners also agreed that they *“are committed to sharing their commissioning support wherever possible”*. There is the potential therefore for savings from shared client arrangements, e.g. GOSS and ICT, joining up each partner authority contracts, shared management of contracts with commercial providers etc.

18. Pensions (LGPS)

18.1 Specialist advisors (AON Hewitt) were commissioned to provide actuarial advice to support the development of the business case for further joined up working with the aim of delivering potential savings in pension fund contributions for the four partner councils.

18.2 Based on their assumptions, percentage of pay contributions to the LGPS for each of the partner councils is expected to increase over time as the pensionable payroll increases with salary increases. Total annual contributions are projected to double in 20 years' time in cash terms. This analysis demonstrates that the LGPS is financially unsustainable for the council.

18.3 While a reducing workforce reduces cash flow in the short term it also reduces the future liabilities and these make up the majority of the cost of pension funding. The past service deficit still needs to be funded (as do the remaining future liabilities) therefore there needs to be sufficient levels of contributions from both employers and employees as well as an appropriate investment strategy to achieve the objective of the pension fund.

18.4 Whilst there are undoubtedly cashable benefits in future years from reverting active pension fund members to stakeholder schemes, these benefits will not be realised until the fund has been stabilised and returned to a positive cash-flow. Once this position is reached, the fund will be in a position to invest surplus cash rather than having to sell assets to fund its current pension liabilities. This Council is currently on track to achieve a positive cash-flow by 2019 although it should consider making additional payments to the Fund if possible.

18.5 In sharing more services, the council will maintain the current strategy of increasing the lump sum contributions into the pension fund to ensure that the pension fund deficit continues to be tackled and does not get worse.

19. Gateway Reviews and Quality Assurance

19.1 In line with Prince 2 MSP (Managing Successful Projects) the programme has conducted a series of gateway reviews to confirm the soundness of the recommendations being made to the partner councils. At its meeting on 21 August the MGB was advised that all the gateway reviews had been concluded successfully.

19.2 CIPFA carried out a quality assurance review together with Proving Services which looked at both the robustness of the financial business case and also the deliverability of the programme. They concluded that a valuable but relatively low set of financial savings can confidently be realised from this phase of the programme. They also believed there to be more substantial savings from a deeper collaboration.

- 19.3** Whilst CIPFA assessed the overall achievability of this phase of the programme as moderate to high, risks were identified as a result of this Council's concerns with regard to the proposed role, responsibilities and extent of remit of the Partnership Managing Director, and the differences between vision, culture and operating model (commissioning) of this Council and its partners.
- 19.4** CBC also conducted its own quality assurance process through an "informal" CBC gateway review which was attended by the Leader, Cabinet Member for Corporate Services and Cabinet Member for Finance and Property. The review acknowledged the comments made by CIPFA with regard to the robustness of the financial savings estimates. The proposed governance arrangement of a new joint committee was felt appropriate at this point, to move the programme forward and to provide a basis for further sharing of services. The group also felt that the consideration of a business case for a local authority company was an important consideration in 2016.
- 19.5** The risk about the level of ambition of the programme and alignment on vision was acknowledged by the group and it was felt important that this was addressed by the MGB as a matter of priority. The risk relating to differences in opinion about the draft job description of the Partnership MD had led the Leader to require revisions to the draft job description to give clarity and to align with the proposed joint committee delegated functions. The differences in organisational culture and operating model would need to be addressed by the programme team to build and embed a collaborative approach, as recommended by CIPFA, recognising that each Council has its own culture, values and ways of working.
- 19.6** Taking account of the above risks, the informal gateway review endorsed the direction of travel to engage in 2020 Vision and the joint committee arrangements as outlined in this report.

20. Reasons for Recommendations

- 20.1** As outlined in this report.

21. Alternative Options Considered

- 21.1** Cabinet in December, mindful of the fact that 2020 Vision is a significant strategic decision for this Council, requested further consideration to be given to alternative options and this was done.
- 21.2 Tax increases** - The Council could reduce the projected MTFs funding gap of £1M by increasing council tax above 2.0%. Council Tax increases of 5% would only generate an additional c£225Kpa and this option is likely to be unpopular in the current economic climate. In any case the electorate now have the right under the Localism Act to call a referendum if the proposed Council Tax increase is higher than the level considered reasonable by the Government.
- 21.3 Cuts in services** – Other alternatives would include cuts in services and increases in fees and charges, but these would need to be very drastic and radical to achieve the same level of savings as are achievable from 2020 Vision. The option of cutting discretionary services does always remain an option for the Council. However, discretionary services are what help to make Cheltenham the place that it is and underpin its economic prosperity and vibrancy as a place for residents and visitors alike.
- 21.4 Unitary authority** - the unitary debate is now being taken over by the devolution debate. Even if the unitary option were a viable option to pursue there would be significant issues to overcome, including a protracted timescale before reorganisation could be carried out and savings delivered. Whilst the partner councils in 2020 Vision are a mix of urban and rural authorities they are all district councils and thereby have a common purpose in working at a local level to provide local services to address the needs and priorities of the communities they serve.
- 21.5 Sharing with a different group of councils** - Sharing with the County Council was considered as a potential option when GOSS was created. Members will be aware that the County Council

and Gloucester City Council are now more closely linked through their senior management structure. In terms of the services that this Council is looking to share with its partner councils, it has built a track record of sharing services through GOSS and ICT, and as confidence has grown the sharing has deepened through the sharing of statutory officer roles.

- 21.6 Sharing with contiguous councils** - Despite not having natural geographical boundaries with all our partner councils in 2020 Vision, the willingness to work together and share best practice has been an important foundation of the partnership to date. An alternative solution may be to look at authorities who share the Council's natural geographical boundaries. This Council is being successful in its joint working with its JCS partners. However, this success does not transfer to the greater sharing of council services. Whilst sharing legal and building control services with Tewkesbury Borough Council has been successful, this initial sharing has not progressed any further. To date, periodic, informal approaches from/to other Gloucestershire districts have not proved fruitful, though the existence of an established and successful partnership venture may cause the position to change in the future.
- 21.7 Outsourcing** - Outsourcing always remains an option when commissioning services. However, the Council's approach has been one of creating its own commissioned arrangements, either through shared services, local authority company and most recently charitable body. The joint committee approach for 2020 Vision is a natural extension of the shared service approach. A key benefit of shared services is that where surpluses are achieved they can revert back to the partner councils for the benefit of taxpayers rather than being distributed to private company shareholders.
- 21.8** In conclusion, the Council has managed to navigate the recent period of austerity by taking difficult decisions about how services are delivered and as a consequence has managed to protect the services that Members believe are important to Cheltenham and its residents. 2020 Vision is a logical next step in that process. In a climate of uncertainty, particularly about the level of Government funding, the Council needs to plan now to ensure its strong financial position continues through the period covered by the MTFs and beyond. 2020 Vision provides a credible plan to do this based on a track record of savings being delivered with the 2020 Vision partner Councils.

22. Consultation and feedback

- 22.1** The 2020 programme has conducted a series of engagement sessions with staff throughout the period since last December. A number of employee sessions have taken place at all the partner Councils with presentations from the Lead Commissioner and the Managing Director. Most recently members of all the partner cabinets attended an event to give them an opportunity to meet one another and raise any questions and concerns they may have with regard to the programme.
- 22.2** A member seminar was held on 14 September ahead of this report being considered by Overview and Scrutiny on the 21 September when four options were presented for consideration; (1) full sign-up to the governance model and shared services as set out in this paper; (2) sign-up to the shared services but not the governance model; (3) an option where this Council would not immediately delegate powers to the proposed joint committee but would seek observer status initially and have an option to become a founder member of the Teckal company when and if formed; finally (4) an option which would involve rejecting any additional involvement in either the joint committee or the extended shared services.

After a very full discussion and debate the Overview and Scrutiny meeting unanimously decided to recommend to Cabinet and full Council a full sign-up to governance model and shared services as in option (1) above. A more detailed report of the deliberations and conclusions of the meeting will be circulated prior to the Cabinet meeting on 13 October 2015.

- 22.3** Approximately 30 engagement champions have volunteered from across the partnership to assist

the programme with consultation with staff.

22.4 Trade Union and employee representatives have been kept informed of progress through the monthly Joint Liaison Forum which is chaired by the Deputy Chief Executive. Employee representatives have also met with the Head of HR who is a member of the 2020 programme team. The Council’s Joint Consultative Committee has also received updates at their meetings.

22.5 Partner organisations such as The Cheltenham Trust, Ubico and CBH have also been kept updated of progress with 2020 Vision and have met with the interim MD to enable him to understand their organisational requirements

23. Equality Impact Assessment

23.1 An equality impact assessment is being undertaken and the public consultation closed on 15 September. At the point of writing this report there have been 10 responses; 4 in favour, 2 neutral and 4 with concerns. Once the consultation has closed a report will be produced and the programme team will consider action necessary. The outcome of the consultation will be available to members of Overview and Scrutiny.

24. Performance management – monitoring and review

24.1 The programme is managed through a Member Governance Board of leaders and cabinet members of each of the partner councils. Should members agree to the creation of a 2020 Vision Joint Committee the MGB will cease to exist upon its creation.

24.2 The terms of reference for the joint committee provide within its functions for it to monitor and manage the performance of the partnership venture. The informal commissioning group shown in the organisational structure diagram provides a place for the heads of paid service and the MD to come together to monitor the performance of the partnership venture.

24.3 GOSS and ICT shared services will transfer to the 2020 Vision Joint Committee which will then take on the role of the existing Joint Monitoring and Liaison Groups and will monitor the performance and development of the services.

24.4 The Council’s scrutiny arrangements will apply to decisions taken by the 2020 Vision Joint Committee and there is a provision for voluntary joint scrutiny should more than one partner council call in a decision.

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Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Shared Services Partnership Structure 3. 2020 Vision Business Case 4. 2020 Vision Business Case – Analysis of Savings 5. Commissioning Strategy 6. 2020 Vision Joint Committee Constitution

Background information	<ol style="list-style-type: none">1. Member Governance Board Council Report Recommendations – 21 August 20152. CBC Informal Gateway Reviews 18/8 & 24/83. Equality Impact Assessment
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The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
1	If the partners do not reach agreement on 2020 Vision then it will lead to the programme not being delivered and the ability to deliver savings to support the MTFS not being achieved	Chief Executive	Aug 2014	5	4	20	Reduce	<p>Member Governance Board alignment on the extent and appetite for more deeper shared working as well as the desired rate of progress</p> <p>Leaders agree and align on the role and remit extent of the Partnership MD to align with the delegated functions of the joint committee</p> <p>Whilst developing the new partnership venture culture, the programme needs be able to work collaboratively, and to recognise that each Council has its own culture, values and ways of working which need to be recognised if the needs of the partner councils are to be met</p>	<p>Oct 2015</p> <p>Oct 2015</p> <p>Ongoing</p>	Chief Executive	

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
2	If Member concerns relating to the project are not addressed adequately then it will lead to the programme not being supported	Chief Executive	Aug 2015	5	4	20	Reduce	Member Governance Board alignment Continue member engagement via seminars, O&S review, member briefings	Ongoing	Chief Executive	
3	If the savings are not delivered in line with the business case then alternative savings options to support delivery of the MTFs funding gap will need to be identified.	S151 Officer	Aug 2015	5	3	15	Reduce	New commissioning projects will be required to bring forward business cases which deliver the expected level of savings	April 2016	S151 Officer	
4	If the newly commissioned shared services do not meet the outcomes for CBC then this will lead to dis-satisfaction with future service provision under the joint committee	Chief Executive	Aug 2016	4	3	12	Reduce	CBC officers directly involved in the various commissioning projects Commissioning strategy allows each council to follow to approach commissioning in their preferred way CBC commissioning toolkit will be followed	April 2016	Designated Head of Paid Service	

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
5	If employee support for the programme and resistance to the changes proposed arise then it may lead to the programme being delayed	Designated Head of Paid Service	Aug 2016	3	3	9	Reduce	Regular staff engagement sessions taking place across the partnership Staff made aware of reports ahead of release to the public CBC Joint Liaison Forum and Joint Consultative Committee reps updated on a regular basis	Ongoing	Designated Head of Paid Service	
6	If pension savings cannot be delivered due to LGPS regulations or other legislative matters then the savings target will not be met.	S151 Officer	Aug 2016	3	3	9	Reduce	Pension advisers will advise the programme with regard to local authority company business case	Autumn 2016	S151 Officer	
7	If there is a lack of effective engagement with trade unions then it could lead to project delays	Designated Head of Paid Service	Aug 2015	3	3	9	Reduce	Employee representatives meetings with 2020 Programme HR lead Deputy CX updates at Joint Liaison Forum Joint Consultative Committee updated	Ongoing	Designated Head of Paid Service	

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
8	If the devolution agenda is progressed then it could divert resources and focus away from the programme	Chief Executive	Aug 2015	3	3	9	Reduce	Action depends on the outcome of the proposal to government. Resourcing implications to be kept under review	Ongoing	Chief Executive	
9	If the cost of the programme exceeds the allocated programme budget then it may require additional funding.	S151 Officer	Aug 2015	2	3	6	Reduce	Programme costs will be actively monitored and challenged by MGB and JC to identify mitigating actions to address	Ongoing	Chief Executive	

Explanatory notes

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

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

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

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Proposed Partnership Structure

Description

In this model the Partnership is under the leadership of a Partnership Venture Commissioning Group led by the Partnership Managing Director. This Group is accountable to the four Councils and the Joint Committee to ensure that the overall aims and objectives of the 2020 Partnership are achieved. It is responsible and accountable for all functions that are delegated to the Joint Committee and for ensuring that the appropriate skills and resources are available to each Council to enable them to carry out their individual functions and activities in an economic and effective way.

Each Council will appoint a Lead Director to act as Head of Paid Service who will be responsible for each council's staff, retained non- shared services (including non-shared commissioning functions) and all functions not delegated to the Joint Committee. Additionally, Lead Directors can act as the Lead Commissioner on behalf of all councils for one or more shared service.

The Partnership Managing Director and Council lead directors will form the senior management group for the Partnership. This group will:

- Act as co-coordinating group to ensure efficient and successful strategic and operational management across the Partnership for the successful delivery of the 2020 vision
- Advise the Joint Committee on effective delivery of shared services and on the key strategic core policies such as Finance, ICT, and HR.
- Ensure collaboration and co-operation between partnership shared services to maximise efficiency and effectiveness that meet the individual needs of each Council
- Ensure that service delivery is supported by a performance management system that monitors success, maximises resources, uses best practice, new technology and innovation.
- Provide collective leadership and direction to the staff and promotes a customer focused and performance driven culture which supports the strategies of each council.
- Ensure that Councillors have sufficient expert advice and support to be able to formulate and determine policy in a way consistent with the effective, financially prudent and legal operation of each council
- For each shared service The Partnership Venture Commissioning Group will assign a lead Commissioner to chair a Client Officer Group with appropriate representations from each Council to ensure that the shared service is meeting the standards and needs of all of the councils

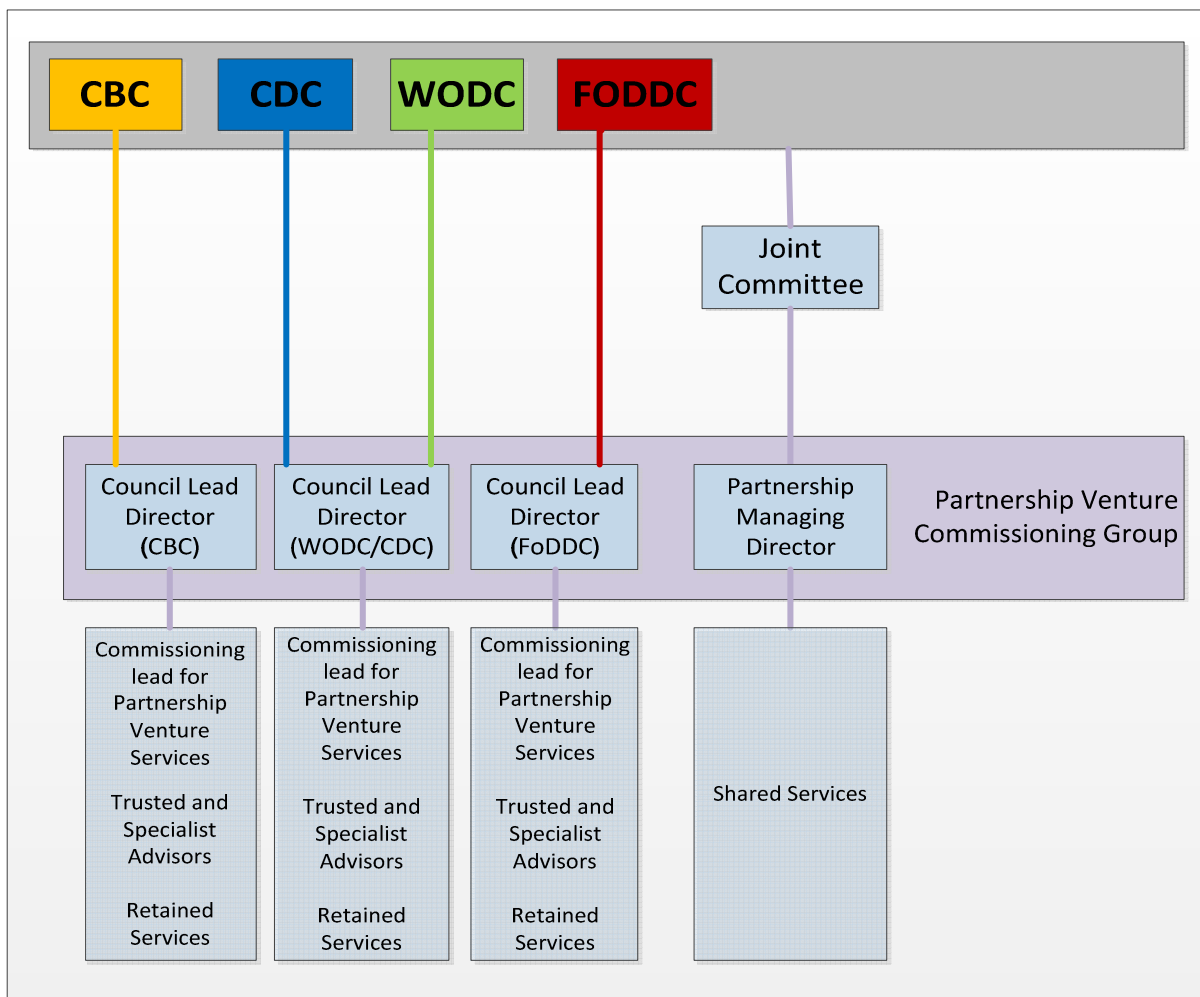
In the model, initial shared services are managed by a series of Service Managers each with their own defined services areas. The business case is predicated on a long term potential of seven shared service heads with five being established by April 2016. Some of the services to be shared are already known such as GO Shared Services, ICT and Public Protection (WODC CDC and FODDC) and others are still to be determined based around the nine services identified for sharing within this

report. This may mean further changes to existing services or the creation of new groupings. The detailed proposals will be agreed by the Joint Committee following appropriate consultation and discussion with those affected.

In line with the preferred “evolutionary” approach it would not be wise or practicable to establish all shared services immediately and consequently the business case assumes future potential shared services around Commissioning and Planning.

Each Council will be able to determine whether to transfer any, some or all of the functions when the shared services are established. Further detailed discussions with individual Councils will be required to determine the exact nature and scope of functions to be included. Each Council will make its decisions on what services, if any, it wishes to retain in the light of the business cases produced.

2020 Vision Partnership – proposed operating model April 2016



2020 Vision for Joint Working: *Business case*

Version 1.3, 21st August 2015



Version history

Version	Date issued	Summary of change	Version owner
0.3a	21 st July 2015	First draft released to programme team for review	Jon Hyde
1.0	3 rd August 2015	Incorporates feedback from the programme team	Jon Hyde
1.1	4 th August 2015	Feedback from CFOs	Jon Hyde
1.2	17 th August 2015	Feedback from programme team	Jon Hyde
1.3	21 st August 2015	Feedback from CFO gate review	Jon Hyde

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1 Executive summary

Local government is undergoing rapid transformation in order to respond to the challenges associated with reduced government grants and growing pension costs. With 2015 Spending Review cuts potentially ranging from 25-40%, and annual pension contributions projected to double over the next two decades, there is a *'burning bridge'* case for the delivery of further savings, increased efficiencies and revenues.

This business case sets out a collaborative and innovative response by four councils – Cheltenham Borough Council (CBC), Cotswold District Council (CDC), Forest of Dean District Council (FODDC), and West Oxfordshire District Council (WODC). Their proposal delivers a financially sustainable platform for the medium to long term delivery of local services (£10.1m investment delivers **£5.7m annual revenue savings**), and provides the foundation for improved customer service.

Their approach has been validated by external experts, is based on a proven track record of similar business change successes, and is mindful of key member requirements:

- Respects each Council's separate identity
- Ensures decision making will remain locally accountable
- Strengthens ability to exercise community leadership on behalf of localities
- Retains strong local knowledge in frontline services
- Ensures each authority has impartial commissioning and client side advice from people they trust

2 Strategic case

2.1 Organisational overview

The **strategic priorities** set out in each authority's corporate plan are set out below:

Table 1: Partners' strategic priorities

Authority	Priorities
Cheltenham	<ul style="list-style-type: none"> • Enhancing and protecting our environment • Strengthening our economy • Strengthening our communities • Enhancing the provision of arts and culture • Delivering value for money services
Cotswold	<ul style="list-style-type: none"> • Freeze Council Tax until 2016 whilst protecting front line services that matter to our residents • Maintain and protect our environment as one of the best places to live, work and visit • Work with local communities to help them help themselves
Forest of Dean	<ul style="list-style-type: none"> • Provide value for money services • Promote thriving communities • Encourage a thriving economy • Protect and improve our environment
West Oxfordshire	<ul style="list-style-type: none"> • Protect and enhance the environment of West Oxfordshire and maintain the district as a clean, beautiful place with low levels of crime and nuisance • Work in partnership to sustain vibrant, healthy and economically prosperous towns and villages with full employment • Be recognised as a leading council that provides efficient, value for money services

The priorities demonstrate many similarities, including:

- The importance of value for money and efficiency;
- A commitment to the environment;
- Working with and supporting their communities.

There are some significant differences in emphasis and policies that are likely to be a reflection of differences in political control, but also in the nature of the locality. They also have differences in their size, population and prosperity. However, while there are differences between the authorities and the areas they serve, these are greatly outweighed by the similarities.

The four authorities share a focus on efficiency and on achieving value for money for council tax payers. This concern for efficiency goes hand-in-hand with the partner authorities' shared vision of a council having a wider responsibility for what is often characterised as '*place-shaping*'. The authorities play a community leadership role - looking after the long-term environmental, social and economic needs of their localities, their citizens and businesses - and must act as champions of their communities on behalf of their citizens.

A key shared challenge is in addressing the year-on-year reductions in central government grant to local authorities. Each of the councils' medium term financial strategies have significant savings requirements - even before any further reductions in funds for local government that are expected following the 2015 Spending Review. Additionally, all four councils face a longer-term challenge - how to deal with the increasing costs of funding the employers' contributions to the Local Government Pension Scheme.

The authorities have made it clear that they would prefer not to make reductions in service levels, or cut non-statutory services if at all possible.

2.2 Summary of drivers for 2020 Vision

- **Financial:** the need to respond to long-term financial pressures on the four Councils.
- **Efficiency:** the need to continue to find ways of delivering value for money (even if the Councils were not facing the current financial pressures).
- **Resilience:** each authority needs a wider pool of expertise and greater capacity to respond to events.
- **Impact:** more depth in strategic capacity is needed to support the drive towards service improvement and wider social and economic benefits in each locality.
- **Democracy:** each authority needs to have sufficient resources to be able to exercise choice and community leadership so that it can champion local needs and priorities.

2.3 Investment objectives and benefits

The investment objectives and benefits for the programme are as follows:

Table 2: Investment objectives and benefits

Investment objectives	Benefits
Savings	<ul style="list-style-type: none"> • Delivers realistic and sustainable revenue savings. • Provides a positive return on investment in the medium term. <ul style="list-style-type: none"> ○ Cheltenham Borough Council savings to council tax payers of £1.2m ○ Cotswold District Council savings to council tax payers of £1.7m ○ Forest of Dean District Council savings to council tax payers of £1.3m ○ West Oxfordshire District Council savings to council tax payers of £1.5m ○ <i>Total estimated financial savings of £5.7m</i> • Enables further savings to be delivered through partnership and better asset management. • Enables opportunities for income generation.
Influence	<ul style="list-style-type: none"> • Respects each Council's separate identity as individual authorities. • Ensures decision making will remain locally accountable. • Strengthens ability to exercise community leadership on behalf of localities. • Retains strong local knowledge in frontline services. • Each authority has impartial commissioning and client side advice from people they trust.
Quality	<ul style="list-style-type: none"> • Enhances and maintains good quality services to the public. • Allows Councils to nurture partnerships and take advantage of new ones. • Creates organisations which are flexible and adaptable to future changes. • Has governance and structures that are streamlined and easy to understand. • Is widely acknowledged to be socially responsible.
Creativity	<ul style="list-style-type: none"> • Empowers staff to be creative, collaborative and enquiring. • Supports commitment to a public service that responds to and empowers local communities. • Fosters and rewards an innovative, can-do approach to delivering services.

2.4 Existing arrangements

The 2020 partners have long experience of working together, including:

- GO Shared Services in which the four partners share Finance, HR and procurement services, enabled by integrated ERP software.

- Cotswold and West Oxfordshire's shared management structures and teams.
- Ubico, the environmental services company jointly owned by Cheltenham, Cotswold, Forest of Dean, West Oxfordshire, and Tewkesbury.
- Audit Cotswolds, which provides audit services to Cheltenham, Cotswold and West Oxfordshire (among others).
- The shared IT services for Forest of Dean and Cheltenham, and Cotswold and West Oxfordshire.

The partners also have a number of shared service partnerships with other authorities outside the 2020 partners, e.g. Forest of Dean's participation in South West Audit Partnership, and their Revenues and Benefits partnership with Gloucester City Council and Civica; Cheltenham's participation in One Legal with Tewkesbury Borough Council and Gloucester City Council; and the three Gloucestershire partners' participation in the Gloucestershire Joint Waste Partnership with the county and other district councils.

However, there are many services which continue to be provided individually on behalf of each partner council. By joining up these services, the Councils would be able to realise efficiency gains as well as improving capacity and resilience.

2.5 Business needs

Despite all of the savings generated by sharing services to date, the partner councils continue to share a challenge in adapting to the year-on-year reductions in central government grant to local authorities. The savings targets for the period 2015/16 to 2018/19 as per each Council's Medium Term Financial Strategy are set out in the table below, together with each Council's plans to deliver the savings.

Table 3: Partnership savings targets

	CBC (£000)	CDC (£000)	FODDC (£000)	WODC (£000)
Total Annual Savings Target	3,727	1,644	2,112	1,110
2020 Vision Savings included within published MTFs [#]	394	1,055	1,143	1,110
Other Identified Savings	1,791	589	941	0
Shortfall (Surplus)	1,542	0	28	0

[#] The Strategic Outline Case indicated that the financial benefits from the 2020 Vision over a ten year basis amounted to £1.3m per annum per council. Cheltenham Borough Council have not incorporated the full value of the potential savings within the MTFs.

All four councils face a longer-term challenge - how to deal with the increasing costs of funding the employers' contributions to the Local Government Pension Scheme (LGPS). Even though the scheme has recently been renegotiated to make it more sustainable, it is a growing burden.

The formation of a Teckal Company would enable the Councils to mitigate against this increasing cost burden by introducing a stakeholder pension scheme for new employees, however, further

works needs to be carried out in order to understand more fully the implications of establishing a Teckal company on the LGPS costs. In addition, certain changes to the LGPS Regulations would help to avoid increased cost of the LGPS as a direct result of the move to a Teckal company. The 2020 programme is working with the two pensions authorities (Gloucestershire County Council and Oxfordshire County Council), and nationally with the Department of Communities and Local Government on these issues. The outcome of this work will be incorporated within the business case for the creation of a Teckal company, which is due to be completed in the summer of 2016.

2.6 Potential business scope and key service requirements

Given the financial challenges faced, there are three principal options open to each authority to make the savings needed:

- Achieving **economies of scale**: through sharing services and management across the partnership; and additionally considering running the shared services through a Teckal company.
- **Re-designing the service**: finding new ways of delivering a service; making more use of technology; streamlining processes; or redesigning jobs.
- **Re-defining the service**: this could include making reductions in service levels; cutting non-statutory services; or transferring responsibilities to citizens and communities.

The authorities have made it clear that they would prefer not to make reductions in service levels or cut non-statutory services if at all possible. Making savings through encouraging greater customer self-reliance is an objective for a number of councils, but this can involve a lengthy process of transition and can result in failure where a council withdraws too quickly before the local community has the capacity to take on a greater share of responsibility.

Service redesign can take many forms: Job enlargement, i.e. asking managers and staff to multi-task has already been pursued in each authority, but this has its limits. Asking managers and staff to take on broader spans of control is likely to produce savings but is also likely to dilute the expertise needed for complex, technical issues. Technology driven change has an investment cost which may be prohibitive if carried out by a single authority. Fundamentally, any worthwhile service redesign is likely to generate even greater returns if shared.

In the past, the starting point for councils to achieve economies of scale was to centralise back office functions, and indeed most support services have been centralised and shared, e.g. through GO and shared IT, legal and audit partnerships. Few economies are likely to flow from sharing closely with a county council as they do not have services in common apart from support services and since most county councils' support services rely on sophisticated (and more expensive) enterprise resource planning (ERP) software (i.e. finance, HR and procurement) the cost of changing from GO's Unit 4 software is likely to be unaffordable. Sharing with a different group of district councils will also prove challenging due to these conversion costs.

Set against these constraints, each authority will need to decide whether there are alternatives to 2020 Vision that could provide savings on the scale required. The 2020 Vision is anticipated to make a major contribution to each Council's Medium Term Financial Strategies - see *Table 3: Partnership savings targets*.

2.7 Main risks

See Appendix A

2.8 Constraints

The project is subject to the following constraints:

- Political decision making;
- Statutory legislative change;
- Pensions, amendments would be required to the LGPS Pension Regulations to enable the Councils to fully benefit from pension savings available through the Teckal or Trading Company options.

2.9 Dependencies

The project is subject to the following dependencies that will be carefully monitored and managed throughout the lifespan of the scheme.

- That the partner councils approve the recommendations in September/October
- That the Councils are able to recruit/second officers to manage the implementation of the various projects underpinning the programme. Funding for backfilling has been provided for within the business case.

3 Economic case

3.1 Introduction

This section of the Business Case documents the wide range of options that have been considered in response to the potential scope identified within the strategic case.

3.2 Critical success factors

The critical success factors (CSFs) shown within the Strategic Outline Case (SOC) were as follows:

- a) The commitment of all partner councils to the programme;
- b) The successful implementation of the ICT systems to support the efficiency gains envisaged in this business case;
- c) The successful realisation of the benefits of shared working to a level envisaged in the vision of the programme.

These have been re-visited in the context of the Business Case and remain valid.

3.3 The long-listed options

There are numerous choices available for securing the sourcing model best able to meet the outcomes expected for 2020 Vision. Whereas in the past, the choice could be represented as a simple 'make or buy' decision, there is now a much greater variety of sourcing options in use by local authorities. Each model has particular strengths and weaknesses and the choice of model will depend on what the commissioner is trying to achieve.

Table 4: Sourcing options

Make	Buy	Share	Divest
<ul style="list-style-type: none"> • In-house transformation • Continuous improvement • Arms-length company 	<ul style="list-style-type: none"> • Outsourcing to the private sector • Outsource to the third sector • Private-sector joint venture 	<ul style="list-style-type: none"> • Shared services • Shared management • Public Sector joint ventures 	<ul style="list-style-type: none"> • Transfer to community management • Mutualisation • Devolve to parish • Closure

From the spectrum of sourcing options summarised in the table above, a long-list of options was identified in discussion with members and senior managers that are more likely to meet the needs of the partners, given the ambitions set out in 2020 Vision and the outcomes framework. Three of the main options above were easily eliminated:

- Large scale outsourcing for four authorities would be extremely time-consuming and expensive and would be unlikely to secure general support. The procurement process for services on this scale would also introduce a substantial delay and unacceptable risk to the delivery of savings;
- Transferring services to community management or devolving them to parishes would be too complex and impractical for the range of services under consideration;
- Cessation of services is precisely what 2020 Vision is designed to avoid.

The Long-list of Sourcing Options for 2020 Vision is set out in the table below:

Table 5: Long-list of options

Type	Potential Option
Make	As is (or suggested as ' <i>in-house transformation</i> ').
Buy	Private sector joint venture.
Share	Arms-length company (Teckal) jointly owned by partner authorities (i.e. a public sector joint venture). Jointly owned trading company. Shared services model (lead authority or joint committee).
Divest	Spin out to mutual or charitable trust.

An option appraisal to identify the sourcing options most likely to meet the outcomes framework has been carried out. Each of the long-listed models has been evaluated for its contribution to each of the outcomes using a simple rating of high, medium and low; no weightings have been applied.

Table 6: Options appraisal

	Outcomes					
Model	Savings	Influence	Quality	Creativity	Shortlist?	Key Issues
In-house transformation	L	H	M	L	No	Lacks scale economies
Private sector joint venture	L	M	L	M	No	Poor Return On Investment Long lead-in
Sharing	H	H	M	M	Yes	Tried and tested
Local authority company	H	H	M	M	Yes	Local experience
Spin-out to mutual or trust	L	M	M	M	No	Long lead-in Not at this stage

As a result of the shortlisting process, two broad strategic options were recommended for consideration on the shortlist:

- Traditional Sharing (s101 and s102)
- Teckal and Trading Companies.

3.4 Shortlisted options and preferred way forward

Traditional Sharing, Teckal and/or Trading Companies all have the merit of being able to deliver significant savings, but without the delays incurred through an expensive procurement exercise. They also have the merit of using partnership models that are tried, tested and trusted already among the partner authorities (e.g. GOSS, SWAP and Ubico).

Given the partners' interest in being able to expand the partnership and to trade, a Teckal company route is likely to provide the most effective and flexible approach. It would also open up the potential to employ new starters on different terms and conditions, including a stakeholder pension scheme rather than the LGPS. However, at this stage, further work is required to confirm the

approach on pensions, including establishing a consensus within all four authorities and confirming the financial affordability of such a move.

In the meantime and to avoid delays in progressing joint projects, it is recommended that the new **Partnership Venture (PV)** is established at an early stage under the control of a member-led **Joint Committee (JC)**.

The JC would manage the PV and begin to embed the new philosophy and approach wanted in the long-term:

- **Managerial leadership:** the JC would appoint an interim Partnership Managing Director and management team to lead and develop the PV and prepare for the transition to the long-term model;
- **Management culture:** a more commercially-minded and socially responsible entrepreneurial ethos would be fostered;
- **Business development:** a planned approach would be developed to pursuing opportunities to extend the partnership and secure new business.

As a result, it is recommended that the partners consider the following as a preferred way forward:

Table 7: Preferred way forward

Step	Sourcing Model	Rationale
1 – Short term (January 2016 to March 2017)	<p>The preferred sourcing model for 2020 Vision is a PV. This would initially function as a shared service arrangement operating under a JC made up of elected members from each authority.</p> <p>JC goes live Feb 2016</p> <p>Proposed operating model implemented April 2016</p> <p>First tranche of PV shared services operational April 2016</p> <p>New employee contracts implemented</p> <p>While the PV is maturing and the benefits are being realised, the partner authorities would decide on</p>	<p>Members' direct oversight would be retained using a well-established local government governance model, allowing shared co-ordination and control.</p> <p>Allows progress in delivering shared efficiencies to be made while key issues (e.g. pensions) are resolved.</p> <p>The need for a separate company for trading purposes will need to be considered if a move to company is not agreed or is delayed.</p> <p>Allows a joint decision by the authorities to be made on whether and when to progress to a different model.</p>

Step	Sourcing Model	Rationale
	whether to continue operating as a JC or moving to a company model (June 2016).	The new PV operating under a JC would develop some of the characteristics needed for a more commercial, income-generating model.
2 – Medium term (April 2017 to April 2021)	Teckal company operating (April 2017 at earliest) Commissioning review of all services (2020/2021)	To deliver savings as set out in the financial case.
3 – Long term (2020 onwards)	The potential for conversion to a mutual could be explored if the option commands support and the partnership venture has developed the expertise needed to win the contract in competition.	The move to a mutual model would be a major step involving significant risks. Any new shared entity needs time to develop its skills, systems, relationship management and initial customer base before it can compete confidently.

3.5 Economic appraisal

3.5.1 Introduction

The costs and benefits of the Programme have been used to populate a cost/benefit model which adjusts for “optimism bias” on both programme costs and financial benefits.

3.5.2 Estimating financial benefits

Detailed salary budgets have been provided for each of the partner councils. The Councils have previous experience of implementing shared services and the experience of savings delivered has been applied to this business case. Where services are in scope for sharing, the following principles were applied in order to estimate the potential level of financial savings:

- Transactional savings of 15% can be realised where services have not been shared before;
- The level of management savings will vary according to the degree of sharing of management resources currently in place (savings from 0% to 10% depending upon the degree of sharing);
- Costs for officers to be shared will increase by 5% (on average) to reflect the cost of additional responsibilities;
- Savings reduced by 3% to reflect the fact that each Council currently has an annual ‘vacancy’ savings factor within the base budget. This vacancy factor will need to reduce to reflect a reduced employee budget;

With regard to the Trusted Advice and the managers of Shared Service positions, detailed modelling was carried out on the costs of the officer positions which would be ring-fenced into these positions. Where certain positions were vacant, it was assumed these posts would remain unfilled and the savings are available to the programme.

There is the potential for further financial benefits to be realised as a result of implementing this programme. It is possible that the Councils could spread overheads or generate income by trading (for example, by enabling the building control service to operate in a commercial arrangement or by selling support services). The proposal is to create a flexible entity where it is possible for other public sector bodies to buy services, or indeed to join as partners in the future.

The programme has commenced a piece of work to ascertain the scale of the market opportunities, identify potential clients and assess how prepared the shared services are for entering into a more commercial environment. The business case has not assumed financial benefits from these wider aspirations.

3.5.3 Estimating costs

Where costs are known these have been included within the business case (e.g. certain costs for external advice which has already been procured, redundancy costs already incurred, programme office costs as a recruitment process has been completed).

As the Councils have experience of creating shared services and forming new entities (Ubico Ltd and The Cheltenham Trust), provision for one-off specialist external advice has been based upon that previous experience.

Redundancy costs have been estimated by quantifying the number of officer posts which are likely to become redundant and applying an estimated redundancy and strain on pension fund cost. The estimates have been ascertained by using data from the creation of previous shared services.

The costs of investment in ICT have been provided by the CDC/WODC Head of Service based upon soft market testing.

It has been assumed that the resource requirements of the Monitoring Officer and the Chief Finance Officer support for the Joint Committee will be provided within existing capacity. Therefore, as the additional costs of operating under a JC arrangement are minimal, the business case has not included any additional costs for operating under a JC arrangement. The support costs for a Teckal company have been based upon experience from the operation of Ubico Ltd and The Cheltenham Trust.

3.5.4 Net present value findings

A summary of the financial benefits from the programme is set out in the table below:

2020 Vision Summary of Savings	Savings	CBC	CDC	FoDDC	WODC
<u>Savings Already Delivered – In Base Budgets</u>					
Ubico - TBC/FoDDC/WODC	326,000	89,000	165,000	11,000	61,000
Joint Working - Legal and Prop/IT	247,000	90,000	57,000	60,000	40,000
Procurement	57,000	15,000	34,000	8,000	0
Savings Already Delivered	630,000	194,000	256,000	79,000	101,000
<u>Shared Services Phase 1 – Savings Deliverable 2016/17 – 2017/18</u>					
Savings from:					
Trusted Advisors, Legal, Property, Revenues and Benefits, Customer Services, Public Protection and procurement savings related to supplies and services budgets.					
Gross Savings	2,156,000	405,000	627,000	497,000	627,000
Vacancy Factor/Joint Working Increases	(166,000)	(30,000)	(49,000)	(38,000)	(49,000)
Net Future Shared Services Savings	1,990,000	375,000	578,000	459,000	578,000
<u>Shared Services Phase 2 – Savings expected to be delivered 2018/19</u>					
Savings from:					
Commissioning/Policy Support, Planning, Procurement savings related to supplies and services budgets, Housing Support.					
Gross Savings	987,000	133,000	273,000	237,000	344,000
Vacancy Factor/Joint Working Increases	(72,000)	(9,000)	(20,000)	(17,000)	(26,000)
Net Future Shared Services Savings	915,000	124,000	253,000	220,000	318,000
<u>Shared Services Phase 3 – Savings expected to be delivered 2019/20 Onwards</u>					
Savings from:					
GO Shared Services, IT, Audit Services, Building Control, Procurement savings related to supplies and services budgets. For building control this could be income generation or cost savings - net impact is shown					
Gross Savings	360,000	88,000	90,000	94,000	88,000
Vacancy Factor/Joint Working Increases	(26,000)	(6,000)	(7,000)	(7,000)	(6,000)
Net Future Shared Services Savings	334,000	82,000	83,000	87,000	82,000

2020 Vision Summary of Savings	Savings	CBC	CDC	FoDDC	WODC
<u>Other 2020 Vision Savings</u>					
Waste Services - FoDDC/WODC/CDC	530,000	0	200,000	150,000	180,000
Leisure FoDDC	75,000	0	0	75,000	0
Shared Property Resources	560,000	250,000	110,000	100,000	100,000
Total Other Savings	1,165,000	250,000	310,000	325,000	280,000
Company Model – Savings to be delivered 2017/18 Onwards through staff turnover					
Forming Company Model	709,000	227,000	177,000	168,000	137,000
Total 2020 Vision Net Savings	5,743,000	1,252,000	1,657,000	1,338,000	1,496,000
Gross Programme Costs	10,140,000	2,174,000	2,628,000	2,656,000	2,682,000
Less TCA Grant	(3,800,000)	(950,000)	(950,000)	(950,000)	(950,000)
Net Programme Costs	6,340,000	1,224,000	1,678,000	1,706,000	1,732,000
Payback period		1 year	1 year	1.3 years	1.2 years

In general, savings have been allocated according to the 2015/16 baseline funding position for each partner council that is part of a shared service. The costs of the new structure for Trusted Advisers has been compared to each Council's baseline funding position and savings calculated accordingly. Some savings have been assumed by bringing some contracted out services into the 2020 Vision delivery model.

The Net Present Value (NPV) of the programme has been calculated using a cost benefit analysis model which incorporates adjustments for optimism bias (financial benefits could be overstated) and optimistic costs (costs understated). The model has been used to calculate NPV both with and without the Transformation Challenge Award Grant funding. The optimism bias adjustments mean that the payback period is different than that shown in Table 7: Preferred way forward. In both cases there is a positive NPV of the Programme, as set out below:

Table 8: NPV findings

	Net Present Value	Payback Period
	£	Years
Without TCA Grant	19,276,824	6
With TCA Grant	22,939,919	4

3.6 Sensitivity analysis

The cost benefit model has applied the following optimism bias adjustments to the costs and financial benefits from the programme:

- ICT Costs – 5% adjustment (assumes optimistic costs in business case);
- Redundancy Costs – 5% adjustment (assumes optimistic costs in business case);
- External adviser support – 10% adjustment (assumes optimistic costs in business case);
- Programme office/backfill requirements - 5% adjustment (assumes optimistic costs in business case);
- Financial Benefits – 5% (assumes savings optimistic in business case);
- On-going support costs for Teckal company – 5% (assumes optimistic costs in business case).

3.6.1 Results of scenario planning

The net present value and payback period for the programme are very positive. No concerns over the financial viability of the programme have been identified.

3.7 Preferred option

The preferred option as set out in detail at 3.4 can be summarised as:

- forming a Joint Committee early in 2016,
- transferring responsibility for the initial shared services to the Joint Committee from April 2016.
- the business case for a Teckal company to be considered during Summer 2016.

4 Commercial case

4.1 Introduction

In order to progress shared services savings quickly, it is proposed to initially operate them under a JC with the Councils continuing to act as employers. This will allow progress in achieving shared efficiencies whilst developing the detailed arrangements for the establishment of the new sourcing model.

4.2 Required services

The joint committee will focus upon providing strategic direction and overseeing the performance, development and continued operation of the Partnership on behalf of the Councils.

The JC will have the following **roles**:

Strategic Direction

- Responsible for the on-going strategic delivery and governance of the Partnership Venture Shared Services to the required standards.

Financial

- Develop and approve the Partnership Financial Case from time to time and to make recommendations to the Partner Councils accordingly for adoption.

- Receive reports on and monitor the Partnership Financial Case.
- Oversee the delivery of the financial savings and benefits as set out in the Partnership Financial Case.

Delivery

- Responsible for the delivery of the Partnership Venture in accordance with the Business Case (timescales, costs and performance) and to agree tolerances, identify and manage risks, issues or concerns as necessary.

Monitoring

- Approve annual service plans and performance reports for each of the Partnership Venture Services
- Receive reports on the performance of the Partnership Venture Services at such intervals as may be provided by the s101 Agreement[s] or as the Joint Committee may require; to make recommendations for service improvements as appropriate and to generally monitor the delivery of the Partnership in accordance with the s101 Agreement[s] for the Partnership Venture.

Improvement

- Responsible for the on-going enhancement of the Partnership Venture and the Partnership Venture Services.
- Receive reports on improvements or changes to service delivery of the Partnership Venture Services from the Partnership Managing Director and to recommend for approval major changes to the service delivery to the Partner Councils as necessary.
- Receive reports on any potential expansion of the Partnership Venture and to make recommendations to the Partner Councils accordingly.
- Receive reports on any requests for service contracts outside of the existing Partner Councils from the Partnership Managing Director and to make recommendations to the Partner Councils accordingly.

Disputes

- Receive reports on cases where conflicts between the interests of the Partner Councils have arisen or are likely to arise and to agree the manner in which such conflicts will be managed or resolved if possible.

The interim joint committee will oversee development of a report to the partner authorities on Teckal company recommendations, which will be presented in the summer of 2016. Should they be approved, as the plans for a move to a company model take effect, it may be helpful to create a shadow company board which would represent the company in negotiating the service contracts with the partner authorities. This will help to avoid the new company having to work to a contract that it had no part in negotiating and so had not been able to satisfy itself was realistic.

4.3 Potential for risk transfer

At this stage, Programme risks are overseen by the Member Governance Board and are escalated to the partner authorities as necessary. Ultimately all risks remain with the partner councils.

4.4 Proposed charging mechanisms

The partner councils have approved the principles under which costs and benefits will be shared.

4.5 HR implications (including TUPE)

It is anticipated that the TUPE – Transfer of Undertakings (Protection of Employment) Regulations – will not apply to this investment at this stage. Under the JC model, the staff will remain employed by their existing employers. Employment issues will be considered as part of the Teckal report to councils in the Summer of 2016. It is anticipated that the staff employed by each of the authorities will share common terms and conditions, in order to develop closer working and sharing. This will be done through consultation and discussion with employees. Further work will be undertaken to align rewards and benefits for all staff working for the authorities through a Total Reward Strategy. Reduction in staff numbers will be carried out in accordance with the policies in each authority and where possible where there are job losses, natural wastage and volunteers will be sought.

5 Financial case

5.1 Introduction

The purpose of this section is to set out the financial implications of the preferred option (as set out in the economic case section) and the proposed deal (as described in the commercial case section).

5.2 Impact on the organisation's income and expenditure account

The financial case for the **overall programme** is set out below:

Table 9: Financial case for the overall programme

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	April 2020- March 2024 £000	Total £000
Programme Costs	430	2,774	3,715	1,873	1,308	40	0	10,140
Funded by:								
TCA Grant	430	2,774	596	0	0	0	0	3,800
Council Contributions	0	0	3,119	1,873	1,308	40	0	6,340
Total	430	2,774	3,715	1,873	1,308	40	0	10,140
Savings Annual	0	491	1,827	952	1,419	474	580	5,743
Savings Cumulative	0	491	2,318	3,270	4,689	5,163	22,084	38,015

The financial case for **Cheltenham Borough Council** is set out below:

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	April 2020- March 2024 £000	Total £000
Programme Costs	66	592	822	357	327	10	0	2,174
Funded by:								
TCA Grant	66	592	292	0	0	0	0	950
Council	0	0	530	357	327	10	0	1,224
Total	66	592	822	357	327	10	0	2,174
Savings Annual	0	155	303	330	166	124	174	1,252
Savings Cumulative	0	155	458	788	954	1,078	4,744	8,177

The financial case for **Cotswold District Council** is set out below:

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	April 2020- March 2024	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Programme Costs	132	689	965	505	327	10	0	2,628
Funded by:								
TCA Grant	132	689	129	0	0	0	0	950
Council	0	0	836	505	327	10	0	1,678
Total	132	689	965	505	327	10	0	2,628
Savings Annual	0	215	597	294	288	119	145	1,657
Savings Cumulative	0	215	812	1,106	1,394	1,512	6,406	11,445

The financial case for **Forest of Dean District Council** is set out below:

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	April 2020- March 2024	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Programme Costs	90	759	965	505	327	10	0	2,656
Funded by:								
TCA Grant	90	759	101	0	0	0	0	950
Council	0	0	864	505	327	10	0	1,706
Total	90	759	965	505	327	10	0	2,656
Savings Annual	0	19	509	146	404	121	139	1,338
Savings Cumulative	0	19	528	674	1,078	1,199	5,133	8,631

The financial case for **West Oxfordshire District Council** is set out below:

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	April 2020-March 2024	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Programme Costs	142	734	965	505	326	10	0	2,682
Funded by:								
TCA Grant	142	734	74	0	0	0	0	950
Council	0	0	891	505	326	10	0	1,732
Total	142	734	965	505	326	10	0	2,682
Savings Annual	0	101	419	181	561	111	122	1,497
Savings Cumulative	0	101	521	702	1,264	1,375	5,797	9,760

In section 2.5 table 3 set out each Council's financial savings targets for the period 2015/16 to 2018/19 and the respective plans for delivering the savings. The table has been updated below to show the revised contribution from the 2020 Vision.

Table 10: Revised financial contribution from 2020 Vision to Councils' savings targets

	CBC (£000)	CDC (£000)	FODDC (£000)	WODC (£000)
Total Annual Savings Target	3,727	1,644	2,112	1,110
Potential 2020 Vision Savings	1,252	1,657	1,338	1,496
Other Identified Savings	1,791	589	941	0
Shortfall (Surplus)	684	(602)	(167)	(386)

5.3 Impact on the balance sheet

Investment in ICT will increase the value of intangible assets held across the partnership. Funding of one-off revenue costs will either reduce the partner authorities' revenue reserves, or will utilise in year funding.

5.4 Overall affordability

The proposed cost of the project is £10.1m over the 5 years of the expected lifetime of the programme. The Councils have already significantly provided for the programme costs within their Medium Term Financial Strategies. The Member Governance Board / Joint Committee will keep the programme finances under review, any additional funding request will be recommended to the

Councils as the programme progresses and actual costs become known. Funding of core programme expenditure (i.e. of benefit to all partner authorities) will be initially funded from the £3.8m award of Transformation Challenge Award Funding.

6 Management case

6.1 Introduction

This section of the Business Case addresses the 'achievability' of the scheme. Its purpose therefore, is to build on the Strategic Outline Case by setting out in more detail the actions that will be required to ensure the successful delivery of the scheme in accordance with best practice.

6.2 Programme management arrangements

The programme is managed using a MSP (Managing Successful Programmes) structure incorporating a Programme Board (the Member Governance Board) and Programme Team supported by a pool of specialist resource and advisors responsible to the Programme Director. The programme organisation can be summarised as follows:

- **Member Governance Board** – made up of the Leader and Portfolio Holder from each partner Council. The board has delegated authority on behalf of the partner Councils to deliver the 2020 programme including oversight of the setup of the PV and commissioning framework in line with the 2020 Vision. Programme delivery is subject to a series of decision points by Partner authorities.
- **Programme Team** – made up of the three senior managers appointed by the Member Governance Board to deliver the 2020 Vision supported by a strategic programme manager; strategic advisors and programme resources (see programme office). The Head of Paid Service at FoDDC and the acting Heads of Paid Service for the other Councils sit on the programme team in order to co-create programme development and to enable business as usual to be maintained in the partner Councils, however they do not report into the Member Governance Board.
- **Programme Office** – the programme team is supported by a pool of people including a number of strategic advisors, programme managers, a change and engagement officer, a communications officer and specialist resource such as HR, finance, legal and audit.

The programme management arrangements are built to ensure strong governance and proactive stakeholder engagement; both of these being critical to the successful delivery of the 2020 Vision and the associated Benefits.

6.3 Project management arrangements

Projects are managed using a Prince 2 framework with an Agile project management approach, providing robust, responsive governance. Projects vary greatly in size and complexity, so the project management put in place is tailored accordingly.

Programme and project management organisation and processes have been designed to ensure that there are good links between each project and the programme, whilst allowing each project to run autonomously within the programme framework.

Programme and projects links include:

- Project sponsors drawn from senior managers on the Programme Team
- A programme manager is assigned to each project to act as a liaison between the programme and the project. Their role is to manage interdependencies between projects; help resolve issues that are not entirely within the project's control; continuously improve the programme management approach to better support effective and efficient project delivery, risk management, benefits realisation, stakeholder communications and engagement. In addition the programme manager is an effective escalation route to the programme as and when needed.
- Project and programme plans, risk registers, communications and engagement plans, and benefits realisation plans are coordinated, regularly reviewed and changes are highlighted through monthly status reports.

6.4 Use of special advisers

Special advisers have been used in a timely and cost-effective manner. Details are set out in the table below:

Table 11: Special advisers

Specialist Area	Adviser
Financial	AON Hewitt – pensions advice CIPFA – external assurance of the business case
Technical	Activist Group, Eunomia Ltd
Legal	Bevan Brittan

6.5 Outline arrangements for change and contract management

At the project level, any proposed change to project objectives, deliverables, scope or timescales must be raised with the project manager. Change request implications are evaluated by the project manager and project board. The project sponsors have final say on changes. If a change is approved, the project manager will update relevant sections of the Project Initiation Document, project plans, and the risk and issue logs.

Where changes impact upon programme interdependencies, these must be raised with the programme manager for consideration. If a solution cannot be established between project and programme managers, this will be escalated to the programme team for resolution.

6.6 Outline arrangements for benefits realisation

The programme uses standard MSP and Prince 2 based approaches to benefits realisation. Programme benefits are shown in section 2.3 of this document, and progress towards their realisation is monitored by the Programme Team and Member Governance Board via status reporting.

Progress towards benefits realisation is also monitored at the project level, and a business change manager is identified for each project to ensure that project outputs are converted into business benefits.

6.7 Outline arrangements for risk management

The programme uses standard MSP and Prince 2 based approaches to risk management. Risk registers are held at project and programme level, and any project level risks identified which pose a broader threat or opportunity to the programme are escalated up to the programme register. Individual partner authorities also hold risks to their own organisations relating to the programme, in their own corporate risk logs.

Reviews of risk occur on a regular basis at all levels of project and programme governance – risk is a standing agenda item at project progress meetings.

6.8 Outline arrangements for post project and programme evaluation

After project and programme completion, an end of project or programme review will take place to consider the following points:

- Achievement of the project's/programme's objectives
- Performance against planned time and cost
- Did the project/programme deliver the intended benefits?
- Lessons learned – What went well?; What went badly?; What advice would you give to future project/programme managers and team members?

This objective review of project/programme performance will enable useful organisational learning which can be carried forward into future programmes and projects. There is a good track record of this happening in previous programmes and projects and the learning has been used to design the current programme and project management arrangements.

Reviews are held regularly throughout the lifecycle of the programme as well as on completion, to ensure learning happens within the programme and not just for future programmes.

6.9 Gateway review arrangements

This Business Case has been subject to a number of gate reviews to reach this point. To date, these have comprised:

- A legal gate review
- A high level gate review involving all of the major contributors (HR, legal, ICT, finance)
- A detailed financial gate review by the Chief Finance Officers

The gateway review provides assurance as to the robustness of key documents governing the programme and the ability to move forward. The output of the gate reviews inform programme office and are used to provide assurance to the Member Governance Board and councils.

Partner councils may also undertake their own gate reviews to satisfy themselves that the business case is right for their organisation. Going forward, formal Gateway reviews will be carried out before each key decision point.

6.10 Contingency plans

Should this programme fail to secure the buy in of all four partner councils, work would be undertaken to see whether there was sufficient merit in proceeding with three, or even two partners. At the same time, options for bringing other organisations into the partnership would be explored.

7 Appendix A: Programme risk log

ID	Description	Date raised	Last updated	Owner	Impact	Likelihood	Score	Control	Action	Deadline
4	If there is failure to reach agreement between members across all four Councils the programme may not be delivered	01/09/2014	03/08/2015	SRO (Andrew North)	5	3	15	Reduce	Member Governance Board, widespread engagement and shared management arrangement.	Autumn 2015
22	Programme does not progress as Members do not have their concerns properly addressed	01/09/2014	03/08/2015	SRO (Andrew North)	5	3	15	Reduce	Ensure Members are able to share their ideas and expectations – disagreements are aired and debated. Expressly discuss issues of control and sovereignty. Establish clear understanding of each council's appetite for change and their commitment to a shared vision. Member values and priorities made integral to investment objectives.	Autumn 2015

ID	Description	Date raised	Last updated	Owner	Impact	Likelihood	Score	Control	Action	Deadline
7	If there is a lack of employee support and significant resistance to change the programme delivery and realization of benefits will be delayed	01/09/2014	03/08/2015	DN	4	3	12	Reduce	Proactive engagement and communication with staff is crucial. 'Leading through change' programme being developed for roll out to all staff Direction of travel is well known Need to engage with employees at the appropriate time and employee and stakeholder engagement would be a key strand within the programme. Employee sessions have shown that they are concerned about pace of change, uncertainty and resources.	Ongoing
11	If the programme is too difficult to reverse once fully implemented there may be a reticence to make a full commitment to its delivery	01/09/2014	03/08/2015	SRO (Andrew North)	4	3	12	Reduce	Councillors need to fully understand proposals so important to have good member engagement from an early stage Contract length and phasing may need to be considered	Ongoing
12	If any part of the new organisation fails there will be a negative impact on the reputation of all four councils	01/09/2014	03/08/2015	HoPS	4	3	12	Avoid	The Councils need to ensure that robust governance arrangements are in place to manage the partnership venture.	Ongoing
20	Changes to Local Government from external factors (e.g. outcomes from future Comprehensive Spending Review, new legislation, devolution) impact upon ability to resource the programme	01/09/2014	03/08/2015	HoPS	3	4	12	Reduce	To be managed by partner councils as part of performance management arrangements. Interim management arrangements to be put in place to manage business as usual.	Ongoing

ID	Description	Date raised	Last updated	Owner	Impact	Likelihood	Score	Control	Action	Deadline
25	Lack of clarity on scope of engagement, leading to confused messages	01/09/2014	03/08/2015	SRO (Andrew North)	4	3	12	Reduce	All members of programme and engagement team are aware of and confident in the engagement plan. Consistent key messages are used in communications with stakeholder groups. All engagement work across programme co-ordinated and consistent.	Ongoing
26	ICT - availability / capacities of technical resources required to fully research and understand the current configuration of the existing networks and systems used across the 4 partner Councils.	01/09/2014	03/08/2015	HoPS	4	3	12	Reduce	This to some extent has been mitigated by commissioning external ICT support, and partnership working with WODC/CDC but will be monitored throughout the project.	Ongoing
27	ICT - scope will creep as technical problems / challenges continue to be uncovered.	01/09/2014	03/08/2015	ICT Managers	4	3	12	Reduce	This is being addressed by working closely with Andy Barge / Giles Rothwell who are responsible for the FoD / CBC ICT shared service and Phil Martin / John Chorlton who are responsible for WODC / CBC ICT shared service . Initial work is identifying the strengths and weaknesses of how the 4 Councils current infrastructure support current needs with a view to shaping how best to support the needs of the new structure in future.	Ongoing

ID	Description	Date raised	Last updated	Owner	Impact	Likelihood	Score	Control	Action	Deadline
28	During the programme there may be a reduction in performance due to the impact of the programme on capacity within the four Councils.	14/10/2014	03/08/2015	HoPS	4	3	12	Reduce	Ensure communication about any changes and the reasons for them is clear and understood. Provide support for problematic areas at the appropriate time. Ensure sufficient resources are available to backfill capacity where appropriate	Ongoing
30	If projects are not aligned, we may inadvertently limit future sharing options e.g. REST and shared public protection.	20/11/2014	03/08/2015	Programme Director	4	3	12	Reduce	Rigorous programme management practice (including reporting) and regular communication between project and programme managers.	Ongoing
33	The 2020 programme requires effective collaboration between officers and members drawn from four councils. If officers and members are unable to collaborate effectively, this could impact significantly upon achievement of the programme's objectives.	09/02/2015	03/08/2015	SRO (Andrew North)	4	3	12	Reduce	Deborah Bainbridge developing a team building programme. Member and senior officer collaboration events held	Ongoing
14	If the pensions liability advice is not accurate, all 4 Councils' existing pension schemes may be adversely affected.	01/09/2014	03/08/2015	JP	5	2	10	Reduce	Advice from the actuary says that pensions savings are realistic in the 10 year period. Work stream being led by Jenny Poole from GOSS – programme board received report and advice from actuary. Further action to be taken to feed into workstream about company options Dec '15 to June '16	Ongoing
8	If there is the perception of "Takeover, level of employee support will be reduced	01/09/2014	03/08/2015	DN	3	3	9	Reduce	Establishment of a new employment vehicle and shared management arrangement can reduce risk	Ongoing

ID	Description	Date raised	Last updated	Owner	Impact	Likelihood	Score	Control	Action	Deadline
9	If staff are opposed to transfer to new employment body and revised T&Cs there may be an increase in staff turnover and loss off skills	01/09/2014	03/08/2015	DN	3	3	9	Reduce	Initial employee sessions have not demonstrated that there is staff opposition. Unions broadly supportive T & Cs will need to developed as part of a new reward and recognition package	Ongoing
13	If there are future political changes (nationally or locally) there may not be the political support that is currently available	01/09/2014	03/08/2015	HoPS	3	3	9	Accept	Governance models will need to be robust Proposal could be scalable to other councils or functions Cross party advisory group will build political consensus.	Ongoing
15	If there was trade union opposition then the project delivery may be more difficult or delayed	01/09/2014	03/08/2015	HoPS	3	3	9	Reduce	Trade union engagement is on-going	Ongoing
19	Pension savings are not deliverable due to LGPS regulations or application of regulations by administering authorities	01/09/2014	03/08/2015	DN	3	3	9	Reduce	Lobby DCLG for changes to LGPS pension regulations to enable the partner councils to under-write the LGPS pension liabilities and continue to make contributions as in the existing delivery model. Use of professional advisers to find solutions.	Ongoing
29	Contracts with third parties may not be transferrable into the new partnership. Some contracts cannot be transferred to the new partnership so either they cannot be part of the scope or there could be considerable costs to terminate.	14/10/2014	03/08/2015	HoPS	3	3	9	Reduce	Ensure a full contracts register is drawn up, including termination dates and conditions, and factor into the plan.	Ongoing

ID	Description	Date raised	Last updated	Owner	Impact	Likelihood	Score	Control	Action	Deadline
6	If Programme resources / costs are insufficient the programme delivery and realization of benefits will be delayed	01/09/2014	03/08/2015	SRO (Andrew North)	4	2	8	Avoid	Previous programme experience used to estimate programme costs. Programme Management processes will identify issues to be addressed. If resources insufficient - Re-scope the Programme plan so that workload is manageable. Increase investment in resources to meet timescales. Input to partner council financial planning process.	Ongoing
24	Programme progressing too quickly resulting in demotivated staff which has an adverse impact on service delivery	01/09/2014	03/08/2015	SRO (Andrew North)	4	2	8	Reduce	Produce and communicate clear, phased timetable for programme. Key messages are consistent and feedback is prompt. Test stakeholders' readiness to move on to next phase of engagement.	Ongoing
31	As partnership working develops and/or individual council's reduce the size of their labour force it may not be possible for individual councils to sustain a response to a civil emergency beyond a short initial period – the more so if the emergency affects more than one District	16/12/2014	03/08/2015	HoPS	4	2	8	Reduce	Project in development to address this. Proposed Measures Review existing emergency response structures Review scope to 'pool' resources and develop revised response arrangements Ensure any new employed arrangements include a contractual requirement to respond in an emergency	Ongoing

ID	Description	Date raised	Last updated	Owner	Impact	Likelihood	Score	Control	Action	Deadline
2	If risk is measured and managed differently across the four Councils there may be a conflict of priorities within the programme	01/09/2014	03/08/2015	HoPS	3	2	6	Avoid	Co-ordinated approach through joint discussions between risk owners. Regular sharing and review of corporate and programme risk registers. Any conflict in risk priorities to be raised with Programme Team for resolution. Proposal to align risk management methodologies across partners to be considered as a candidate project.	Ongoing
5	If expected benefits are not realised there may be a move to return to previous organisational structures	01/09/2014	03/08/2015	SRO (Andrew North)	3	2	6	Reduce	Programme resources and clear benefits realisation plan must be in place	Ongoing
34	The cost of the programme may exceed the allocated programme budget	20/03/2015	03/08/2015	Programme Director	3	2	6	Reduce	Ensure rigorous financial monitoring and control is exercised through programme governance arrangements. Programme Board to request individual Councils to provide additional funding if required.	Ongoing
36	A crisis in one partner organisation could affect service delivery in partner organisations if capacity diverted across the partnership to help address crisis	03/07/15	03/08/2015	HoPS	3	2	6	Reduce	Controls to be built into future governance of partnership.	Ongoing
35	Discussions about the devolution agenda could divert/distract from discussion required to reach agreement on 2020 vision development	03/07/15	03/08/2015	HoPS	2	1	2	Accept	Clear briefing required to show that the 2020 vision is aligned with devolution agenda	Ongoing

In Scope Service Areas	2015/16 Employee Costs per Service Area				Total Employee Costs £	Phasing of Savings			Total Savings £	Programme Savings Allocation				Total Savings £	Basis of Saving
	CBC £	CDC £	FofDDC £	WODC £		Phase 1	Phase 2	Phase 3		CBC £	CDC £	FofDDC £	WODC £		
						2016/17-2017/18 £	2018/19 £	2019/20 onwards £							
2015/16 Employee Costs per service area															
Current Trusted Advisors	353,600	251,400	352,000	334,500	1,291,500	(99,000)	-	-	(99,000)	(98,000)	(67,000)	(98,000)	(362,000)	Savings from changes in senior organisational structure including deletion of CBC CEX post.	
Admin Support	98,600	25,700	68,500	39,800	232,600	(52,000)	-	-	(52,000)	20,000	(23,000)	5,000	(50,000)	Realignment of cost by sharing administrative support across partners.	
Commissioning Support	677,600	425,100	361,800	220,300	1,684,800	-	(115,000)	-	(115,000)	(52,000)	(58,000)	(52,000)	(277,000)	Estimated shared service saving based on 15-20% reduction in staff costs.	
Building Control	481,300	216,000	278,500	202,100	1,177,900	-	-	(33,000)	(33,000)	(30,000)	(40,000)	(29,000)	(132,000)	Estimated shared service saving based on 15-20% reduction in staff costs (Note: CBC's saving shared 50:50 with TBC due to existing shared service arrangement).	
Planning	-	1,340,500	739,400	1,222,000	3,301,900	-	-	-	-	(141,000)	(80,000)	(126,000)	(347,000)		
Policy Support	-	451,400	767,200	1,554,400	2,773,000	-	-	-	-	(35,000)	(59,000)	(120,000)	(214,000)		
Legal	-	386,700	199,800	55,200	641,700	(50,000)	-	-	(50,000)	(16,000)	(13,000)	(15,000)	(94,000)	Estimated saving from renegotiation of One Legal contract.	
Property	442,700	234,800	238,900	353,800	1,270,200	(25,000)	-	-	(25,000)	(26,000)	(14,000)	(25,000)	(90,000)	Estimated shared service saving based on 5-10% reduction in staff costs.	
Revenues & Benefits	1,053,300	621,900	-	1,133,100	2,808,300	(105,000)	-	-	(105,000)	(88,000)	(100,000)	(87,000)	(380,000)	Estimated shared service saving based on 10% reduction in staff costs.	
Housing Support	-	182,700	150,700	250,200	583,600	-	-	-	-	(27,000)	(22,000)	(53,000)	(102,000)		
IT / GOSS / Audit Services	-	3,097,700	989,000	884,700	4,971,400	-	-	(43,000)	(43,000)	(49,000)	(44,000)	(49,000)	(185,000)	Estimated shared service saving based on 10% reduction in staff costs (Note: Staff not directly employed by CBC but saving shared).	
Customer Services	323,200	573,800	471,100	159,100	1,527,200	(54,000)	-	-	(54,000)	(100,000)	(51,000)	(55,000)	(260,000)	Estimated shared service saving based on 15% reduction in staff costs with additional saving from existing vacant post across partners.	
Public Protection	-	798,900	645,800	1,218,500	2,663,200	-	-	-	-	(298,000)	(207,000)	(325,000)	(830,000)		
Vacancy Factor						11,500	3,400	2,000	16,900	16,900	28,000	23,000	30,000	97,900	Estimated cost of existing vacancy savings.
Joint Working Increases in Salary						18,500	5,600	4,000	28,100	28,100	48,000	39,000	51,000	166,100	Estimate of likely cost of shared working allowances based on current working models.
Procurement Savings						(20,000)	(18,000)	(12,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(200,000)	Procurement savings target.
	3,430,300	8,606,600	5,262,700	7,627,700	24,927,300	(375,000)	(124,000)	(82,000)	(581,000)	(581,000)	(914,000)	(766,000)	(978,000)	(3,239,000)	
Other 2020 Vision Savings															
Waste Services Savings										-	(200,000)	(150,000)	(180,000)	(530,000)	Savings anticipated by partners from reviews of their current waste service provision.
Leisure FODDC											-	(75,000)		(75,000)	Savings arising from changes in FODDC leisure provider.
Shared Property Resources										(250,000)	(110,000)	(100,000)	(100,000)	(560,000)	Estimated savings from making use of property assets collectively across partnership and inclusive of savings generated by Accommodation Strategy.
										(250,000)	(310,000)	(325,000)	(280,000)	(1,165,000)	
Forming Company Model Savings															
										(227,000)	(177,000)	(167,000)	(137,000)	(708,000)	Total estimated pension savings net of costs of operating a company model.
Savings already banked within MTFs															
Ubico - new partners joining										(89,000)				(89,000)	
Banking tender savings										(15,000)				(15,000)	
ICT Shared Service - Phase 2 Savings										(80,000)				(80,000)	
Expansion of One Legal										(10,000)				(10,000)	
										(194,000)	(256,000)	(80,000)	(101,000)	(631,000)	
										(1,252,000)	(1,657,000)	(1,338,000)	(1,496,000)	(5,743,000)	

2020 Vision Business Case - Analysis of Programme Costs

	Total Programme Costs		
	Original Programme Cost	Growth in Programme Costs	Revised Programme Cost
Expert Advice	470	0	470
Backfill	3,186	785	3,971
ICT	3,010	221	3,231
Costs of Transformational Change	2,077	392	2,469
Totals	8,743	1,398	10,141

Commissioning Report

Version 2.0, 24th August 2015



Version	Date issued	Summary of change	Version owner
0.0	21 st July 2015	First draft released to programme team for review	Ann Wolstencroft
1.0	3 rd August 2015	Incorporates feedback from the programme team	Ann Wolstencroft
2.0	24 th August 2015	Incorporates feedback from Member Governance Board	Kath Hoare

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Do - Implementing the Shared Service through Service Level Agreements

Monitor & Review - Client Arrangements

Longer Term Commissioning Strategy & Framework Design

Commissioning Plan / Activities

Appendices

Appendix 1 - Services to be shared

Introduction

This report is a high level Commissioning Strategy for 2020 Vision Partnership. It builds on the recommendations of the Activist Report and subsequent Phase 1 Commissioning Project endorsed by the Member Governance Board on 5 June 2015. This outline framework covers:

- Commissioning Principles
- Approach to Commissioning
- Service Design Principles
- Long Term Strategy & Framework Development

It must be acknowledged at this stage this is an initial strategy that will require further development and refinement and in particular more detailed engagement with members and officers in each of the 2020 Vision partner councils.

Background

At the beginning of the 2020 vision programme Activist looked at preferred sourcing options and conducted a preliminary option appraisal to help identify the sourcing options most likely to meet the outcome framework of savings, influence, quality and creativity.

As a result two broad strategic options were recommended for consideration on the shortlist, traditional sharing (s101 and s102) and Teckal and Trading Companies. These were shortlisted as both had the merit of being able to deliver significant savings, but without the delays incurred through an expensive procurement exercise. They also had the merit of using partnership models that are tried, tested and trusted already among the partner authorities (e.g. GOSS, SWAP and Ubico).

In June 2015 the Member Governance Board endorsed a structure for the joint venture partnership as shown in the Business Case. The structure includes a designated Council Lead Director for each Council that would not only continue to manage their retained services but they would also assume responsibility for commissioning services from the joint venture partnership. It was also agreed that each Council Lead Director would be responsible for leading the commissioning of specific partnership venture services (PV services) e.g. ICT on behalf of all partners across the partnership.

There remains the right for each council to decide which shared service it would source from the Partnership Venture and which it may source separately from another provider. It should be understood that should a partner have agreed to share a service through the Partnership Venture this will then be considered the

preferred provider for an agreed period of time, e.g. 4/5 years, after which a new commissioning process may be undertaken.

In the future if the partnership moves, as planned, to a Teckal company rather than a Joint Committee the proposal would be to discuss the formation of a distinct shared commissioning function that in the longer term could take a more 'joined up' approach to commissioning to ensure that opportunities for collaboration are fully exploited.

Shared Approaches to Commissioning

Following the report completed by Activist further work was undertaken to set out the current commissioning activities at each Council and assess the appetite for differing degrees of shared commissioning amongst senior managers at each Council. The further report Commissioning Project – Phase 1 - May 2015 identified that the current picture of commissioning at each Council has highlighted many key areas where the four Councils share the same approaches:

- There is a shared understanding of Vision 2020, and the partnership venture, as a potential way for each Council to become more efficient and effective by working together but without sacrificing their sovereignty.
- All Councils have a pragmatic outcome focused approach to commissioning seeking to ensure their local communities can access high quality and appropriate services.
- All share a desire to make sure their decision making processes are supported by impartial specialist advice from trusted advisors with sound local knowledge.
- All Councils aspire to find the best sourcing solutions and are open to innovation.
- All appreciate the wide variety of skills and experiences needed for effective commissioning.
- All are committed, to some degree, to sharing commissioning resources including client activity.

Operating Principles for Commissioning

The shared understanding above led to some 2020 Vision Commissioning principles that were endorsed by the Member Governance Board on 5th June 2015 and these are;

- Each partner council will have access to commissioning support, including trusted advisors, that will enable it to develop and set its strategic policies, source service provision, and manage its contracts and relationships with a range of service providers.
- While this support will be directly managed by each council to enable that council to control and manage that work, this support does not necessarily need to be employed by that Council, albeit there would need to be suitable governance structures in place. This principle is already established, to some degree, within current structures.
- Each Council should be able to access further skills, experience and expertise from technical experts that may be directly employed, part of a shared unit or employed by another Council or organisation.
- Each of the four Councils must be able to approach commissioning in their preferred way and be free to be agnostic in terms of sourcing decisions.
- Commissioning criteria need to be able to reflect local requirements (as well as shared).
- Sharing commissioning activity is a principle the partners Councils aspire to.
- Shared client arrangements is a principle the partner Councils aspire to and can see the merits of this early on for example with regard to GOSS and ICT.
- The Partnership Venture is one of a number of key providers from whom councils may source.

Outcome Based Decision Making

With some principles in place one of the initial tasks undertaken by the Programme Team and agreed by the Member Governance Board, was to make some decisions around which services would be shared in the first phase of the programme. From the beginning of discussions it was clear that there would be an initial sharing of a number of services which would be followed in the future with others. As mentioned above the work that had been completed on commissioning had identified differences in approach and therefore it was agreed that it would be good to have a consistent approach across all the partners to the decision making process.

As it was acknowledged across the partnership that effective commissioning needed to be based on outcomes so a decision making matrix was designed based on the outcome framework from the Activist report to undertake some preliminary analysis. Coupled with this outcome framework was another assessment based on each of the partner council's willingness to share.

Shared Functions

Each council completed the documentation and that resulted in the list of services to be shared that can be found in appendix 1. This list was endorsed by the Member Governance Board on 26th June 2015.

A timetable of future commissioning reviews, based on individual partner business requirements and existing contract end dates, will be established to ensure that the partnership starts to take a joined up approach to commissioning to ensure that opportunities for collaboration are exploited.

Approach to Commissioning

Excellence in commissioning means getting the best possible outcomes that deliver value for money. In its simplest form the commissioning cycle can be shown with four key stages. These stages are familiar (see diagram) and are used in most organisations when completing activities, projects and procuring services on an informal basis even if not recognised as a formal structure.

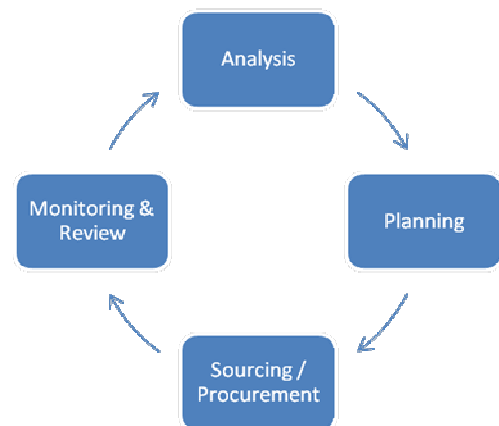
Analysis – identifying key issues and needs, what are the priorities, what are the options and solutions.

Planning - What are we going to do and how are we going to do it.

Sourcing/Procurement - Sourcing of new capacity & de-commissioning of old capacity.

Monitoring and Review - Is the strategy delivering the results needed, are there unexpected consequences we need to address and in the future what changes are needed to our strategy.

Over the coming months we will be working with all four partner councils to agree approaches to commissioning but in the interim we have structured the following areas of this report on this cycle. The commissioning approach undertaken will be proportionate and take into account the size of the service and risk profile.



Analyse - Commissioning Services from the Joint Venture Services

As mentioned previously we have identified a first tranche of services that could be shared and there are a number of projects that have been initiated as a result of this agreement. As these projects start to scope their work one of the key areas of work will be around understanding each authority's ambitions and analysing need. We will need to work with each of the partners to understand individual required outcomes

of the service being shared. Since creativity is one of the key outcomes for the 2020 vision programme, each project will need to challenge current assumptions and encourage innovation in both the definition of the challenge and potential solutions. The focus will not just be on cost and efficiency, but also on the effectiveness of what is commissioned. It is this process of fundamental challenge that will unlock the greatest potential for change, improvement and better value-for-money.

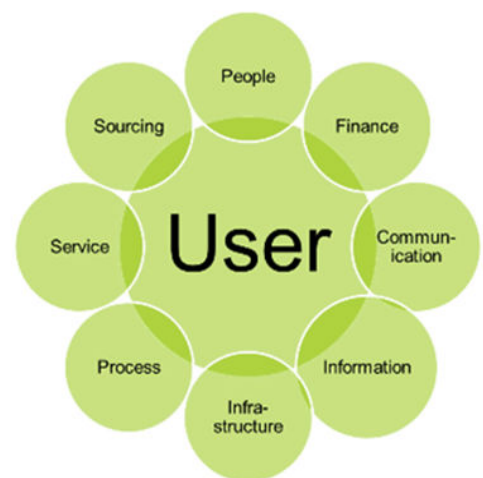
An example of this would be customer services. This is a complex, sensitive project where each council will have its own specific required outcomes and one where local priorities might well conflict with shared ones. This is also a project where all the agreed protocols come to the forefront e.g. brand identity etc. and where the commissioning of this service for some councils, if not all, will require member involvement. It is also a project that will require an examination of the fundamental purpose of customer services and its interactions with users and communities.

Whilst it has been agreed that a number of services could be shared through the Partnership Venture as part of the commissioning process there will still be a requirements to undertake comparisons with how other authorities address the challenges and some benchmarking of services. This is to check that the service being provided through the Partnership Venture offers the most effective solution, is financially competitive, high performing and of a good quality.

Plan - Shared Service Design and Specification

Service design is principally focused on the nature of the service, how it is offered and communicated to a user and how the processes involved in its delivery to the user are then organised. Following agreement on which initial services are going to be shared and the set of shared outcomes from the analysis stage there then needs to be a process of service design. There are a number of services such as GO Shared Services, ICT and Public Protection where service design is either completed or more developed.

The Programme Team recognise that service design is at the heart of some essential decisions e.g. ensuring local service delivery etc. The following principles of service design have been agreed by the Member Governance Board which included:



1. Residents and businesses will have access to knowledgeable support from staff that understand their localities and can support members with their decision-making.
2. Back office services will be centralised where possible and in a balanced way across the partnership, taking into account economies of scale achieved, any additional costs (e.g. initial staff travelling cost and time) and opportunities to reorganise or release office accommodation which delivers a capital sum or a rent.

In designing services to meet the outcomes specified by each Council it is proposed that the following checklist is taken into account and in the design of services.

User	Ensuring that the user continues to have a positive experience of the service. How users understand who is accountable for the service provided to them.
Service	Implications for the nature of the service and the service levels offered to the user. How the service offer is presented to the user, including the location.
Communication	The general implications for user communication and engagement. The organisation of member and staff communication and engagement.
Sourcing	The sourcing options that are most likely to meet the outcomes. How the partners will approach collaboration with other organisations.
Process	Governance : how democratic decisions and delegated decision-making are organised.
People	Interim management arrangements , i.e. how employees will be organised during the transition to any new arrangements. Implications for the future culture of the organisation. Implications for the terms and conditions of staff.
Finance	How costs and savings will be distributed between the partners. The potential for income generation .
Information	How performance management data will be managed for the new arrangements.
Infrastructure	The technology that will enable the new arrangements to function smoothly and efficiently.

It is acknowledged that the partnership has long experience of working together through the establishment of GO Shared services and it is envisaged that lessons learnt from this process will be incorporated into the design of shared services. Initially the services would be shared through a section 101 agreement which is well-recognised in the sector and an immediately recognisable model for potential new partners. This would need to be changed if the services were moved to a different model e.g. Teckal Company but such changes would be subject to a further report.

Do - Implementing the Shared Service through Service Level Agreements

For the initial shared services it has been agreed that these would be shared through a section 101 agreement as in the case of GO Shared Services. These agreements tend to be uniform across all partners with individual councils being able to specify any additional requirements through an individual schedule.

Service level agreements will be used for specifying the service levels, performance measures and agreed length for the shared service.

Monitor & Review – Shared Client Arrangements

Once the partnership venture is established there will be a requirement to ensure that the service is delivering the specified outcomes within the agreed framework. There will be a requirement to provide the commissioners with up to date information about how well the service is performing. For GO shared services it is assumed that current arrangements will continue in the short term. For other shared services the approach to managing performance should be agreed at the time the service is sourced from the 2020 Partnership Venture. It is anticipated that a framework would be developed that satisfies all partner requirements.

The Joint Committee will have a responsibility for monitoring service delivery as stated in their terms of reference. They will 'receive reports on the performance of the Partnership at such intervals as may be provided by the s101 Agreement[s] or as the Joint Committee may require; make recommendations for service change as appropriate and to generally monitor the delivery of the Partnership in accordance with the s101 Agreement[s] for the Partnership'. Individual councils will also have their own scrutiny arrangements. It is also anticipated informal shared scrutiny arrangements may be developed if considered appropriate.

It is also recognised it would be more effective (and cheaper) if some or all of the commissioning functions are shared for example, by pooling the client side of some the partners' contracts, it will be possible to ensure that they are overseen by a specialist, dedicated resource. As other shared service joint ventures have found, some co-ordination of clients' requirements and expectations also allows for a stronger and more coherent approach to be taken to the relationship with a shared service provider. Sharing could help to provide access to the specialist expertise (e.g. to manage contracts with commercial providers), it may also help to reduce the overall costs of commissioning.

The group have agreed to identify any quick wins in this area and once established put together proposals for sharing.

Longer Term Commissioning Strategy & Framework Design

Longer term the plan is to develop a Commissioning Strategy covering commissioning arrangements across all partners. This strategy will include the design of a flexible, commissioning framework which operates across all partnership organisations. The organisation of commissioning activity within the partnership will also require consideration and would be designed in accordance with the shared principles agreed by each Council.

Addressing the organisational design of commissioning in the partnership will involve the following:

1. A deeper understanding of the key characteristics of each individual councils approach to commissioning and seeking alignment on approach
2. An assessment of the organisational commissioning competencies across the partnership
3. An assessment of the readiness to undertake commissioning
4. Embedding challenge and innovation in finding the most effective and efficient ways of meeting shared and individual outcomes.
5. Ensuring effective political oversight and scrutiny of the commissioning process.
6. Understanding the implications for organisational structures and design related to commissioning
7. Drawing on the assessment of the readiness of the partnership councils to meet the requirements of strategic commissioning investment in staff development may be a key requirement

Commissioning Plan / Activities

Short Term to September 2015	
Activity	Progress
Agree individual partner services which are initially going to be commissioned from partnership venture	100%
Agree collective (all four partners) commissioning approach to joint venture services.	100%
Produce a report to form appendix to the Business Case covering approach to commissioning and future approach to designing a longer term commissioning framework	100%

Medium Term to April 2016	
Activity	Progress

Develop short term commissioner/client arrangements for partnership venture services	
Identify principal outcomes, solution design and functions for each service that will be sourced from the 2020 joint partnership venture, identifying any retained functions.	
Develop detailed shared service specifications joint venture services.	
Develop and get sign off for detailed service level agreements including performance framework for service provision	

Long term from April 2016	
Activity	Progress
Design and agree long term, flexible, commissioning framework which operates across all partnership organisations	
Develop Commissioning Strategy covering long term commissioning arrangements across all partners (utilising framework) and programme of commissioning reviews based on individual partner business requirements and contract end dates	

APPENDIX 1

Service	Cheltenham	Cotswold	Forest	West Ox
Go Shared Services	✓	✓	✓	✓
ICT	✓	✓	✓	✓
Public Protection	✘	✓	✓	✓
Customer Services	✓	✓	✓	✓
Revenues & Benefits	✓	✓	✓*	✓
Legal	✘ [#]	✓	✓	✓
Land & Property	✓	✓	✓	✓
Building Control	✓	✓	✓	✓

✓ - agreed to share

✘ - not being shared

* - interested in possibility but already have a partnership with Gloucester City Council and Civica

[#]- at this time

2020 Vision Joint Committee

The Constitution

First draft

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Definitions used in this Constitution shall be the same as those set out in the Agreement, unless the context otherwise requires.

[Note for the purposes of this document the following definitions:

Accounting Authority: the Partner Authority which provides the Joint Committee's Section 151 Officer and which maintains the Joint Committee's accounts

Annual Action Plan: means a plan for the performance by the Joint Committee of its functions and activities in any Financial Year to be contained in the Business Plan prepared for that Financial Year and including an audit plan and risk register;

Annual Budget: means the annual budget of the Joint Committee for a Financial Year approved or amended by the Partner Authorities

Business Plan: means the rolling three year business plan approved by the Joint Committee on an annual basis

Clerk: means the clerk of the Joint Committee

Commissioning Officers' Group: the Partnership Managing Director and the Partner Authorities Heads of Paid Service

Delegating Authorities: those of the Partner Authorities which delegate a particular Function or activity to a Delivering Authority

Delivering Authority: the Partner Authority which delivers a particular Function or activity on behalf of itself and the Delegating Authorities

Executive: each Partner Authority's Cabinet

Financial Year: means a calendar year commencing on 1 April in any year;

Functions: means the functions set out in Appendix 1 below

Material Change: means a change proposed to the Agreement between the Partner Authorities or to the operation of the Joint Committee which a Partner Authority (acting reasonably) considers to be a material change to the nature of the Joint Committee including a change which has a material impact on service design or the cost of the services provided or the operation of the Joint Committee and which it considers must be subject to approval by elected members of the Partner Authority

Partner Authorities: Cheltenham BC, Cotswold DC, Forest of Dean DC and West Oxfordshire DC

Providing Authority: the Partner Authority which provides the following to the Joint Committee:

- The Joint Committee's Clerk and administration
- The Joint Committee's Monitoring Officer
- Legal advice
- Human Resources advice
- Section 151 officer
- [Employing/contracting body]

[NB: there may be different Providing Authorities for the various roles and responsibilities]

Purpose and Terms of Reference: means the purpose and terms of reference of the Joint Committee set out in Appendix 2 below

Scrutiny Arrangements: means the overview and scrutiny arrangements at each Partner Authority as required by the Local Government Act 2000 Act

Scrutiny Committee: means the overview and scrutiny committees at each Partner Authority established in accordance with the Scrutiny Arrangements

Standing Orders and Rules of Procedure: means the standing orders and rules of procedure for meetings of the Joint Committee and its sub-committees which shall be those of one of the Partner Authorities (as agreed) (subject to any such amendments or additions as the Joint Committee sees fit) together with the financial regulations and contract procedure rules for the Joint Committee which shall be the regulations and rules of one of the Partner Authorities (as agreed) (subject to any such amendments or additions as the Joint Committee sees fit) which apply from time to time

Substitute Member : has its usual meaning]

2. FUNCTIONS AND ACTIVITIES TO BE UNDERTAKEN BY THE JOINT COMMITTEE ON BEHALF OF THE PARTNER AUTHORITIES

- 2.1 The Partner Authorities have each agreed and resolved that the Joint Committee should discharge the Functions.
- 2.2 The Partner Authorities acknowledge that any decision taken by the Accounting Authority or a Providing Authority that puts a Partner Authority in breach of any contract shall not be implemented and any costs or losses incurred by a Partner Authority arising from any such decision shall be apportioned equally between the Partner Authorities in accordance with the cost sharing principles [agreed by the Partner Authorities].

3. COMPOSITION OF THE JOINT COMMITTEE

- 3.1 Each Partner Authority shall appoint two of its elected members as its representatives on the Joint Committee one of whom will be a member of that Partner Authority's Executive, and the other

may be either a member of the Partner Authority's Executive or Council.

- 3.2 Each Joint Committee Member shall have one vote at meetings of the Joint Committee.
- 3.3 Each Joint Committee Member shall remain in office until removed or replaced by his appointing Partner Authority, or in the case of a Joint Committee member who is a member of an Executive until he ceases to be a member of the Executive of his appointing Partner Authority. Notice of the removal or replacement of a Joint Committee Member shall be given to the Clerk [to the Joint Committee].
- 3.4 The proceedings of the Joint Committee shall not be invalidated by any vacancy or any defect or purported defect in the appointment of any Joint Committee Member.
- 3.5 Any Partner Authority may, by giving written notice to the Clerk, nominate a Substitute Member to attend a meeting of the Joint Committee.
- 3.6 Where a Substitute Member takes the place of a Joint Committee Member who is a member of his appointing Partner Authority's Executive then such Substitute Member must also be a member of his appointing Partner Authority's Executive.
- 3.7 A Substitute Member shall have the same rights of speaking and voting at meetings of the Joint Committee as the Joint Committee Member for whom he is substituting.
- 3.8 The Partnership Managing Director, the Partner Authorities' Heads of Paid Service, together with the Joint Committee's s151 Officer, Monitoring Officer / Legal Advisor and the Clerk, shall be entitled to attend meetings of the Joint Committee to advise the Joint Committee on matters relevant to the functions and activities of the Joint Committee but shall have no voting rights.
- 3.9 Each Partner Authority may send any of its officers (as it considers to be appropriate) to meetings of the Joint Committee, or any sub-committee of it, to support its Joint Committee Members or those invited to observe the meetings.

4. ROLE OF JOINT COMMITTEE MEMBERS

- 4.1 The responsibilities of a Joint Committee Member shall be as follows:
 - 4.1.1 to act in the interests of the Joint Committee as a whole except where this would result in a breach of statutory or other legal duty to their Partner Authority or would be in breach of their Partner Authority's adopted code of conduct for elected members;
 - 4.1.2 to be committed to, and act as a champion for, the achievement of the Joint Committee's Purpose and Terms of Reference;
 - 4.1.3 to be a good ambassador for the Joint Committee and to encourage other councils to join the Joint Committee;
 - 4.1.4 to attend Joint Committee meetings regularly, vote on items of business and make a positive contribution to the achievement of the Joint Committee's Purpose and Terms of Reference;

- 4.1.5 to act as an advocate for the Joint Committee in seeking any necessary approval from their Partner Authority to the draft Business Plan and the Annual Budget

5. RESPONSIBILITIES OF THE CHAIRMAN AND VICE-CHAIRMAN

5.1 The responsibilities of the Chairman are as follows:

- 5.1.1 to act as an ambassador for the Joint Committee and to represent the views of the Joint Committee to the general public and other organisations;
- 5.1.2 to ensure that the meetings of the Joint Committee are conducted efficiently and in accordance with the Standing Orders and Rules of Procedures;
- 5.1.3 to encourage the Joint Committee to delegate sufficient authority to the Partnership Managing Director, the Accounting Authority and each Providing Authority to enable the Joint Committee's functions and activities to be carried out efficiently between meetings of the Joint Committee;
- 5.1.4 to monitor the performance of the Partnership Managing Director;
- 5.1.5 to establish a constructive working relationship with, and to provide support for any sub-committees and to the Partnership Managing Director, the Commissioning Officers' Group, the Accounting Authority and each Providing Authority or any other officers to whom the Joint Committee have delegated any of its powers and functions;
- 5.1.6 to ensure that the Joint Committee monitors and controls the use of delegated powers; and
- 5.1.7 to liaise with the Clerk to the Joint Committee regarding the Joint Committee's meetings and the conduct of its business.

5.2 The role of the Vice-Chairman is to deputise for the Chairman during any period of the Chairman's absence or at other times as appropriate and his responsibilities shall be the same as those of the Chairman.

5.3 Subject to the protocol set out in Appendix 3 below, the Chairman shall have a second or casting vote when presiding at a meeting of the Joint Committee.

6. MEETINGS OF THE JOINT COMMITTEE

6.1 Part I of Schedule 12 of the Local Government Act 1972 shall apply to meetings of the Joint Committee.

6.2 At its first meeting and at each Annual General Meeting thereafter the Joint Committee shall:

- 6.2.1 elect from among the Joint Committee Members the first Chairman and Vice-Chairman by a simple majority of votes provided that if a deadlock occurs between two or more Joint Committee Members a second secret ballot shall immediately be conducted for the election of the Chairman and Vice-Chairman;

- 6.2.2 adopt a Scheme of Delegation; and
- 6.2.3 approve the schedule of meetings for the remainder of the year.
- 6.3 Subject to paragraph 6.5 below, and the need exceptionally to call additional meetings, the Joint Committee shall meet at least [four] times each year. The Chairman shall decide the venue, date and time of all meetings of the Joint Committee. Wherever practicable, at least 10 Business Days' notice of such meetings shall be given to each Joint Committee Member, the Partnership Managing Director, the Joint Committee's s151 Officer, the Monitoring Officer, the Legal Advisor and to each Partner Authority's Head of Paid Service by the Clerk.
- 6.4 Meetings of the Joint Committee shall be open to the public and press except during consideration of items containing confidential or exempt information in accordance with the provisions of sections 100 to 100K of the Local Government Act 1972; and reports to and the minutes of the Joint Committee shall (subject to the provisions of sections 100 to 100K of the Local Government Act 1972) be available to the public and press as though they were the reports or minutes of a meeting of a Partner Authority.
- 6.5 Any Joint Committee Member may requisition a meeting of the Joint Committee by giving notice of such requisition to the Chairman and to the Clerk. Immediately upon receipt of such requisition, the Chairman shall call a meeting of the Joint Committee in accordance with paragraph 6.3 which shall be no later than 10 Business Days after the receipt by the Clerk of the notice of requisition.
- 6.6 The Standing Orders and Rules of Procedure shall be applicable to meetings of the Joint Committee. The Standing Orders and Rules of Procedure may only be amended or replaced if the amendment or replacement is agreed by not less than three-quarters of the Joint Committee Members.
- 6.7 The quorum for a meeting of the Joint Committee shall be [4] Joint Committee Members, which shall include at least one Joint Committee Member appointed by each Partner Authority; no business may be transacted at a meeting of the Joint Committee unless a quorum is present.
- 6.8 If a quorum is not present within 30 minutes of the time set for the commencement of a meeting of the Joint Committee (or a quorum ceases to be present during a meeting) the meeting shall be adjourned to the same time and venue five Business Days later or to such other date, time and venue as the Chairman (or other person who is chairing the meeting) shall determine.
- 6.9 The Chairman or Vice-Chairman may be removed by a majority vote of all of the Joint Committee Members present at a meeting of the Joint Committee subject to the Chairman or the Vice-Chairman being given the opportunity to address the meeting before the vote is taken to put his case as to why he should not be removed.
- 6.10 If the Chairman or the Vice-Chairman is removed by a majority vote of the Joint Committee or resigns or is otherwise unable to continue as Chairman or Vice-Chairman he may be replaced by the election of another Joint Committee Member as Chairman or Vice-Chairman as the case may be by a majority vote of the Joint Committee (in accordance with the provisions of paragraph 6.2).
- 6.11 The Chairman shall normally preside at all meetings of the Joint Committee. If the Chairman is not present within 15 minutes of the time for the commencement of a meeting, or being present does

not wish to preside or is unable to do so, then the Vice-Chairman shall preside at that meeting. If (in the event of the absence or non-availability of the Chairman) the Vice-Chairman is not present within 15 minutes of the time for the commencement of the meeting or does not wish to preside or is unable to do so, the meeting shall appoint another Joint Committee Member to chair the meeting.

7. DELEGATION TO SUB COMMITTEES AND OFFICERS

7.1 The Joint Committee may arrange for any of its functions to be discharged in accordance with the provisions of a Scheme of Delegation as approved by the Joint Committee.

7.2 The Joint Committee may appoint working groups to consider specific matters and report back to the Joint Committee or any sub-committee with recommendations.

8. SCRUTINY ARRANGEMENTS

8.1 Subject as set out in this paragraph 8 the decisions made by the Joint Committee shall for the time being be subject to the Scrutiny Arrangements of each Partner Authority and each Partner Authority acknowledges the requirements in paragraph 8.8 below for cooperation between the respective Scrutiny Committees of each Partner Authority.

8.2 Any decision of the Joint Committee, except those agreed as urgent in accordance with paragraph 8.3 shall not be implemented until the Scrutiny Arrangements of the Partner Authority whose membership has called in the decision or action has been completed.

8.3 Where a decision of the Joint Committee must be implemented without delay and as a matter of urgency the Clerk shall ensure that the chairmen of the Partner Authorities' Scrutiny Committees are immediately advised of the proposed urgent decision and their approval sought for call-in not to apply to that decision. Where such approval is given confirmation of that approval and the reasons for the decision being urgent shall be stated in the minutes of the Joint Committee meeting.

8.4 A summary record of decisions made by the Joint Committee will be made available to the public via the website of the Providing Authority which provides the Clerk within two Business Days of the decision being made. At the same time the Providing Authority which provides the Clerk will provide a copy of the summary record of decisions to all Partner Authorities for them to make available to their members as they see fit. The summary record will indicate which of the decisions are subject to the urgency provision and therefore are not available to be 'called in' prior to implementation.

8.5 Decisions of the Joint Committee (unless the Partner Authorities' Scrutiny Committees' chairmen agree otherwise in accordance with paragraph 8.3) shall be subject to call-in processes of each Partner Authority. If not called in during that period any decision shall then be available for implementation.

8.6 The Joint Committee Members and the relevant officers from each Partner Authority shall fully cooperate with the relevant Scrutiny Committee of any of the Partner Authorities and attend as directed by the Scrutiny Committee. The Partnership Managing Director may identify the appropriate officer(s) to attend a Scrutiny Committee. The Joint Committee Chairman may

nominate the Joint Committee Member(s).

- 8.7 Where a decision is called in by more than one Partner Authority, the Scrutiny Committee of each of the Partner Authorities calling in the decision will be invited to meet jointly to hear evidence, views, options considered, reasons for decision and to ask questions of appropriate Joint Committee Member(s) and the Partnership Managing Director and others invited to participate.
- 8.8 After these "hearings", each relevant Scrutiny Committee will meet separately to decide on what comment, view or recommendations (if any) it wishes to make to the Joint Committee.
- 8.9 Where the account to be given to the Scrutiny Committee requires the production of a report, then the Joint Committee Member or officer concerned will be given sufficient notice to prepare the documentation.
- 8.10 Once it has formed recommendations on a call-in (or proposals for development in accordance with paragraph 8.14) a Scrutiny Committee shall prepare a formal report and submit it for consideration by the Joint Committee.
- 8.11 The Joint Committee shall consider the report of a Scrutiny Committee at its next suitable meeting and shall issue a formal response to such a report.
- 8.12 The Clerk shall monitor the operation of the provisions relating to call-in and urgency annually, and submit a report to the Joint Committee with proposals for review if necessary.
- 8.13 A Scrutiny Committee should notify one of the Joint Committee Members for its Partner Authority if it includes in its work programme any aspect of policy development or review relating to the work or functions of the Joint Committee.

9. BUSINESS PLAN

- 9.1 No later than [31 July] in each year the Partnership Managing Director shall submit a draft Business Plan to the Head of Paid Service of each Partner Authority in respect of the next ensuing three Financial Years (covering that Financial Year and the following two Financial Years) (which draft Business Plan shall include a draft Annual Action Plan for the next Financial Year).
- 9.2 The Heads of Paid Service of the Partner Authorities shall within [20 Business Days] of receipt of the draft Business Plan consider and provide comments on or suggest amendments to the Partnership Managing Director to be included in a revised draft Business Plan and/or draft Annual Action Plan.
- 9.3 Subject to having considered any comments or suggested amendments from the Heads of Paid Service by no later than [30 September] in each year the Partnership Managing Director shall submit to the Joint Committee the draft Business Plan in respect of the next ensuing three Financial Years (covering that Financial Year and the following two Financial Years) (which draft Business Plan shall include a draft Annual Action Plan for the next Financial Year).
- 9.4 The Joint Committee shall consider the suitability of the draft Business Plan and draft Annual Action Plan for the performance during the next three Financial Years of the functions and activities delegated to it by the Partner Authorities (together with the contractual commitments of the Partner Authorities under any relevant contracts) in accordance with the Joint Committee's

Purpose and terms of Reference and shall use its reasonable endeavours to approve the draft Business Plan and draft Annual Action Plan (subject to such amendments as the Joint Committee may require) by no later than [30 November] in each year.

- 9.5 The Joint Committee shall perform the statutory functions delegated to it by the Partner Authorities and the activities referred to in paragraph 2 in conformity with the approved Business Plan (including the Annual Action Plan).
- 9.6 At any time within a Financial Year the Joint Committee may agree by a majority vote of the Joint Committee Members a proposal to amend the Business Plan (including the Annual Action Plan) for that Financial Year to accommodate any unforeseen circumstances and to assist the Joint Committee in achieving its Purpose and Terms of Reference.
- 9.7 Where the Joint Committee is to consider amendments to the Business Plan (including the Annual Action Plan) in accordance with paragraph 9.6 above, the Partnership Managing Director shall forthwith notify the Heads of Paid Service of each of the Partner Authorities of the proposed amendments. Each Partner Authority shall have a period of [20 Business Days] from receipt of the proposed amendments in which to consider them and where a Partner Authority (acting reasonably) considers the proposed amendments to be a Material Change that Partner Authority shall forthwith (and in any event within five Business Days of expiry of the [20 Business Day] notice period) notify the Partnership Managing Director that such amendments constitute a Material Change that requires the approval of the Partner Authority.
- 9.8 Where no Partner Authorities serve notice (in accordance with paragraph 9.7) on the Partnership Managing Director, the Joint Committee may implement such proposed amendments subject where necessary to having secured any necessary change in the budget in accordance with paragraphs 10.3 to 10.7 inclusive.
- 9.9 Where one or more of the Partner Authorities has notified the Partnership Managing Director that it considers the proposed amendments to be a Material Change, the Joint Committee shall not implement such proposed amendment unless and until the notifying Partner Authority has approved the proposed amendments and informed the Partnership Managing Director that it has approved such proposed amendments. Until such time as the proposed amendments have been approved, the current approved Business Plan (as may have been amended from time to time in accordance with this Constitution) shall apply.

10. ANNUAL BUDGET

- 10.1 The Joint Committee and the Partner Authorities will prepare the Annual Budget for future Financial Years in accordance with the following deadlines:
- 10.1.1 No later than [31 July] in each Financial year the Partnership Managing Director shall submit a draft Annual Budget to the Heads of Paid Service of the Partner Authorities in respect of the next Financial Year.
- 10.1.2 The Heads of Paid Service of the Partner Authorities shall within [20 Business Days] of receipt of the draft Annual Budget consider and provide comments on or suggest amendments to the Partnership Managing Director to be included in a revised draft

Annual Budget..

- 10.1.3 No later than [30 September] in each Financial Year the Joint Committee will approve the draft Annual Budget;
 - 10.1.4 No later than [31 October] in each Financial Year each Partner Authority will submit a report to its elected members to obtain approval for the draft Annual Budget and consider whether the draft Annual Budget should be included in its medium term financial plan;
 - 10.1.5 No later than [30 November] in each Financial Year each Partner Authority will provide any comments or proposed amendments to the draft Annual Budget to the Joint Committee;
 - 10.1.6 No later than [15 January] in each Financial Year the Joint Committee's s151 Officer will insert the actual costs to the Joint Committee into the draft Annual Budget and circulate it to the section 151 officer and Head of Paid Service of each Partner Authority and to the Joint Committee;
 - 10.1.7 No later than [15 February] in each Financial Year each Partner Authority will approve any amendments to the draft Annual Budget; and
 - 10.1.8 The Joint Committee will approve the Annual Budget by no later than [28 February] in each Financial Year.
- 10.2 If the Partner Authorities or the Joint Committee are unable to approve the draft Annual Budget for a Financial Year before [26 February] in any year, the Joint Committee shall perform its delegated functions and activities set out in paragraph 2 in conformity with the approved Annual Budget for the previous Financial Year subject to such adjustment for inflation as is reasonably required and to meet any increased costs of employment until such time as an Annual Budget is approved in accordance with this Paragraph 10.
- 10.3 At any time within a Financial Year the Joint Committee may agree by a majority vote amendments to the Annual Budget for that Financial Year to accommodate any unforeseen change in circumstances and to assist the Joint Committee in achieving the performance of its functions and other activities in accordance with the Joint Committee's Purpose and Terms of Reference.
- 10.4 Where the Joint Committee is to consider amendments in accordance with paragraph 10.3 above, the Partnership Managing Director shall forthwith notify the Head of Paid Service of each of the Partner Authorities of the proposed amendments to the Annual Budget. Each Partner Authority shall have a period of [20 Business Days] from receipt of the proposed amendments in which to consider them and to notify the Partnership Managing Director that such amendments require the approval of the Partner Authority.
- 10.5 Where no Partner Authorities serve notice (in accordance with paragraph 10.4) on the Partnership Managing Director the Joint Committee may implement such proposed amendment.
- 10.6 Where one or more of the Partner Authorities has notified the Partnership Managing Director that it needs to approve the proposed amendments, the Joint Committee shall not implement such

proposed amendments unless and until the notifying Partner Authority has approved the proposed amendments and informed the Partnership Managing Director that it has approved such proposed amendments.

- 10.7 The Partner Authorities shall each pay their contribution of the Annual Budget to the Accounting Authority in accordance with clause 13 and Schedule 5 of the Agreement and any additional contributions which may arise as a result of the operation of paragraphs 10.3 to 10.6 above shall be paid in accordance with clause 6.2.1 of the Agreement.

11. JOINT COMMITTEE MEMBER CONDUCT

- 11.1 Joint Committee Members shall be subject to the code of conduct for elected members adopted by the Partner Authority that nominated them to be a Joint Committee Member.

12. LIABILITY OF JOINT COMMITTEE MEMBERS

A Joint Committee Member shall have the same responsibilities and liabilities as those that apply when sitting on other committees and bodies as an appointed representative of his nominating Partner Authority.

13. DISSOLUTION AND RE-FORMING OF JOINT COMMITTEE ON ANOTHER LOCAL AUTHORITY JOINING

- 13.1 If it is agreed by all the Partner Authorities that should another local authority be permitted to join the Joint Committee , then the Joint Committee shall be dissolved with a view to a new Joint Committee being established, the constitution of which being on similar terms to this Constitution (as varied by the proposed Partner Authorities).

APPENDIX 1**Functions and activities delegated to the Joint Committee**

The role of the 2020 Vision Partnership Joint Committee (“the Joint Committee”) is (subject as follows) to:

1. Provide strategic direction for the continued improvement and development of the Partnership Venture; and
Direction, development and performance management of the Partnership Venture Services delegated to it by the delegating authorities
2. Secure the delivery of the following Functions and activities delegated to it by the Partner Authorities:
 - Human Resources policies and procedures (see Appendix i).
 - ICT network infrastructure, applications policies and procedures.
 - Finance and Procurement Rules, procedures, administration and best practice.
3. Undertake the functions set out in Appendix ii (which are currently delegated under the existing shared services arrangements (GOSS and ICT))
4. Provide strategic direction and oversee the performance, development and continued operation of the Partnership Venture on behalf of the Partner Councils and in accordance with the standards and specifications set out by those Partner Councils.

Appendix i**Delegated Employment Matters**

Each Partner Council delegates the following functions to the Joint Committee to apply to all staff employed by those Councils:

- HR Policies and Procedures
- Pay and Grading Policy
- Total Reward Policy (including financial and non-financial benefits)

Each Partner Council delegates the following functions in relation to Shared Services to the Joint Committee to undertake in accordance with approved policies:

- Appointment of Shared Service Heads
- To agree the staffing establishment required for each Service to meet the needs of the Partner Councils
- To determine pay and grading of staff
- To appoint and discipline staff
- To pay honoraria and acting up allowances
- To determine other benefits and allowances as are agreed
- To ensure that staff are appropriately skilled and trained

Note: It is agreed that in relation to the following posts:

- Cheltenham wish to exclude: Head of Paid Service; Managing Director Economic Development and Place; Director – Planning; Director - Environment; Deputy Chief Executive; Director Cheltenham Development Taskforce; Director of Resources; [Section 151 officer]; Monitoring Officer.
- Other Councils to consider this for themselves

Whilst the Joint Committee will make recommendations as to the terms and conditions of employment for the post in question to the Partner Council in question the final determination of those terms and conditions shall be made by the Partner Council making the appointment.

Appendix ii**Functions delegated under existing shared service arrangements****GO Shared Services**

The following services:

FINANCE AND PROCUREMENT**Finance**

- Accounts payable
- Purchase ordering
- Accounts receivable
- General ledger management
- Cash and bank input
- VAT
- Bank reconciliation
- Cheltenham Box Office Reconciliation
- Trust Funds
- Mortgages, Car Loans and Loans to Third Parties
- Freedom of Information Requests
- Mayor's/Chairman's Charity
- Leasing (Financial aspects) – Employee cars/pooled cars
- Leasing – Other Leases
- Support services costing
- Journals
- Statement of Accounts
- Collection Fund Accounting
- Fixed Asset accounting
- Financial Strategy/Budget Preparation
- Business Partnering
- Cheltenham Borough Homes Ltd
- Gloucestershire Airport
- Government returns – RO, RA, QRO, CO etc.
- Technical Accounting support
- Council Tax insert note
- Benchmarking
- Statistical reporting
- Treasury Management
- Insurance Support and advice
- Collate Precept data from Parish Council, Upper Tier Authorities, Police Authorities

Procurement

- Common Procurement Strategy, reflecting local flexibility
- Common Contract Rules
- Common suite of Standard Documentation
- Standardised procurement web pages
- Common Contract Register
- Full tender/quotation process
- Contract Management
- Contract Monitoring
- Spend Analysis, Reporting and identification of procurement savings
- Common Work Plan
- Supplier Adoption on E-portal where in use
- Category Management
- Purchase Order Management
- Purchase Cards
- Procurement Training provided by Shared Service

HR AND PAYROLL

Human Resources (HR)

- Workforce Intelligence
- Recruitment
- Leavers
- Induction
- CRB, Vetting and Barring Scheme, Independent Safeguarding Authority
- Employee Relations/Case work
- Grievance, Disciplinary & Capability
- Absence Management
- Change Management
- Redundancy
- Job Evaluation
- HR Procedure & Policy Development
- Health, Fire and Safety
- Benefits
- Employee Job Cycle
- Maternity/Paternity
- Pensions
- Long Service Awards
- Retirements and Flexible Retirements
- Death in Service
- Annual Leave and Flexi Leave
- Performance and appraisals
- Reward and recognition
- Apprenticeships, future jobs fund, backing young Britain
- Structure Charts

- Periodic staff communications
- Organisational HR Strategy
- Learning & organisational development, learning skills, knowledge, behaviours
- Other

Payroll

- Payroll Function

Business Systems Support and Maintenance

All as more particularly described in Schedule 1 of the s101 Agreements dated 1st April 2012 made between: Cheltenham Borough Council (1) and Cotswold District Council (2) (as subsequently amended by Variation Deed dated 29th April 2014); Forest of Dean District Council (1) and Cotswold District Council (2) (as subsequently amended by Variation Deed dated 14th April 2014); and West Oxfordshire District Council (1) and Cotswold District Council (2) (as subsequently amended by Variation Deed dated 29th April 2014)

GO Support and Hosting

The following ICT support and maintenance services (but specifically excluding Business Systems Support and Maintenance):

- Service Desk
- Data Centre Services (Server Hosting and Administration)
- Applications Support
- Data Communications and Network Management
- Network/Desktop Integration
- Interfaces
- ERP Service Continuity and Disaster Recovery
- Service Management and Evolution
- Configuration Management
- Security Management
- Printing/Scanning
- Procurement/Replacement of Hardware
- Recycling/Disposal of Hardware

All as more particularly described in Schedule 1 of the s101 Agreement dated 26th March 2013 made between Forest of Dean District Council (1), Cheltenham Borough Council (2), Cotswold District Council (3) and West Oxfordshire District Council (4) as amended by a Variation Deed dated 29th April 2014 made between the same parties

ICT

The provision of:

- ICT Business Solutions
- ICT Operations

APPENDIX 2

Terms of Reference of the Joint Committee

Strategic Direction

- To be responsible for the on-going strategic delivery and governance of the Partnership Venture Shared Services to the required standards set out in the s101 Agreement[s].

Financial

- To develop and approve the Partnership Financial Case from time to time and to make recommendations to the Partner Councils accordingly for adoption.
- To receive reports on and monitor the Partnership Financial Case.
- To oversee the delivery of the financial savings and benefits as set out in the Partnership Financial Case

Delivery

- To be responsible for the delivery of the Partnership Venture in accordance with the Business Case (timescales, costs and performance) and to agree tolerances, identify and manage risks, issues or concerns as necessary.

Monitoring

- To approve annual service plans and performance reports for each of the Partnership Venture Services
- To receive reports on the performance of the Partnership Venture Services at such intervals as may be provided by the s101 Agreement[s] or as the Joint Committee may require; to make recommendations for service improvements as appropriate and to generally monitor the delivery of the Partnership in accordance with the s101 Agreement[s] for the Partnership Venture.

Improvement

- To be responsible for the on-going enhancement of the Partnership Venture and the Partnership Venture Services.
- To receive reports on improvements or changes to service delivery of the Partnership Venture Services from the Partnership Managing Director and to recommend for approval major changes to the service delivery to the Partner Councils as necessary.
- To receive reports on any potential expansion of the Partnership Venture and to make recommendations to the Partner Councils accordingly.
- To receive reports on any requests for service contracts outside of the existing Partner Councils from the Partnership Managing Director and to make recommendations to the Partner Councils accordingly.

Disputes

- To receive reports on cases where conflicts between the interests of the Partner Councils have arisen or are likely to arise and to agree the manner in which such conflicts will be managed or resolved if possible.

APPENDIX 3**Protocol in respect of the Chairman's Casting Vote**

The Joint Committee agrees the following Protocol in respect of the Chairman's right to cast a second or casting vote in the event of an equality of votes at a Joint Committee meeting:

Deferral Vote

In the event of an equality of votes the Joint Committee Members agree to proceed as follows:

- the Chairman shall move to defer the agenda item ('Deferral Vote')
- If the Deferral Vote is passed by a majority the item shall be deferred and the deferral process will be triggered
- If the Deferral Vote is tied, the Chairman shall have a casting vote to decide whether to defer the item or not
- If the Deferral Vote is lost then the agenda item shall stand and be voted on, with the Chairman having a casting vote.

Deferral Process

The deferral process shall be as follows:

- The agenda item shall be deferred for a period of not less than five Business Days ("Deferral Period") and the Joint Committee meeting shall be adjourned to a date beyond the expiry of the Deferral Period as determined by the person chairing the meeting. During the Deferral Period the Joint Committee Members shall be able to consult their Partner Authorities and discuss the agenda item with other Joint Committee Members.
- At the adjourned Joint Committee meeting the agenda item shall be discussed again and any written views received from Partner Authorities shall be reported to the Joint Committee for consideration by the meeting.
- If, at the adjourned meeting, there is an equality of votes in relation to that agenda item the person chairing that meeting shall have a casting vote.

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Overview & Scrutiny Committee

Monday, 21st September, 2015

Attendees	
Councillors:	Tim Harman (Chair), Colin Hay (Vice-Chair), Chris Mason, Dan Murch, John Payne, Chris Ryder, Garth Barnes (Reserve) and Rob Reid (Reserve)
Also in attendance:	Councillor Steve Jordan (Leader), Paul Evans, Paul Dennison, Wayne Ellis (Severn Trent), Rob Bell (Ubico) and Scott Williams, Andrew North (Chief Executive), David Neudegg (2020 Vision programme), Councillor Bryan Robinson (Forest of Dean District Council), Councillor Klara Sudbury and Shirin Wotherspoon

DRAFT Minutes

10. 2020 VISION

The Chairman advised that he was minded to allow councillors in attendance but not on the O&S Committee, to ask questions at the appropriate stage. The committee were comfortable with this.

Andrew North first explained that at the Member Seminar held the previous week, members had commented that they did not feel that David Neudegg, Interim Managing Director for 2020 vision, was as visible as they felt he could be and with this in mind he had invited David Neudegg to attend, as well a range of Officers to who would provide expert advice if required.

Cheltenham Borough Council (CBC) was incredibly ambitious for the town and always striving for Cheltenham to be as good as it could be; something which was acknowledged by the Peer Review Team and reflected in their report addressed later on the Committee agenda. CBC did not keep large reserves, instead spending money to benefit the town and as a council it was prepared to borrow to fund such improvements. There were three elements which were key to enabling the council to deliver these ambitions; (1) the REST (Regulatory and Environmental Services Transformation) services which shaped the town's present and future (Planning, Licensing, Public Protection, etc); (2) key to place shaping was the Cheltenham Development Task Force which worked to develop sites across Cheltenham, not solely CBC sites; (3) the Engagement Team. Each of these three required a high degree of influence and control by Councillors and he could appreciate therefore, why Councillors did not want these services undermined.

The overarching ambition for 2020 Vision was "a number of councils, retaining their independence and identities, but working together and sharing resources to maximise benefit leading to more efficient, effective delivery of local services". The MTFS currently identified a funding gap over the next 4 years of £1.5m and he suggested that this was more likely to grow rather than reduce in the short term, meaning that in 5 years the council would either need to be spending £1.5m less or have increased revenues by this amount. The shared

services which had been entered into to date had proved successful, not only in monetary terms, having saved the council £2.73m, but also in creating teams with a wider pool of expertise and greater capacity it had built resilience and offered staff increased career opportunities. The business case for 2020 identified annual savings to this council of £581k, with further savings of £227k which could potentially be achieved through the establishment of a local authority company and therefore have a significant role to play in closing the council's MTFS funding gap in the short to medium term. He stressed that the services being considered for sharing were not those place shaping functions earlier described, but support services such as customer services, revenues and benefits (including council tax collection) and property services, services which needed to be done well but not necessarily directly by this council.

The paper which had been circulated with the agenda outlined four options which ranged from full commitment (option 1) to full withdrawal (option 4) and as a council the decision should be based on; "how can we reap all of the benefits without losing our identity." Option 1 was for full membership of the 2020 Vision Joint Committee and Officer advice was that they were content to see this council sign-up to this model. It was important to note that Officers advised against Option 4, questioning how the council would be able to place shape effectively when financially it would be operating with lack of money for future plans and investment. Options 2 and 3 were for consideration. Option 2, the "Arms-Length" option would see the council as a customer of the partnership venture and therefore likely to achieve less than the £581k and £227k savings discussed earlier. Option 3 and second in order of preference of Officers, was the "Preferred Partner" option and would see the council assume Observer status on the Joint Committee. Further, were the circumstances right, rights would be sought to sign-up to the Teckal company and the governance arrangements that went with it.

David Neudegg thanked the committee for inviting him along and assured members that he would be available if they wished to extend future invitations. He explained that he was here in his role as Interim Managing Director of the 2020 Vision programme and was therefore representing all four partner authorities, including CBC. The individual councils had each, already undertaken sharing of services and at Cheltenham this included a diverse range of arrangements including the Cheltenham Trust, Ubico, Cheltenham Borough Homes and Go Shared Services (where the role of lead employer had been passed to Cotswold District Council). In 2014 the 2020 Vision Programme Board commissioned Activist to develop a strategic business case and at that time all partners were clear that they wanted to maintain their democratic mandate and have a minimal impact on councillors and customers. Two options were outlined in the Activist report; the first for a Joint Committee and the second for a Teckal company. The second option was the preferred one for three of the four partners and therefore the suggestion was that a Joint Committee would be created, before moving to a Teckal company after 18 months. These joint proposals were set out to the Member Governance Board (MGB) in June, at which stage Cheltenham asked that the link between trusted advisors and local authorities be strengthened. CIPFA carried out a quality assurance review of the business case, finding it to be robust and noted their belief that more substantial savings could be achieved from a deeper collaboration.

David Neudegg suggested that at a strategic level, councillors would have three questions; (1) does the Joint Committee adversely impact CBC. He assured members that the Joint Committee would be responsible for the on-going strategic delivery and governance to the required standards set out in the s101 Agreement(s) of all partners and not individual partners. This was clearly defined in the Terms of Reference for the Joint Committee; (2) the risk of organisation failure. As part of a collective this would mean four failures across the four partner organisations and there would be member oversight across all councils to ensure that this did not happen; (3) Impact on staff. A positive approach to staff engagement had been adopted at all four partner councils and staff workshops had been organised. At the start of the meeting he had circulated a joint statement (Appendix 2) from the other three partners (Cotswold, West Oxfordshire and Forest of Dean District Councils) in response to the four options that Cheltenham would be considering. The three partners urged Cheltenham members to support the recommendations of the MGB and join them as a full and welcome partner of the 2020 Partnership. Were Cheltenham to decide upon any of the other options, they would respect this decision and would hope to maintain a positive relationship. The alternative options being considered by Cheltenham had not been evaluated in great detail by the other partners at this stage, however, they were willing to undertake an independent review of the options, if necessary. The statement suggested that fears about decisions being taken that would adversely affect one partner were ill-founded, with no evidence of this having occurred over the established history of partnership working (GO Shared Services, Ubico or the 2020 Vision partnership). David Neudegg felt that the worse scenario for partners and staff was a hesitant partner; instead wanting partners who were positive and fully engaged.

The Chairman referred members to the paper which asked that the committee form a view on whether Cabinet should consider alternative options for sharing with the 2020 Vision partner councils.

Andrew North and David Neudegg gave the following responses to questions from members of the committee, as well as non-members who were in attendance;

- Engagement with members had been consistent at all partner councils, though debate at Cheltenham's Cabinet and recent Member Seminar had differed from those at other partners given the discussions about alternative options, which had not been repeated elsewhere.
- The other partners have confirmed that they would be willing to undertake an independent review of the options, however, this would not be as in-depth as the previous review and they had been clear that they do not want to delay the timescales any further.
- Full details of the functions and activities delegated to the Joint Committee were outlined in the draft constitution and included HR policies and procedure, finance and procurement rules and ICT network infrastructure. The constitution defined the powers that this council would delegate to the Joint Committee, who would in turn appoint David Neudegg to carry out those functions. Cheltenham Borough Council would have its own lead Director for retained functions.

- David Neudegg currently spends 3 days a week in the role of Interim Managing Director of 2020 Vision and spreads his time between all four partner sites.
- The role of Interim Managing Director was interim until 2017 as the MD role may not be required if a Teckal company is formed.
- A suggestion which would probably be welcomed by other partner councils would be that of forming a Member Liaison Group which would allow non-Cabinet Members to have a role in formally monitoring the Joint Committee.
- Staff and Trade Unions had been briefed throughout the process and feedback had been positive. Staff saw this as an opportunity not just for savings but for resilience and an opportunity to be part of first class services in the future.
- Cheltenham were open to establishing a Teckal company from the outset and it would have been possible to extend the existing arrangements but other partners were more comfortable with a Joint Committee in the first instance. This should be seen as a stepping stone to a Teckal company as the move from one to the other was reasonably straightforward.
- In spite of the savings that 2020 vision would generate, there would still be a budget gap over the course of the MTFS and the Section 151 Officer had worked over the weekend to identify means of bridging the gap. Whilst it was not appropriate for him to divulge the detail to this committee at this stage, members could be assured that there was a plan. This was not to say that there would be no need for further savings in the future.
- It was agreed that as a council we needed to think about how we would scrutinise shared services going forward. There was an extent to which joint scrutiny could be undertaken and though this had not been fully considered it would likely be very valuable and something that officers would like to see happen.
- The formation of a Teckal company would see existing staff continue with their Local Government pension, whilst all new staff would be offered a stakeholder pension.
- Option 3 would allow Cheltenham to build in certain rights with observer status and at a point in the future, once it was comfortable, have an option to sign-up in the future. This would be subject to negotiation with the partner councils. This would undoubtedly require more time and effort, including having to get CIPFA back and would ultimately result in fewer savings. Officers appreciated that some members had concerns about governance and considered Option 3 to be a compromise but notwithstanding this, Officers were still recommending Option 1; full membership.
- As a full partner Cheltenham would still have the right to say which services it wanted to share and which it did not and if it was important to Cheltenham to keep REST back indefinitely then it could legitimately do so.

Councillor Bryan Robinson, Deputy Leader from Forest of Dean District Council was in attendance and accepted an invitation from the Chairman to share his thoughts on the Options being considered. He was of the opinion that existing shared services such as GO and ICT had proved effective and demonstrated

potential to continue and build upon successes to do more. He would very much like to see Cheltenham choose Option 1 and felt that it would be a disservice to Cheltenham for them to be anything other than a full partner.

A member voiced support for Option 1 which he considered to be the right decision for Cheltenham. GO shared services had generated greater savings than originally expected and had resulted in a more resilient service which could retain staff and use systems that alone, it would have been unable to afford. He felt that at this stage, members needed to be clear and honest about their concerns.

The Chairman was of the view that Option 1 best served the interests of Cheltenham, its residents and staff and members agreed that this, the unanimous view of the committee, should be passed to Cabinet. The Chairman would attend Cabinet on the 13 October to present the views of this committee.

The Chairman thanked the Officers and members who had attended the meeting.

Tim Harman
Chairman

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Cheltenham Borough Council

Council – 19 October 2015

Review of Polling Districts, Polling Places and Polling Stations for Lansdown Ward

Report of the Electoral Registration Officer (ERO)

Accountable member	Cabinet Member for Corporate Services, Councillor Jon Walklett
Accountable officer	Chief Executive, Andrew North
Ward(s) affected	Lansdown Ward
Key/Significant Decision	Yes
Executive summary	<p>The council has a duty to ensure that all electors have such reasonable facilities for voting as are practicable and to ensure that the polling stations are accessible to all electors including those with special needs.</p> <p>A consultation exercise has been completed for Lansdown Ward.</p>
Recommendations	<p>That the following changes to polling districts HA and HB be approved:</p> <p>Move Douro Road, Drakes Place, Lansdown Terrace, Lansdown Terrace Lane, Malvern Place and Malvern Road from Polling District HB to Polling District HA</p>
Financial implications	<p>There are no direct financial implications arising from this report.</p> <p>Contact officer: Des Knight, des.knight@cheltenham.gov.uk, 01242 264124</p>
Legal implications	<p>There are no legal implications arising from this report.</p> <p>Contact officer: John Teasdale, john.teasdale@tewkesbury.gov.uk, 01684 272699</p>
HR implications (including learning and organisational development)	<p>There are no HR implications arising from the recommendation.</p> <p>Contact officer: Carmel Togher, carmel.togher@cheltenham.gov.uk, 01242 775215</p>
Key risks	<p>There is a risk that individuals who have been used to voting in St Andrews Church Hall (HB) attempt to vote there instead of Christ Church Church Hall (HA). The Returning Officer issues poll cards which will state the new location on the card.</p>

Corporate and community plan Implications	There are no community and corporate plan implications
Environmental and climate change implications	
Property/Asset Implications	Contact officer: David Roberts@cheltenham.gov.uk

1. Background

1.1 Following a request from Councillor Diggory Seacome an interim review was undertaken to ensure that all electors in the Lansdown Ward have reasonable facilities for voting as are practicable and to ensure that the polling stations are accessible to all electors, including those with special needs. Councillor Seacome suggested that Douro Road, Drakes Place, Lansdown Terrace, Lansdown Terrace Lane, Malvern Place and Malvern Road in Polling District HB are nearer to Polling Station Christ Church Church Hall, Malvern Road (HA) than to St Andrews Church Hall, Montpellier Street (HB) and to therefore move these electors from Polling District HB to Polling District HA

2. Responses from interested parties

2.1 No responses have been received.

3. Response from the Acting Returning Officer (ARO)

3.1 Although I have not received complaints from electors in polling district HB, Councillor Seacome observed that electors living in particular roads in the north of Polling District HB would have less distance to travel to cast their vote if they were to vote at Christ Church Church Hall in Polling District HA. It is proposed that the electors living in Douro Road, Drakes Place, Lansdown Terrace, Lansdown Terrace Lane, Malvern Place and Malvern Road vote at Christ Church Church Hall (HA) instead of St Andrews Church Hall.

4. Reasons for recommendation

4.1 To improve accessibility to the polling station for the electors currently living in the north of polling district HB.

5. Alternative options considered

5.1 No alternative options have been considered.

6. Consultation and feedback

6.1 A consultation exercise was carried out and proposals and comments on the review were requested. Views were requested from the following:

- MP for Cheltenham
- Borough Councillors for Lansdown Ward
- County Councillor for Lansdown and Park Electoral Division
- Party Election Agents

7. Performance management –monitoring and review

7.1 The Electoral team always undertake an informal review of polling stations after each election to identify any issues which may arise from time to time.

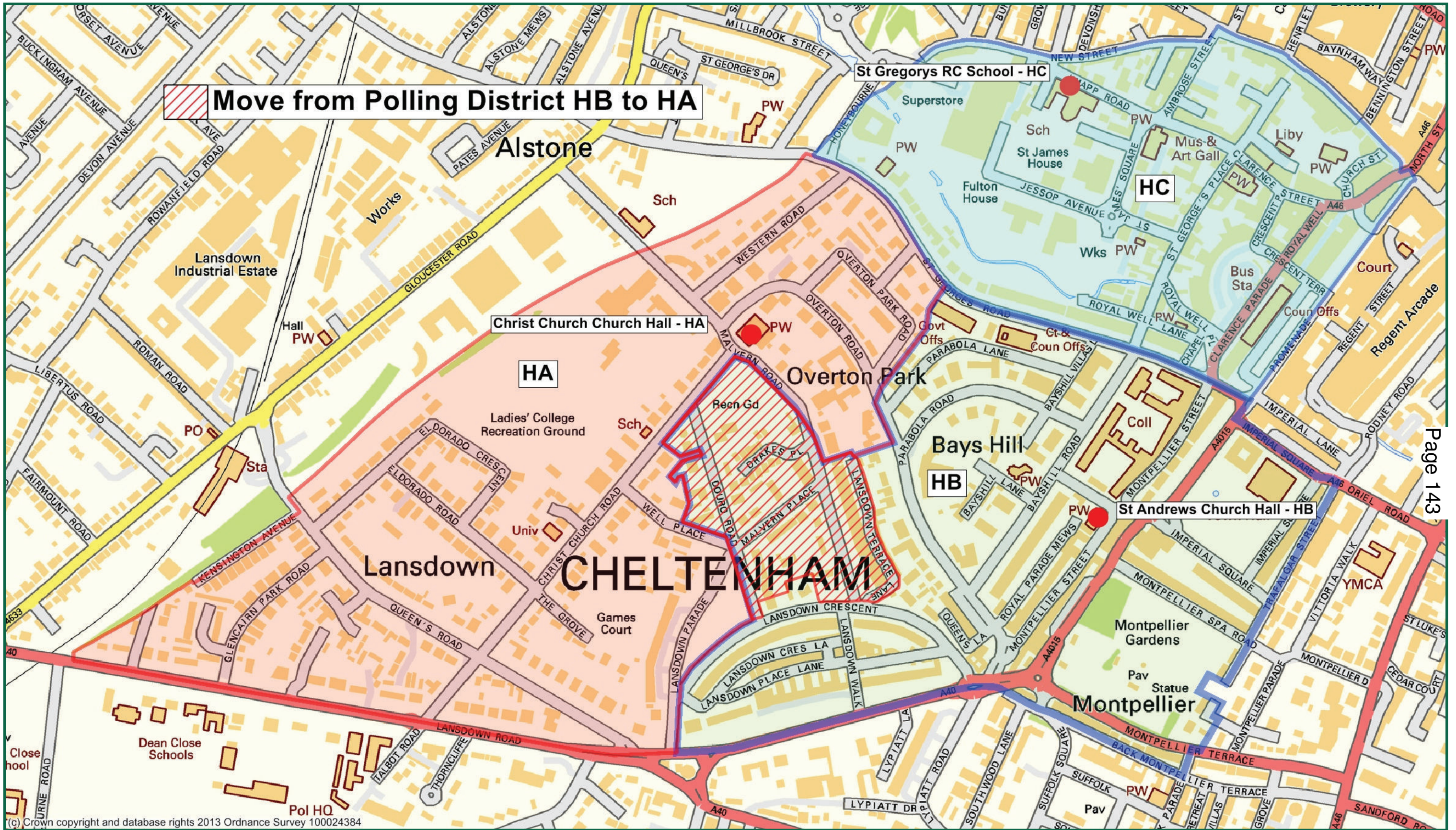
Report author	Contact officer: Kim Smith, kim.smith@cheltenham.gov.uk, 01242 774948
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Appendices

1. Risk Assessment
2. Plan of Polling Districts HA and HB

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
	Elector unsure of location of polling station	RO	18 September	1	1	2	A	Poll card with note highlighting Polling Station location may have changed. Helpline and office contact details on poll card.	Next election	Electoral Registration Manager	Divisional 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>											

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Appendix 2

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25 September 2015

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**Cheltenham Borough Council
Cabinet – 15 September, 2015
Council – 19 October, 2015**

**Recommended option for the future provision of the Cheltenham
Crematorium service**

Accountable member	Councillor Chris Coleman, Cabinet Member Clean and Green Environment
Accountable officer	Mike Redman, Director of Environmental and Regulatory Services
Ward(s) affected	All, but Oakley and Prestbury in particular
Key Decision	Yes
Executive summary	<p>Investment is needed to improve public facilities and in particular, the reliability of the cremators at Cheltenham’s cemetery and crematorium. This follows the poor quality cremator installation which took place in 2011, during which the main contractor went into liquidation, leaving a number of authorities with sub-standard equipment issues.</p> <p>To ensure that the best solution is secured, architects Robert Potter and Partners were commissioned to look at a number of options ranging from installing new cremators in the current building, to building a new chapel and crematorium.</p> <p>The options identified are diverse and have different operational, customer service and financial implications. This report covers the results of the public consultation process and seeks Cabinet endorsement of the recommended preferred option for implementation, subject to Council agreement to the financial implications of the project.</p>
Recommendations	<p>Cabinet at their meeting on 15 September:-</p> <ol style="list-style-type: none"> 1. Agreed to progress Option E - a new build facility on Council-owned land to the east of the current cemetery site - as the preferred option for the future provision of its crematorium service; 2. Delegated authority to the Director of Environmental and Regulatory Services, in consultation with the Cabinet Member for Clean and Green Environment and the Head of Property Services to prepare and submit the necessary planning application for the new building, cremator plant and associated works;

	<p>3. Noted that, subject to Council approving the project budget;</p> <p>3.1 the Head of Property Services will undertake the procurement for the design and construction of the new crematorium, cremators and associated works, in consultation with the Director of Environmental and Regulatory Services, the Cabinet Member for Clean and Green Environment, the Section 151 officer and the Borough Solicitor;</p> <p>3.2 following the procurements referred to in recommendation 3.1 a report will be presented to the Cabinet Member for Clean and Green Environment requesting approval to award the contracts to the successful contractors;</p> <p>4. Delegated authority to the Head of Property Services in consultation with the Director of Environmental and Regulatory Services to take all necessary steps and undertake all necessary procedures, including the entering into of legal or other documentation, as may be required to implement or facilitate the project;</p> <p>5. Asked the cross-party Cabinet Member Working Group which has been helpfully acting as a sounding board for the project to continue its role in relation to the new build project, with updated terms of reference as appropriate;</p> <p>6. Agreed in principle to an increase in the cremation fee by 2017/18 to sufficiently cover additional revenue costs.</p> <p>Cabinet agreed to recommend to Council that :</p> <p>7. Council allocates the budgets for financing Option E as detailed in Appendix 4 (exempt).</p>
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Financial implications	<p>As set out within section 6 below.</p> <p>Contact officer: Nina Philippidis - Accountant, nina.philippidis@cheltenham.gov.uk (01242) 264121</p>
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<p>Legal implications</p>	<p>The Council owns the land on which it is proposed to build the new crematorium and associated car parking. The land on which the crematorium would be constructed lies within the administrative area of Tewkesbury Borough Council.</p> <p>By virtue of section 214(1) and (2) of the Local Government Act 1972 and Section 4 of the Cremation Act 1902, the Authority has the power to build and operate a crematorium outside of its own administrative area.</p> <p>The Authority has power to charge fees for cremations under Section 9 of the 1902 Act.</p> <p>The Authority will need to comply with its contract procedure rules in procuring a contractor or contractors to build the new crematorium and provide the new cremators. A full EU procurement will likely be necessary for the acquisition of the cremators and advice from GOSS Procurement and One Legal should be sought.</p> <p>Additional legal implications are contained in appendix 5.</p> <p>Contact officer: Donna Ruck - Solicitor (OneLegal), donna.ruck@tewkesbury.gov.uk 01684 272696 and 01242 774929</p>
<p>HR implications (including learning and organisational development)</p>	<p>It will be important to ensure that sufficient staffing resources are made available both for the successful implementation of this significant corporate project and for backfilling capacity, in particular within the Bereavement Services and Property teams, which will face additional demands during the duration of the build project.</p> <p>The project team will also need to keep HR involved as the project progresses, as further employment issues may arise, including any potential closedown period, ensuring staff affected are temporarily redeployed. There may be contractual changes required as a result of changes implemented by the project which would require effective consultation and negotiation with individual staff members and trade union colleagues. Clear thought to training and development will also need to be considered should new equipment be purchased, or new processes / new sites go live.</p> <p>Contact officer: Richard Hall – HR Business Partner GOSS (West), richard.hall@cheltenham.gcsx.gov.uk 01242 774972</p>
<p>Key risks</p>	<p>The key risks relating to the proposed project and recommendations are attached at Appendix 1</p>

<p>Corporate and community plan Implications</p>	<p>Cheltenham’s environmental quality and heritage is protected, maintained and enhanced – as part of the current cemetery is a listed park, it will be important that this is taken into account in addition to wider issues around the environment set out below.</p> <p>Transform our council so it can continue to enable delivery of our outcomes for Cheltenham and its residents- the crematorium facility is not currently fit for purpose and requires investment, whilst the chapels and parking arrangements have insufficient capacity to meet customer expectations.</p>
<p>Environmental and climate change implications</p>	<p>The efficiency of the cremation plant and the fact that the facility is not currently subject to mercury abatement are both directly relevant environmental issues which the options project seeks to address.</p> <p>Replacement of the cremation plant will lead to a reduction in gas consumption and associated carbon emissions from the burning of a fossil fuel.</p> <p>The emission of mercury does not have a direct environmental impact on the immediate locality, but is relevant to national targets for meeting European target commitments for this neurotoxin, which has a cumulative effect within the food chain.</p> <p>The preferred option of a new build facility also provides the opportunity to incorporate further efficiencies and features to reduce energy consumption, future-proof the building against longer term climate change and reduce its environmental impact. This is likely to include areas such as heat recovery from the combustion process, photovoltaic/solar water heating panels and ground source heat pump technology.</p>
<p>Property/Asset Implications</p>	<p>The preferred option recommended for implementation will involve the creation of a significant new Council asset, with appropriate revenue costs associated with running and maintaining an operational building. This will be in addition to costs relating to the existing Grade II listed chapels, part of which may be adapted for use as office accommodation and/or an appropriate alternative use such as a catering / wake facility.</p> <p>Parts of the existing site may be subject to future asset disposal, providing the authority with the option of utilising any receipt to help offset the cost of investment arising from this options report.</p> <p>Members should note that the new build facility may have some marginal land value impact on adjoining CBC-owned land at Priors, due to the proximity of the proposed new crematorium facility. It is difficult to assess what this may be, as this adjoining land has not been allocated for development within the Cheltenham Plan and may be suitable for a variety of uses, not all of which would be impacted by this project.</p> <p>Contact officer: David.Roberts@cheltenham.gov.uk</p>

1. Historic background

- 1.1 The cemetery and crematorium are situated in Bouncers Lane with Cleeve Hill as an impressive backdrop. The grounds encompass 65 acres which incorporate the gardens of remembrance. Cheltenham Cemetery opened with its first burial in 1864, with the crematorium being the 39th to be opened in the British Isles in 1938.
- 1.2 Historic England is responsible for maintaining and compiling the national register of parks and gardens of special historic interest in England. There are two in Cheltenham included on the register, Pittville Park and the Bouncers Lane Cemetery. These are both Grade II listed sites because their historic layout, features and architectural ornaments are considered to be of special interest.
- 1.3 No additional statutory controls follow as a result of being on the register, but local planning authorities are required to take into account the landscape's special interest when preparing local plans and in deciding planning applications that could affect the preservation of a registered park or garden and its setting.
- 1.4 Local plan policy GE4 refers specifically to *Bouncers Lane Cemetery* and states '*Development which would adversely affect the setting or appearance of...Bouncers Lane Cemetery will not be permitted*'. There is also a note which states '*The Borough Council will consult English Heritage, the Garden History Society, and the Gloucestershire Gardens and Landscape Trust on all applications affecting...Bouncers Lane Cemetery*'.
- 1.5 In January 2015, Justin Ayton, an Architectural Historian was commissioned to produce a Heritage Statement of Significance to inform the long term plans for the evolution of the cemetery and crematorium, including the option appraisal process and any future planning application. The report has been used to inform the recommendations within this report and will be a useful reference for any future proposals.

2. Recent background

- 2.1 In 2010-11, works were undertaken to replace the cremators at the crematorium with new equipment including mercury abatement which was supplied by a company called Crawford Environmental Ltd. Unfortunately, the company went into liquidation prior to completion of the contract, leaving the Council and 11 other local authorities with sub-standard equipment which is not fit for purpose.
- 2.2 At one local authority in south Wales, this led to a fire which completely destroyed the crematorium and there was a fire at another crematorium in south-east England. All the authorities concerned have experienced overheating and maintenance problems with their Crawford equipment.
- 2.3 The Council has had independent technical reports carried out in relation to the Cheltenham installation and in addition to spending in excess of £160k on stabilisation works, was advised that the plant has a limited lifespan of circa 5 years (now closer to 4 years).
- 2.4 In recent months, further works have been undertaken to Cremator 2, including renewal of the hearth and refractory (brick) lining and repairs to the metal casing. Further issues with the burners and associated air supply have also been carried out, but concerns about the quality of the plant remain.
- 2.5 Given the continuing issues with the reliability of the plant, both the crematorium service and associated income stream are considered to be at an unacceptably high risk, necessitating urgent action by the Council to address the long term future of the facility.

3. Option summary

- 3.1** Robert Potter and Partners were appointed to both advise on and develop options for the future of the Council's crematorium service - their report is available as a background document (available on the website and a hard copy will be available in the Members Room).
- 3.2** A total of 18 alternatives have been considered by the Council's architectural consultant and the project team, with 5 shortlisted options proceeding to public consultation.
- 3.3** Excluding the 'do nothing' option referred to as 'Option A' which does not address the shortcomings of the existing facility, these options were judged to offer the best balance between addressing current and future customer service requirements and the financial challenges, within relevant identified constraints. Analysis was undertaken to identify how the more expensive options could be funded, in particular, C, D and E, with the new build Option E being the highest cost, but also considered by the project team to offer the most comprehensive long term solution.
- 3.4** It quickly became clear that the options providing the greatest degree of future-proofing of the service were likely to be the most costly. Cabinet was therefore consulted informally on the preferred basis for funding costs in excess of the £1 million identified for the project by budget-setting in 2015-16. Cabinet advised that its preference was that any additional capital investment requirement should be met from the service, so the project team focused its attention on the potential for additional income generation and potentially, capital receipts from the sale of land and building assets within the cemetery boundary.
- 3.5** In order to keep the assessment process manageable, the potential use of capital receipts from disposals has not been factored into the financial appraisal of options. Instead, we have looked at the potential for increased charges in relation to two areas:
1. Cremation charges;
 2. A new 'environmental charge' – to reflect the cost the authority incurs of around £50,000 per annum for paying into the mercury abatement 'offsetting' scheme known as CAMEO (see further details at Appendix 6). This nationally-run scheme allows operators to offset their mercury emissions by paying credits to operators that have introduced mercury abatement technology. A charge relating to this cost is commonplace within the industry, but not currently levied in Cheltenham.
- 3.6** A comparison of locally benchmarked Cremation charges is shown in Table 1 below. This demonstrates that Cheltenham's cremation charges are currently competitive, notwithstanding the fact that services are scheduled for 45 minutes, compared to the standard 30 minutes at other venues.

3.7 Table 1 – Adult cremation fees 2015-16

Venue	Cheltenham	Swindon	Worcester	Gloucester
Standard adult cremation fee	£629	£720 14.4% higher charge	£750 19.2% higher charge	£756 20.2% higher charge
Chapel time	45 minutes (50% longer)	30 minutes	30 minutes	30 minutes
Extras included	Medical reference Use of organ / supply CDs & equipment Ashes box	Medical reference Use of organ	Medical reference Chapel music system Plastic urn Abatement surcharge (where applicable)	Medical reference Organ & organist, Abatement Fee
Optional		£775 23.2% higher charge (40 minute chapel time)		

- 3.8** Consultation with funeral directors suggests that there is unlikely to be an impact on service demand from a reasonable increase in cremation fees to bring Cheltenham into line with, or even slightly above the charges at other local crematoria. Indeed, if this was linked with the planned improvements offered by Option E, this is likely to be welcomed by service users, if the alternative was that the more ambitious new build scheme could not proceed.
- 3.9** Environmental charge - as all the solutions being proposed for the Cheltenham crematorium service other than the 'do nothing' option will introduce mercury abatement, the time is considered right to introduce a charge for this, as part of the business case for investment in the long term improvement in the service.
- 3.10** Detailed in Table 2 below are the five options which were shortlisted for consultation on the future of the crematorium service, from a total of 18 options assessed by our consultants. The project team scored the options against the project aims set out in Table 4 below. A similar exercise was undertaken independently by our consultants. Reassuringly, this resulted in a comparable hierarchy of scores and therefore also identified Option E as the preferred option.

3.11 Table 2

Option	Scope	Project team score against project aims (excluding finance) – high is good
A. Do nothing	Continue to operate facility as currently, without mercury abatement and accepting the likelihood of increasing maintenance and reliability issues.	20.1%
B. Minimal solution	Replace existing cremator plant (2 no.), install mercury abatement plant, provide new floral tribute area, improved vehicular and pedestrian circulation and new car park to accommodate an extra 120 vehicles.	40.5%
C. Remote crematory	Remote crematory to accommodate two cremators, with potential for third cremator,	67.4%

	together with abatement plant, expansion of South Chapel into vacated crematory to accommodate 152 seated mourners, new floral tribute area, improved vehicular and pedestrian circulation, and new car park to accommodate 120 cars.	
D. Extension of existing facility	Remodelling of existing crematory and extension to accommodate two cremators, with potential for third cremator, together with abatement plant, extension of North Chapel to accommodate 133 seated mourners plus overspill for large funerals, enhanced waiting areas, enhanced staff facilities, general improvements to functionality, new floral tribute area, improved vehicular and pedestrian circulation, and new car park to accommodate 120 cars.	65.9%
E. New build	New-build option on land to the east of the site, providing a new chapel which can accommodate at least 150 seated mourners plus standing areas and overspill areas for large funerals, clear pedestrian flows and separation between services, retention of the North Chapel for small ceremonies, improved vehicular and pedestrian circulation, and new car park to accommodate 120 cars (including 20 spaces adjacent to the building for disabled parking), with scope for future expansion in the medium to long term.	98.5%

3.12 This table shows the extent to which options meet the Council’s objectives for the future of the cremation service against a range of criteria, including desired outcomes and constraints. The summary tables below show the Pass/Fail criteria applied to options, together with weighted scores that were assessed by the project team against individual objectives for the project. A similar exercise was also undertaken independently by our consultants, with broadly comparable results (i.e. the same scheme preference order).

3.13 Table 3 – Summary of Pass/Fail criteria

Category	Option A	Option B	Option C	Option D	Option E
Service Quality	P	P	P	P	P
Environmental	F	P	P	P	P
Planning	P	P	P	P	P
Land Use	P	P	P	P	P
TOTAL	Fail	Pass	Pass	Pass	Pass

3.14 Table 4 – Summary of weighted scores against project aims

Category	Option A	Option B	Option C	Option D	Option E
Resilience	0.0	6.6	22.0	11.0	22.0
Service Quality	6.2	10.3	11.4	13.2	20.5
Operational	7.7	7.7	8.8	15.4	22.0
Environmental	0.0	8.0	12.0	12.0	16.0
Implementation	2.0	2.0	2.0	2.4	4.0
Equalities	4.2	4.9	5.6	7.0	7.0
Future Proofing	0.0	1.1	5.6	4.9	7.0
TOTAL (out of 100)	20.1	40.5	67.4	65.9	98.5

3.15 This analysis clearly demonstrates that the ‘best fit’ option (excluding financial considerations) by some considerable margin is Option E, with the pass/fail criteria effectively ruling out Option A (do nothing) as an acceptable position moving forwards. This is because it would expose the Council to an unacceptable environmental impact at some future point.

4. Other options considered

4.1 The project team also looked briefly at ‘promession’ an alternative method of body disposal which involves the use of liquid nitrogen. However, apart from the obvious concerns about its potential acceptability to bereaved families, this was discounted on the basis that the process is not currently licensed in the UK and there is no evidence that such licensing is likely to occur in the near future.

4.2 Outsourcing was considered, but specifically excluded as an option for consideration at an early stage in the process, due to concerns about the reliability of the cremator plant and the impact which this is likely to have on any offer from a would-be private operator. There is also a high degree of public sensitivity around the service, which has been successfully operated by the Council since the 1930’s and informal soundings with Cabinet indicated that it would not be politically acceptable. The Cabinet Member Working Group was broadly of a similar view, having regard to the likely complexities of negotiating with a private sector operator when the current operation isn’t resilient. Another obstacle was considered to be the close link between the crematorium operation and the cemetery service, which is operated from a very sensitive site with listed status.

5. Consultation and feedback

5.1 The project team, lead Cabinet member and the Cabinet Member Working Group were of the opinion that five identified options should be consulted upon, notwithstanding the likely funding challenges posed by options C, D and E.

5.2 Consultation up to this point has now included the public, Historic England, Bereavement Services staff, the project team, funeral directors, ministers & religious groups, organists, celebrants and the Cabinet Member Working Group, which has acted as a sounding-board throughout the project to date.

5.3 A summary of the results of the detailed public consultation exercise is attached at Appendix 2.

5.4 The consultation provided the opportunity for respondents to comment on the five options, with details of the schemes, indicative layout plans and comparative financial information. To gauge preferences, a ‘star rating system’ was used, allowing respondents to score each of the schemes

on a one to five star basis.

5.5 Headline results from the consultation were as follows:-

- 225 responses in total – 149 on-line, 11 via the display at the Municipal Offices and 65 via the display and events at the Cemetery & Crematorium.
- 203 respondents said had visited the site, 34 saying they were part of a connected business
- 86.4% of all respondents indicating a preferred option preferred Option E
- Option D was the next highest preference at 5.5%
- 49.6% of all rating stars were awarded to Option E
- Option D was the next highest with 19.2%
- People who had visited the site were slightly more favourable towards Option E than those who had not visited
- Those who declared a related 'business interest' were even more strongly in favour of Option E, awarding it 61.1% of all available stars to it.

5.6 In addition to the public consultation, a member seminar took place on the evening of 18th August and was attended by 15 councillors. Members were broadly supportive of Option E as the preferred way forward, whilst understandably seeking reassurance around the financial investment required. This included questions around the commerciality of the Council's approach and the opportunity which the new facility would provide to grow the service in line with expectations about future population growth. There was a clear recognition of the need for the authority to invest to ensure that the facility remains competitive in terms of its offer and able to attract business from the wide catchment that is currently serviced.

5.7 In this regard, members were concerned that the design and quality of the new building would be of critical importance and fundamental to attracting and retaining business.

5.8 As the Council's land to the east of the existing cemetery site is within Tewkesbury borough, approaches have been made to both Southam Parish Council and Tewkesbury members for the Cleeve Hill ward to ask for their views on how they would like to be consulted in advance of any formal planning submission, should the recommended option be agreed by Cabinet.

6. Financial implications

6.1 Scheme Costs and Funding

6.1.1 For each option a detailed financial model has been prepared based on estimated construction costs provided by Robert Potter and Partners. As part of the business case preparation process the project team have considered the likely total project cost, the detail of which can be seen at Appendix 5.

6.1.2 The Council initially approved a £1,000,000 capital contribution to improvements at the Cemetery & Crematorium based on the anticipated cost of two new cremators in their current location. It was understood it was unlikely that this alone would cover the full costs of any proposal and the project team was tasked with looking at wider options, considering how borrowing via the Public Works Loan Board (PWLB) could be used to support capital expenditure over and above that provided.

- 6.1.3** By taking a full project costing approach, revenue as well as capital scheme costs have been identified. Under Options B, C and D, the anticipated loss of income arising from service disruption would need to be underwritten by the General Reserve in 2016/17. In agreeing to any of the options appropriate funding must be allocated from the Programme Maintenance Reserve to cover refitting and internal refurbishment costs.
- 6.1.4** Table 5 below, details the total scheme costs of each option and the various levels of borrowing and one-off funding required.

Table 5

	OPTION B	OPTION C	OPTION D	OPTION E
RPP Construction Cost Estimate	£2,483,000	£5,119,000	£5,446,000	£6,565,000
Other Capital Project Costs	£541,651	£1,036,843	£1,413,955	£878,100
Total Estimated Scheme Cost	£3,024,651	£6,155,843	£6,859,955	£7,443,100
Required Funding				
Capital Receipt	£1,000,000	£1,000,000	£1,000,000	£1,000,000
PWLB Borrowing - across 15 to 35 year terms	£1,651,245	£4,542,810	£4,867,555	£5,968,600
Programme Maintenance Reserve - to fund refitting and internal refurbishment costs	£301,700	£411,800	£418,700	£474,500
General Reserve - to cover loss of income from service disruption	£71,706	£201,233	£573,700	£0
	£3,024,651	£6,155,843	£6,859,955	£7,443,100

6.2 Revenue Implications

- 6.2.1** Full consideration of the annual revenue implications of each scheme has been given, with any likely changes being captured within the models e.g. changes in operational requirements and building running costs. The estimated costs of repaying both the interest and principal on the loans required to cover the scheme costs have also been included.
- 6.2.2** The schemes all include the replacement of the crematory with mercury abating equipment. This will allow the Council to cease paying into the CAMEO scheme (current cost of around £50k per annum) and instead receive abating "credits". An estimate of this income, based on a future forecast on current rates, has been included in all models.
- 6.2.3** The savings from becoming an abating authority are not sufficient on their own to cover the full increase in costs arising for these options and therefore it is assumed the additional cost will be covered by increases in income, facilitated by an increase in the price per cremation.
- 6.2.4** A baseline of 1,900 cremations per annum has been assumed and the required fee increase calculated to ensure the schemes "break even" and do not have a detrimental impact on the Council's Medium Term Financial Strategy. Note: Inflationary increases are already assumed within the medium term financial strategy, so the fee increases to support the options are additional.
- 6.2.5** Table 6 below, indicates the fee increase per cremation required (over and above annual inflationary increases) to support the additional net revenue costs of each option.

Table 6

	OPTION B	OPTION C	OPTION D	OPTION E
Required increase in cremation fee to meet costs of borrowing & additional annual revenue costs arising	£29.60	£150.62	£135.70	£168.71

6.2.6 The financial models assume works commence and complete by the end of 2016/17 with loan drawdown post completion at the beginning of 2017/18. This assumption requires the fee increase to be in place for 1st April 2017.

6.3 Assumptions

6.3.1 The financial models are built on a number of assumptions, the first of which is referred to in 6.2.6. The construction costs have been estimated based on forecasts for Quarter 3 2016 prices. Although a contingency has been included within each model for project delays, further budgetary provision could be required to cover estimated inflationary increases should the project timings change. Currently consideration is being given to the procurement route, the outcome of which could alter the project timelines resulting in the current Quarter 3 2016 prices being pushed back to Quarter 1 2017.

6.3.2 The estimated cost of this shift and the equivalent fee increase is shown in Table 7 below:

Table 7

	OPTION B	OPTION C	OPTION D	OPTION E
Cost of moving from Quarter 3 2016 to Quarter 1 2017 prices	£90,000	£185,000	£200,000	£240,000
Fee increase equivalent to additional required borrowing	£4.09	£7.14	£7.62	£8.86

6.3.3 Assumptions on PWLB interest rates have been based on indicative forecasts using available information taking into account both current project timings and indicative loan periods. However, as all are well aware, interest rates are sensitive to a range of pressures so the risk of interest rates rising and the corresponding impact on necessary cremation fee increases should be noted.

6.3.4 Other important assumptions are:

- Benchmark rates for new buildings are based upon a crematorium designed by our consultants (Roucan Loch) which won an architectural design award with a modest specification and simple architectural form but a high quality build
- Two cremators will be installed with space for a third (except options A and B)
- No further ecological mitigation actions are required
- Any costs resulting from issues identified by site surveys of ground conditions can be met within contingency funds

6.3.5 The financial models are based on consultants and officers' best estimates of likely costs and benefits and have been rigorously challenged throughout the process. Advice on contingencies

has been provided by our consultants and amounts are included within the costings presented here. However, as the costings are based on a feasibility study, it is worth noting that although funding is requested based on the models as presented, they are caveated on the basis that further work will be done as part of the next stage to firm up cost estimates. Should significant variations be established, a report will be made to Council as appropriate.

7. Reasons for recommendations

- 7.1** At this stage in the options process, there is clearly a significant difference between the costs of the different options, but equally, there are very different benefits in terms of the scope for an improved service offer to bereaved families.
- 7.2** As the project envisages future-proofing the service to provide flexibility, ideally for the next 50+ years, officers considered that it would have been wrong to rule out options too soon on cost grounds alone.
- 7.3** Further work has been carried out to look at how the cost of the new build option could be achieved without undue impact on the Council's medium term financial strategy and officers are confident that this can be achieved. Whilst not included within the cost analysis at this stage, this position could be further improved by the disposal of assets such as the Cemetery Lodge building which has been long term vacant and could be worth up to £350k. In addition, there is an underused area of land within the cemetery boundary known as 'The Nursery' which could potentially be developed, subject to access arrangements and planning consent being secured. This avenue is currently being explored by the property team in consultation with the cross-party Asset Management Working Group.
- 7.4** In terms of the next stage of implementation, the project requires funding certainty and this will require a firm commitment by the Council about which option it wishes to pursue. Officers are confident that the indicative costs of Option E can be accommodated with reasonable fee income increases that would not put Cheltenham at risk of losing market share.
- 7.5** Option E also offers the best scope for a more commercial approach which could potentially win business that does not currently come to Cheltenham, for example, as a result of the limited size of the current chapels.

8. Conclusions

- 8.1** The most expensive of the five options considered, Option E, is considered to offer the best long term solution for the future of Cheltenham's crematorium service and this conclusion is overwhelmingly supported by the results of the public consultation exercise.
- 8.2** In selecting any preferred project option there are two key considerations, firstly, the extent to which the option addresses and delivers against the Council's required outcomes having due regard to relevant risks and secondly, whether it can be afforded. The RPP report, which has been informed by officer analysis of the options against a range of assessment criteria, clearly demonstrates that Option E offers the most comprehensive solution, within the project constraints identified.
- 8.3** The Council's bereavement service typically delivers a revenue surplus of between £600k and £800k per annum, but this level of income is already assumed within the medium term financial strategy and investment in a new facility has not been planned or budgeted for. Thus, the additional cost of any long term investment in the service needs to be contained and funded from additional income. Having assessed and benchmarked Cheltenham's charges and level of service against other local providers, there is scope for increasing fees to cover the cost of the borrowing required to invest in a new facility on land currently identified for expansion of the cemetery site.
- 8.4** Whilst the investment required has been carefully estimated during the assessment process

based on RPP's experience of crematoria development elsewhere, there is always some element of cost risk with a project of this scale, notwithstanding the contingencies that have been allowed for. Further costing work will be needed as the project progresses to the planning stage and the detailed design and specification is drawn up and this will need to be carefully managed to ensure that costs are kept under control, whilst ensuring a quality facility is achieved. This will need to pay due regard to both the external appearance of the building in its sensitive landscape setting and to the interior design and layout.

- 8.5** Investing in a new building, incorporating a larger chapel facility and new cremator plant, with the space to extend in the future, is considered to be the best approach to secure the long term success and viability of the service.

Report author	Contact officer: Mike Redman, Director of Environmental and Regulatory Services e-mail: mike.redman@cheltenham.gov.uk, 01242 264160
Appendices	<ol style="list-style-type: none"> 1. Risk assessment 2. Consultation plan and results summary 3. Community impact assessment 4. Financial models - exempt 5. Legal advice – exempt 6. Background to CAMEO scheme <p>Exemptions are in accordance with Paragraphs 3 and 5, Part (1) Schedule (12A) Local Government Act 1972</p>
Background Document	Feasibility report – Robert Potter Partnership – August 2015

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 1 – Risk Assessment

The following risk assessment includes significant risks for all options under consideration. Certain risks have varying impacts and likelihoods for different options as set out in the ‘Option’ and ‘Original Risk Score’ columns below.

The risk					Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Option	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
Bereavement Services Operation and Business Plan												
1.1	If Option A is chosen then there will be a significant delay before the long-term future of the Cemetery and Crematorium is decided, with adverse health and safety, service quality, financial and reputational impacts	Mike Redman	12/08/15	A	5	2	10	Avoid	Option A is effectively ruled out as a viable option, as it simply delays the need for the Council to address the long term future needs of the service and would give rise to an escalating risk of business continuity failure	October 2015	Mike Redman	
1.2	If the impacts of the scheme on the existing service are not successfully managed, business continuity, quality of service and reputation of the Council could be adversely affected.	Mike Redman	12/08/15	B C D E	4 4 4 4	3 4 4 4	12 16 16 16	Reduce	Steps are being taken to ensure that the project is adequately resourced, with an allowance for backfilling capacity within the service during project implementation	December 2015	Rob Hainsworth	
1.3	If fee increases lead to a drop in the number of cremations or burials then there may be a drop in income and an adverse impact on	Mike Redman	12/08/15	B C D E	1 2 2 2	3 3 3 3	3 6 6 6	Accept	Agree appropriate phasing and amounts for fee increases, taking into account fees charged by others in the region Monitor the impact on	October 2015	Rob Hainsworth Rob	

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 1 – Risk Assessment

The risk					Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Option	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	the Council's Medium Term Financial Strategy								numbers of cremations and burials		Hainsworth	
1.4	If a competitor crematorium facility was constructed within the current service catchment area, it could have an adverse impact on fee income	Mike Redman	12/08/15	A B C D E	3 3 3 3 3	3 3 2 2 1	9 9 6 6 3		This risk to the service exists with the current operation Developing a new and improved Council facility would mitigate this risk to some extent, but the service will continue to have a natural geographic advantage in relation to Cheltenham-based demand Failing to improve the current service increases the risk of competition from other facilities	March 2016	Mike Redman	
Engagement												
2.1	If engagement and communication with the public and other major stakeholders during the implementation of the chosen option is inadequate then there is a risk of reputational damage to the Council	Mike Redman	12/08/15	A B C D E	3 3 3 3 3	2 2 2 2 2	6 6 6 6 6	Reduce	Put an engagement plan in place	December 2015	Ken Dale	

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 1 – Risk Assessment

The risk					Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Option	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
Project Management												
3.1	If the lessons learned from the recent projects (notably the previous cremator replacement project and the Wilson redevelopment project) are not successfully applied the implementation of the chosen options may suffer delays, increased costs and reduced quality and further reputational damage may ensue	Mike Redman	12/08/15	B	4	2	8	Reduce	Ensure lessons learnt are incorporated into project design Engage with Cabinet Member Working Group and scrutinize project against recommendations of previous reviews.	December 2015 Ongoing throughout project	Ken Dale Mike Redman	
				C	4	2	8					
				D	4	2	8					
				E	4	2	8					
3.2	If the programme plan for the chosen option is not delivered in a timely fashion then there may be increased costs	Mike Redman	12/08/15	B	2	3	6	Reduce	Ensure programme plan is informed by relevant experts and includes appropriate contingency Ensure risks of delay are shared contractually Monitor execution of plan	December 2015 Ongoing throughout project Ongoing throughout project	Ken Dale Garrie Dowling Ken Dale	
				C	3	4	12					
				D	3	4	12					
				E	3	4	12					
3.3	If the programme plan for the chosen option is not delivered in a timely fashion then there	Mike Redman	12/08/15	B	2	3	6	Reduce	Effective control of programme plan	Ongoing throughout project	Ken Dale	
				C	3	4	12					
				D	3	4	12					
				E	3	4	12					

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 1 – Risk Assessment

The risk					Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Option	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	are increased risks of the current cremators failing											
Business Case												
4.1	If the financial plan for the chosen option is not delivered, there will be an adverse impact on the Council's Medium Term Financial Strategy	Mike Redman	12/08/15	B	3	2	6	Reduce	Ensure financial plan is informed by relevant experts and includes appropriate contingency	Complete	Nina Philippidis	
				C	4	2	8					
				D	4	2	8					
				E	4	2	8					
									Monitor execution of plan	Ongoing throughout project	Various (to be determined during project initiation)	
4.2	If the interest rate applicable to our Public Works Loan Board loan rises beyond its predicted level before the loan is finalised on completion of construction then the financial plan for implementation of the chosen option will be adversely impacted and Cabinet will have to consider funding options.	Mike Redman	12/08/15	B	1	4	4	Accept	Monitor rates - develop a contingency plan if necessary	Ongoing throughout project	Nina Philippidis	
				C	2	4	8					
				D	2	4	8					
				E	2	4	8					
4.3	If construction tenders are delayed	Mike Redman	12/08/15	B	2	3	6	Reduce	Check, as early as possible, that key	June 2016	Ken Dale / Dave	
				C	2	3	6					

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 1 – Risk Assessment

The risk					Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Option	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	then the allowance in the current financial plan for construction inflation may be inadequate leading to increased costs and Cabinet will have to consider funding options.			D E	3 3	3 3	9 9		assumptions, notably the use of procurement frameworks to expedite the process, are justified. Ensure that the project proceeds to plan.		Baker Ken Dale	
4.4	If HMRC are unwilling to accept that the Council's breach of its Partial Exemption de minimis limit is "occasional and one-off", it will be required to repay all input tax recovered in the year of the breach.	Paul Jones	12/08/15	B C D E	5 5 5 5	1 1 1 1	5 5 5 5	Accept	Based on current forecasts it is likely that a significant level of capital investment in the cremation service which generates exempt income will result in the Council breaching its Partial Exemption de minimis limit for VAT recovery purposes. However, at the time of the breach (2016/17 to 2017/18) the Council will demonstrate to HMRC that the breach is "occasional and on-off" and present a 7 year rolling average showing that across the period it has remained within the required limits. Forecasts have been prepared to demonstrate this requirement based on current estimated project	Ongoing throughout project	Nina Philippidis	

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 1 – Risk Assessment

The risk					Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Option	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
									costs. Current external advice indicates that this is a suitable approach and that disagreement from HMRC would be unprecedented. Regular forecasting and monitoring will be undertaken throughout project.			
4.5	If the negative impact of the development on business rates is greater than that modelled the Council may need to further consider funding options.	Mike Redman	23/09/15	C E	2 2	5 5	10 10	Reduce	Consider options for maximising business transacted within the boundary of Cheltenham. Confirm rateable value and assessment approach	Ongoing throughout project On building completion	Rob Hainsworth Jayne Gilpin	
Procurement												
5.1	If procurements are delayed then there may be increased construction costs due to the effects of inflation and Cabinet will have to consider funding options.	Mike Redman	12/08/15	B C D E	2 2 2 3	3 4 4 4	6 8 8 12	Reduce	Ensure the most appropriate procurement option is chosen taking account of timescales Ensure chosen procurement option is executed efficiently	December 2015 Ongoing throughout project	Dave Baker Ken Dale	
5.2	If there are insufficient numbers of bids for our construction tender then the programme	Mike Redman	12/08/15	B C D E	2 3 3 3	3 3 3 3	6 9 9 9	Reduce	Use a procurement framework if appropriate	December 2016	Dave Baker	

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 1 – Risk Assessment

The risk					Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Option	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	may be delayed and/or costs may increase											
Planning												
6.1	If a planning application is not approved then the programme will be delayed and costs will increase	Mike Redman	12/08/15	B C D E	4 4 4 4	2 3 3 3	8 12 12 12	Reduce	Ensure designers work closely with planning authorities pre-application	Summer 2016	Ken Dale	
Construction												
7.1	If the council's contractors do not provide an adequate service then the implementation of the chosen option may suffer delays, increased costs and reduced quality.	Mike Redman	12/08/15	B C D E	3 3 3 3	3 3 3 3	9 9 9 9	Reduce	Create a project structure which enables adequate management of contracts Ensure 'quality' is given adequate weighting during contractor procurement	December 2015 Ongoing throughout project	Ken Dale Dave Baker	
7.2	If contractors or sub-contractors fail during the programme or subsequent maintenance periods then the programme may be delayed, quality may decrease and costs may increase	Mike Redman	12/08/15	B C D E	4 4 4 4	2 3 3 3	8 12 12 12	Reduce / Accept	Undertake pre-contractual checks Put bonds in place with appropriate release timing Include adequate contingency	December 2016 December 2016 Complete	Dave Baker Dave Baker Ken Dale	
7.3	If ground or archaeological	Mike Redman	12/08/15	B C	2 2	1 2	2 4	Reduce / Accept	Commission site investigations alongside	Complete		

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 1 – Risk Assessment

The risk					Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Option	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	investigations identify issues before or during construction then costs and timescales may increase.			D E	2 2	2 2	4 4		feasibility study Include adequate contingency Monitor progress of works	Complete Ongoing throughout project	Ken Dale	
7.4	If the planned access road running alongside the Garden of Remembrance is not feasible due to its impact on graves, areas in which ashes have been scattered, or trees then an alternative route will be needed leading to possible increased cost and/or timescales.	Mike Redman	12/08/15	B C D E	3 3 3 3	3 3 3 3	9 9 9 9	Reduce	Detailed site analysis underway Tree impacts assessed by CBC trees officer Planning process will involve consultation on detailed scheme	September 2015 Ongoing throughout project September 2016	Ken Dale Chris Chavasse Mike Redman	
7.5	If access to the site and construction activity are not managed in a way that is sympathetic to the services being provided, there is a risk that there could be an increase in complaints and the Councils reputation	Mike Redman	12/08/15	B C D E	3 4 4 3	2 3 3 3	6 12 12 9	Reduce	Agree the most appropriate access route into the proposed development site. Schedule work out of hours when appropriate Shutdown services if / when appropriate with	September 2016 Ongoing throughout project Ongoing throughout	Garrie Dowling Garrie Dowling Rob Hainsworth	

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 1 – Risk Assessment

The risk					Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Option	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	could be adversely effected.								contingency plans	project		
Legal												
8.1	If option C or E is agreed then the value and viability of adjacent land for future housing development may be impacted.	Mike Redman	12/08/15	C E	4 4	2 2	8 8	Reduce	Ensure landscaping design minimises visual impact of crematorium and acts as a 'use separation' buffer	September 2016	Rob Hainsworth	
8.2	If housing is developed on nearby land before the crematorium is constructed then there is a risk that the programme could be delayed or curtailed.	Mike Redman	12/08/15	C E	4 4	1 1	4 4	Reduce / Accept	Monitor potential developments and create contingency plans if appropriate Ensure programme proceeds at an optimum pace	Ongoing throughout project Ongoing throughout project	Martin Chandler Ken Dale	
Capacity												
9.1	If there is inadequate internal resource to support the implementation of the chosen option (including the resulting effect on the ongoing Bereavement Services operation) there will be adverse impacts upon timescales, costs, service quality and	Mike Redman	12/08/15	B C D E	2 3 3 3	3 4 4 4	6 12 12 12	Reduce	Create and maintain an internal resource plan Ensure funding exists to support backfill	Ongoing throughout project September 2015 - maintain throughout project	Ken Dale Ken Dale / Nina Philippidis	

Recommended option for the future provision of the Cheltenham Crematorium service
Appendix 1 – Risk Assessment

The risk					Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Option	I	L	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	the reputation of the Council.											

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 2 – Summary of public consultation

1. Introduction

1.1 The feasibility study into future options for the provision of Cheltenham's crematorium service included a period of consultation with the public and relevant community and stakeholder groups from 20th July to 16th August 2015.

1.2 This report describes the consultation process and details its outcome.

2. Approach to consultation

2.1 The consultation was undertaken by Cheltenham Borough Council with support from its consultants Robert Potter and Partners.

2.2 It was based on five options for future provision which were put forward by the project team and agreed by the Cabinet:

2.2.1 **Option A – Do Nothing;** Continue to operate the facility as currently, without mercury abatement and accepting the likelihood of increasing maintenance and reliability issues.

2.2.2 **Option B – Minimal solution.** Replace existing cremator plant (2 no.), install mercury abatement plant, provide new floral tribute area, improved vehicular and pedestrian circulation and new car park to accommodate an extra 120 vehicles.

2.2.3 **Option C – Remote crematory.** Remote crematory to accommodate two cremators, with potential for third cremator, together with abatement plant, expansion of South Chapel into vacated crematory to accommodate 152 seated mourners, new floral tribute area, improved vehicular and pedestrian circulation, and new car park to accommodate 120 cars.

2.2.4 **Option D – Extension of existing facility.** Remodelling of existing crematory and extension to accommodate two cremators, with potential for third cremator, together with abatement plant, extension of North Chapel to accommodate 133 seated mourners plus overspill for large funerals, enhanced waiting areas, enhanced staff facilities, general improvements to functionality, new floral tribute area, improved vehicular and pedestrian circulation, and new car park to accommodate 120 cars.

2.2.5 **Option E - New-build.** New-build option on land to the east of the site, providing a new chapel which can accommodate at least 150 seated mourners plus standing areas and overspill areas for large funerals, clear pedestrian flows and separation between services, retention of the North Chapel for small ceremonies, improved vehicular and pedestrian circulation, and new car park to accommodate 120 cars (including 20 spaces adjacent to the building for disabled parking), with scope for future expansion in the medium to long term

2.3 Conceptual plans and a list of 'pros' and 'cons' for each option were:

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 2 – Summary of public consultation

- 2.3.1** displayed at the Cemetery and Crematorium and at the Municipal Offices
- 2.3.2** made available on the council's website
- 2.4** A public drop-in session was held at the Cemetery and Crematorium on 13th August 2015. 39 people attended and discussed the options with members of the project team including a representative from the consultants.
- 2.5** The public consultation was promoted through:
- 2.5.1** Press releases (20th July and 5th August) and briefings to press and radio
- 2.5.2** Frequent social media prompts
- 2.5.3** Leaflets delivered to around 300 of the households closest to the Cemetery and Crematorium
- 2.6** Groups with official roles at the Cemetery and Crematorium were invited to a meeting on 14th August 2015. 16 attended including funeral directors, representatives from Christian churches, the Jewish community, the Muslim community, humanist celebrants and organists. The options were presented by a representative from the consultants and discussed with those present.
- 2.7** Funeral directors were also involved in earlier discussions throughout the feasibility study and have contributed greatly to understanding the strengths and weaknesses of the current facilities and how they might best be improved.
- 2.8** The Cabinet Member – Clean and Green Environment attended a meeting of Prestbury Parish Council and discussed the options.
- 2.9** All those consulted were invited to complete a questionnaire, available in paper form at the meetings and the places at which plans were displayed and also available electronically on the council's website. On the questionnaire, respondents were invited to award between zero and five stars to each option; and to comment on each option and on the current facilities. They were also asked whether they had visited the site, whether they were part of a business connected to the site and were asked to supply their postcode.

3. Consultation Results

- 3.1** A summary of headlines is shown below

- There were 225 responses to the questionnaire in total, 149 on-line, 11 from the Municipal Offices, 65 from the Cemetery and Crematorium
- 203 respondents said they had visited the site
- 34 said they were part of a connected business
- Three people made additional comments by e-mail
- A long letter was printed in the Echo by the Minister of Highbury Congregational Church

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 2 – Summary of public consultation

- Of all responses with a preferred option, 86.4% preferred option E
- Next highest first preference was option D with 5.5%
- 49.6% of all stars were awarded to option E
- Next most popular was option D with 19.2%
- People who had visited the site were slightly more favourable towards option E than those who had not visited.
- Those who declared a 'business' interest were even more strongly in favour of option E, awarding 61.1% of all stars to it
- Comments made on the questionnaire and in the consultation meetings focussed overwhelmingly on the difficulties with chapel size and configuration, waiting room and parking. They were strongly supportive of option E as providing the most cost-effective and long-term solution.

3.2 Responses came from a wide geographic area. Of those who included their postcodes, 155 were from Cheltenham with a significant bias towards the localities closest to the site of the Cemetery and Crematorium. There were a small number of responses from each of Gloucester, Stroud and surrounds, Cirencester and surrounds, Hartpury and surrounds, Tewkesbury, the Cotswolds, Oxford, Witney, Pershore and surrounds and Dorset.

3.3 Here is a summary of the stars awarded to each option.

	Option				
	A	B	C	D	E
Number of stars awarded	70	220	309	367	949
% of all stars awarded	3.7	11.5	16.1	19.2	49.6
Number of outright first preferences	2	8	6	11	172
% of outright first preferences	1.0	4.0	3.0	5.5	86.4

3.4 The views expressed at both the public drop-in session and the meeting for those with official roles were overwhelmingly in support of option E. Many, if not all, of the attendees will have completed questionnaires and therefore their opinions will be incorporated in the figures above.

3.5 Reasons given for supporting option E were typically:

3.5.1 It will provide a long-term solution which addresses all the difficulties with the current facilities – some (but not all) local residents referenced the noise and dust emitted at present.

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 2 – Summary of public consultation

3.5.2 Its estimated costs of option E are not very much more than other options and demonstrate that E is much more cost-effective, a frequent view being that an increase in fees would be an acceptable consequence

3.5.3 The disruption to ongoing services will be much less than for other options

3.5.4 The opportunities it generates to re-purpose the existing building

3.6 Here are some representative quotes in support of option E:

- “An exciting proposal which with careful planning would meet the needs of Cheltenham in a way the current facility simply does not. The only option.”
- “Spending only £1m more provides a lot more value”
- “If Cheltenham Borough Council don't do this now, someone else will, and you will lose all your revenue”
- “The lack of disruption to existing services is a big bonus”
- “Current parking is totally inadequate”
- “The sight lines in the present South Chapel are awful”
- “Over the next 40-50 years I believe people will increasingly feel out of place in the Victorian architecture and atmosphere of the current chapels”
- “The old facility could be revised internally to cater for a number of uses (refreshments for wakes etc, or office accommodation) but the decision must be in keeping with its surroundings”.

3.7 Some respondents, whilst supporting option E, raised topics which will need to be addressed if this option is pursued:

3.7.1 The design of a new crematorium requires to be carefully considered. High quality is essential. The design should reflect the setting, the existing chapel building and local architectural features and materials. The chimney should be designed to be discreet.

3.7.2 Access of construction traffic to the site should be carefully considered and avoid routes through the cemetery.

3.7.3 The direction of car travel around the cemetery should be reversed.

3.8 Those not supportive of option E voiced some concerns:

- “There is no supplied evidence as to why facilities other than the cremators need to be extended.”
- “I would rather see the council manage their revenue better, spending when the funds are available”
- “Separate new building must surely raise operational issues in terms of staffing deployment and risk of increased revenue costs”
- “Where will the focal point be of the whole facility”
- “This option extends into green space which is not something I would support”
- “New build chapels, in my experience, never capture the gravitas and sense of calm

Recommended option for the future provision of the Cheltenham Crematorium service

Appendix 2 – Summary of public consultation

that is perceived in a chapel”

3.9 Some (13.5% of the total response) were supportive of other options – here are some typical reasons:

- (preferring option A) “We used Cheltenham for my father's cremation. I received a number of positive comments about how nice the crematorium was, I would therefore be very reluctant to see any changes to the existing chapel”
- “I think option B is the most realistic because the council must practice economy as well as everyone else. The three million pound difference in the plans would go a long way towards safe, smooth roads”
- (preferring option C) “We suffer greatly from current pollution associated with the latest cremators and siting them further from the Chapel in a new screened area would certainly help”
- (preferring option D) “Everything still in one area. There will be disruption but much long term gain”
- (preferring option D) “More likely to preserve character and heritage of existing buildings in a way that a separate new build cannot”

3.10 Very many respondents were critical of the current facilities:

3.10.1 Two members of clergy stated that in their experience of many crematoria in different parts of the country, the facilities at Cheltenham are the poorest.

3.10.2 Typical views expressed included:

- “Insufficient seating. Around 40 people stood at my father's funeral. At my daughter's funeral, we chose to hold the service at a different church as neither chapel could accommodate the numbers expected.”
- “The entire set up is in need of refurbishment as facilities are outdated and somewhat 'seedy'. The interior environment is not particularly pleasant.”
- “Often the car park is not only chaotic but also dangerous”
- “Toilets in very poor state of repair”
- “The staff who work at our Crematorium are among the finest in the country and deserve the heartfelt appreciation of all in our community. When it comes to the building they work in, however, they are forced to make the best of a bad job.”

4. Summary

4.1 An extensive and wide-ranging consultation on available options has taken place at an early stage of the project.

4.2 On the evidence of the consultation, there is a clear preference, expressed by both those who take official roles at the crematorium and also by the broader general public, that they support the building of a new crematorium and the growth of the current site.

**Recommended option for the future provision of the
Cheltenham Crematorium service**

Appendix 2 – Summary of public consultation

- 4.3** Whilst those surveyed are a small proportion of the residents of Cheltenham, let alone the wider geographical area which uses the crematorium, the consistency of opinions expressed is marked.
- 4.4** Nonetheless, there is a minority who expressed different views. These views should be taken into account and, even if the new build option is taken forward, can influence later stages and how future public communication is approached.
- 4.5** Should the project proceed, there will be further consultation when a more detailed design is available.
- 4.6** Based on the outcome of the public consultation, further consultation has begun with Tewkesbury Borough Council and Southam Parish Council, within whose domain the new-build land lies.

Recommended option for the future provision of the Cheltenham Crematorium service – Appendix 3

Community impact assessments – for services, policies and projects

What is a community impact assessment?

A community impact assessment is an important part of our commitment to delivering better services for our communities. The form will help us find out what impact or consequences our functions, policies, procedures and projects have on our communities, as well as employees and potential employees.

By undertaking an impact assessment, we are able to:

- Take into account the needs, experiences and circumstances of those groups of people who use (or don't / can't use) our services.
- Identify any inequalities people may experience.
- Think about the other ways in which we can deliver our services which will not lead to inequalities.
- Develop better policy-making, procedures and services.

Background

Name of service / policy / project and date	Cemetery and Crematorium Feasibility Study
Lead officer	Mike Redman – Director of Environment & Regulatory Services
Other people involved in completing this form	Rob Hainsworth - Bereavement Services Manager Ken Dale – Project Manager, Cemetery and Crematorium Feasibility Study

Recommended option for the future provision of the Cheltenham Crematorium service – Appendix 3

Step 1 - About the service / policy / project

<p>What is the aim of the service / policy / project and what outcomes is it contributing to</p>	<p>The purpose of the feasibility study is to agree the strategy for the future of Cheltenham’s Cemetery and Crematorium.</p> <p>It contributes to our corporate transformation outcome and to the enhancement of Cheltenham’s environmental quality.</p>
<p>Who are the primary customers of the service / policy / project and how do they / will they benefit</p>	<p>The primary customers of the Cemetery and Crematorium are the bereaved attending cremation and burial services, and friends and families visiting graves and memorials.</p> <p>Other important customers are funeral directors and those involved in burial and cremation services – ministers of religion, other celebrants and organists.</p> <p>If the recommendations of the feasibility study are accepted and implemented they will see improved facilities a more reliable service.</p>
<p>How and where is the service / policy / project implemented</p>	<p>Implementation of recommendations resulting from the project will be managed by a future project sponsored at director level within CBC.</p> <p>It will most likely include a period of construction at the current site.</p>
<p>What potential barriers might already exist to achieving these outcomes</p>	<p>Currently the ability to improve the service is constrained by unreliable equipment, space restrictions affecting the existing chapel, difficulties accessing the cemetery and limited parking.</p> <p>Additionally the equipment currently in place cannot abate mercury emission leading to poor environmental and financial impacts.</p>

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Step 2 – What do you know already about your existing / potential customers

<p>What existing information and data do you have about your existing / potential customers e.g. Statistics, customer feedback, performance information</p>	<p>Direct feedback from customers consists of ad-hoc compliments and complaints.</p> <p>Information available includes name / address of those cremated and buried and their next of kin. The service maintains statistics on the numbers of cremations and burials.</p> <p>Funeral Directors feedback on the quality of the service when they meet as a group with the Bereavement Services Manager or directly to the Manager if the matter is of a more urgent nature.</p>
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Recommended option for the future provision of the Cheltenham Crematorium service – Appendix 3

<p>What does it tell you about who uses your service / policy and those that don't?</p>	<p>Service users come from Cheltenham and, in significant numbers, from beyond Cheltenham, out to Evesham, Cotswolds, Tewkesbury, Stroud.</p> <p>Funeral directors tell us that people like the feel of the service provided at Cheltenham. The cemetery, having been open since the mid-19th century, is very much part of Cheltenham and several generations of local families may have been buried or cremated there. People feel that it's their space and are those arranging burials and cremations are often prepared to wait several weeks for the service to take place at Cheltenham because of the attachment they feel to the place.</p> <p>The cemetery is multi-denominational, including a Muslim and Jewish sections. As far as we know we have never had a major problem in catering for the needs of different community groups.</p>
<p>What have you learnt about real barriers to your service from any consultation with customers and any stakeholder groups?</p>	<p>Chapels may appear to be 'Christian' to some. However overt Christian symbols (e.g. crosses) are removed on request. Very occasionally we have requests which cannot practically be met – e.g. removal of hymnbooks.</p> <p>Hindus like to witness the actual cremation (and we currently facilitate this) – a new facility should allow for reasonable numbers of people to do this.</p>
<p>If not, who do you have plans to consult with about the service / policy / project?</p>	<p>The project has created and maintained a stakeholder engagement plan. It can be obtained from the project manager.</p> <p>We have conducted a public consultation during July and August 2015 including::</p> <ul style="list-style-type: none"> - Opportunity for the public to view and feedback on plans on display at the Municipal Offices and the Cemetery and Crematorium - A further opportunity to view and feedback on plans on the council's website - Publicity through the Echo and radio - Leaflets delivered to residents in the vicinity of the current site. - A drop-in session for the public to view plans and discuss them with the project team and architect <p>Specific consultation is taking place with</p> <ul style="list-style-type: none"> - the Cabinet Member Working Group which advises the Cabinet Member on the project - Funeral Directors and other 'officials' involved in services (ministers of religion, other celebrants and organists) who were invited to a meeting to discuss plans with the project team and architect <p>We need to clarify our plans for consulting with specific groups impacted – for example disability groups and</p>

Recommended option for the future provision of the Cheltenham Crematorium service – Appendix 3

	religious groups.
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Recommended option for the future provision of the Cheltenham Crematorium service – Appendix 3

Step 3 - Assessing community impact

How does your service / policy / project impact on different groups in the community?

Group	What are you already doing to benefit this group	What are you doing that might disadvantage this group	What could you do differently to benefit this group	No impact on this group
People from black and minority ethnic groups	The Bereavement Service has adopted a flexible approach to meeting the funeral arrangements of people from different ethnic or religious backgrounds.			
Gender				√
Gender Reassignment				√
Older people / children and young people			The recommended option includes an approach to creating an intimate chapel space in order to cater for smaller services, e.g. children or very elderly people	
People with disabilities and mental health challenges	The buildings allow level access for wheelchair users and include toilets for disabled visitors and the provision of hearing loops for those hard of hearing	Difficulties with finding a position for wheelchairs in the south Chapel may make this group feel excluded from involvement in services in some cases. There are sometimes	Look to provide a 'natural' location for wheelchairs or those with restricted movement / agility. Increase the size and seating capacity of chapels.	

Recommended option for the future provision of the Cheltenham Crematorium service – Appendix 3

		<p>difficulties with the availability of seating when attendances are large.</p> <p>Disabled parking slots are available but do not meet all modern standards.</p>	Provide fully compliant disabled parking.	
Religion or belief	The Bereavement Service has adopted a flexible approach to meeting the funeral arrangements of people from different ethnic or religious backgrounds.	There are some practical restrictions to the adaptation (see above), the facilities were originally designed to be Christian in nature.	Ensure any new buildings are capable of being non-denominational in character.	
Lesbian, Gay and Bi-sexual people				✓
Marriage and Civil Partnership				✓
Pregnancy & Maternity		There are sometimes difficulties with the availability of seating when attendances are large.	Seating needs to be more comfortable than at present.	
Other groups or communities		Not meeting the needs of dog owners - dogs not allowed on the site (other than guide dogs)	Could consider allowing some access for dogs.	

Recommended option for the future provision of the Cheltenham Crematorium service – Appendix 3

Step 4 - what are the differences

Are any groups affected in different ways to others as a result of the service / policy / project?	<p>Need to consider the needs of those who currently recreationally use the land to the east of the current site if we decide to extend the site in that direction.</p> <p>It may be possible to create a new path through the extended site.</p>
Does your service / policy / project either directly or indirectly discriminate?	See above
If yes, what can be done to improve this?	<p>The recommended option will enable the differential impacts to be lessened.</p> <p>Improve parking, seating and access for disabled customers.</p> <p>Looking for ways of making the chapel more intimate in order to cater for smaller services, e.g. children or very elderly people</p> <p>Look for ways to make the facilities more child-friendly</p>
Are there any other ways in which the service / project can help support priority communities in Cheltenham?	We may be able to provide web-based links to funeral services for those unable to attend.

Step 5 – taking things forward

What are the key actions to be carried out and how will they be resourced and monitored?	<p>As part of the project, the team will continue to consult with:</p> <ul style="list-style-type: none"> - Disability groups - Local residents - Religious groups (e.g. Hindu, Muslim and Jewish groups) <p>Identified factors will be taken account of in an implementation project.</p>
Who will play a role in the decision-making process?	Cabinet will be asked to approve the recommendations of the feasibility study

Recommended option for the future provision of the Cheltenham Crematorium service – Appendix 3

	<p>Council will then be asked to approve any additional expenditure which is required.</p> <p>The results of our public consultation are included in the reports to Cabinet and Council.</p>
What are your / the project's learning and development needs?	How best to deliver large capital projects.
How will you capture these actions in your service / project planning?	Plan for the next stage using advice from consultants leading the feasibility study, advice from the county council and the learning from our own recent capital projects.

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Background to CAMEO scheme

- 1.1 A requirement to remove mercury from all cremations highlighted the difficulties some Operators would have installing the abatement equipment and processes. Sector wide surveys confirmed that some Operators could not install abatement equipment. In order to enable these important community facilities to continue operating, whilst contributing to the abatement of mercury, a solution involving the entire sector was necessary.
- 1.2 In 2005, Defra introduced a requirement for the cremation industry to remove mercury from 50% of cremations. The national target, based on the available science, achieves a proportionate response for removing mercury from cremations, whilst not burdening the bereaved with excessive cost and the possibility of closing of local crematoria.
- 1.3 Along with the 50% target the principle of “burden sharing” was introduced, a process whereby Operators who could install abatement plant do so, and the cost is shared with those could not install such abatement equipment. Defra recognised this as the most equitable way of achieving the target, whilst the cost, or “burden” was shared by the entire sector. All Operators are therefore required to abate and/or burden share a minimum of 50% of the qualifying cremations they carry out.
- 1.4 Industry representatives recognised the need for a national scheme to enable the sharing of the financial cost or “burden” between Operators abating and those not doing so. As a result CAMEO has been created as the lead organisation to introduce a framework for providing and managing a national burden sharing scheme. In order for an Operator to obtain the necessary operating permit from the relevant Regulator, it must obtain a compliance certificate from CAMEO or by other appropriate evidence from a comparable audited burden sharing arrangement or scheme.
- 1.5 The CAMEO Burden Sharing Scheme is based upon identifying the additional cost incurred by Operators which have abated. Having identified the cost on a per cremation basis, Operators which have not abated are charged for the number of mercury abated cremations necessary to meet the requirements of their operating permit. The resulting income, less an administrative fee to fund the scheme, is shared amongst the Operators that have abated and are participating in the CAMEO Burden Sharing Scheme.
- 1.6 In Cheltenham’s case, the cost of participation in the CAMEO scheme is currently around £50,000 per annum. Once the Council has new cremators with working mercury abatement equipment installed, the current cost of paying into the CAMEO scheme will no longer be incurred and the Council will instead receive a payment from the scheme based on the number of abated cremations. The level of payment is not guaranteed into the future, as it depends on the number of operators continuing to operate with unabated cremation plant.

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**Cheltenham Borough Council
 Overview and Scrutiny – 21 September 2015
 Council – 19 October 2015
 Annual Report on Overview and Scrutiny**

Accountable member	Chair of Overview and Scrutiny Committee, Councillor Tim Harman
Accountable officers	Democratic Services Manager, Rosalind Reeves
Accountable scrutiny committee	Overview and Scrutiny Committee
Ward(s) affected	All indirectly
Significant Decision	No
Executive summary	<p>The Overview and Scrutiny Committee manages and coordinates scrutiny at the council, with scrutiny task groups carrying out the detailed work and reporting back to the main committee.</p> <p>Under these arrangements the Overview and Scrutiny Committee is required to produce an annual report for Council and this is contained in appendix 2. This report sets out the achievements of scrutiny over the last 12 months and in particular highlights the outcomes of a range of scrutiny task groups.</p> <p>Scrutiny welcomes the opportunity for Council to debate this report and give its views on the success or otherwise of the scrutiny arrangements.</p>
Recommendations	<p>The Overview and Scrutiny Committee is asked to endorse the Annual Report of Overview and Scrutiny 2014-15 and forward it to Council to be noted.</p> <p>The Council is asked to note the Annual Report of Overview and Scrutiny 2014-15.</p>
Financial implications	<p>There are no financial implications arising from this report.</p> <p>Contact officer: Paul Jones, paul.jones@cheltenham.gov.uk, 01242 775154</p>

Legal implications	<p>The Authority must have at least one overview and scrutiny committee. Scrutiny committees may review both executive and non-executive functions and can make reports and recommendations to Council or Cabinet on those functions and “on matters which affect the authority’s area or the inhabitants of that area</p> <p>Contact officer: Peter Lewis, peter.lewis@teWKesbury.gov.uk, 01684 272012</p>
HR implications (including learning and organisational development)	<p>There are no direct HR implications arising from this report.</p> <p>Contact officer: Julie McCarthy, Julie.McCarthy@cheltenham.gov.uk 01242 26 4355</p>
Key risks	<p>The original risk assessment which accompanied the report to Council in December 2011 has been updated with an assessment of the current risks affecting the effectiveness of the O&S arrangements and is attached as Appendix 1.</p>
Corporate and community plan Implications	<p>An effective overview and scrutiny process can contribute to positive outcomes on any of the objectives in the Corporate Strategy.</p> <p>Increased public involvement in Overview and Scrutiny will support the corporate objective ‘Our residents enjoy a strong sense of community and are involved in resolving local issues’.</p>
Environmental and climate change implications	<p>None</p>

Report author	<p>Contact officer: Saira Malin, Democracy Officer, Saira.Malin@cheltenham.gov.uk, 01242 77 5153</p>
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Annual Report
Background information	<p>Minutes of Overview and Scrutiny 21 September 2015 where the annual report was endorsed</p>

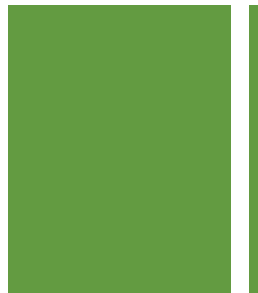
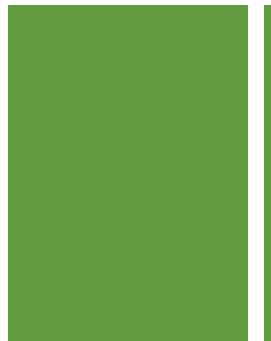
The risk				Original risk score (impact x likelihood)			Managing risk		
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-4	Likelihood 1-6	Score	Control	Action	Comments as at August 2015
	If O&S does not take an active role in the major change programmes it may lose its opportunity to influence the scrutiny arrangements in any new proposed ways of working	Chair of O&S	21/09/2015	3	3	9	Reduce	O&S to include scrutiny of change programmes in its workplan and ensure it is consulted on any future scrutiny arrangements	A member seminar is being arranged for September prior to the business case for 2020 vision being on the O&S agenda in September.
	If any new arrangements are not supported by a change in culture across members and officers they may not be successful in delivering the outcomes required.	Rosalind Reeves	27/9/11	3	3	9	Reduce	Get members and officers buy in during the review by seeking their views and ideas. Seek advice on cultural change during the next phase.	There is now a much better understanding of the new scrutiny arrangements by officers and members who have been involved in scrutiny task groups and the relationship between Cabinet and scrutiny has been developed over the last 12 months. Member and officer training will be arranged for after the May 2016 elections.
	If the council cannot dedicate resources to support the scrutiny process	Rosalind Reeves	1/12/11	3	2	6	Accept	Optimise the use of existing resources in the new arrangements	The importance of facilitation support from Democratic Services for scrutiny task groups has been highlighted by members as a success factor. Democratic Services resources are

	then the O&S process will not be fully effective.								limited so members will need to carefully prioritise all scrutiny task group reviews to ensure they make optimum use of the resources available. This was reinforced by the LGA peer review team who suggested that the scrutiny work plan should focus on high priority areas given the limited resources available.
	If the task groups operate outside of the democratic process, then scrutiny could become disjointed and progress difficult to control and track.	Rosalind Reeves	1/12/11	3	2	6	Accept	Guidance to officers supporting task groups on keeping documentation and reporting back to Democratic services.	See note above. Task groups facilitated by officers outside democratic services have sometimes been less well documented and more difficult to track progress but officers have been encouraged to adopt standard procedures and good practice. This has been assisted by the production of a scrutiny guide available on the intranet.
	If members do not put themselves forward for task groups the workload could be unevenly shared across members and be a source of potential conflict or result in task groups not having the right skill mix.	Groups Leaders	1/12/11	3	3	9	Reduce	Utilise the skills audit Group Leaders to manage, monitor and encourage participation Task groups to maintain records of attendance	Members have been putting themselves forward for task groups but this still tends to be a similar set of members. The Members' Skills audit has been useful in identifying topics which individual members may be interested in or have specialist knowledge about, but not all members responded. We need a better understanding of why some members are not engaging the scrutiny process.
	If scrutiny does not have any dedicated budget it will be difficult to promote public involvement and	Council	1/12/11	2	3	6	Accept	Utilise relevant project budgets Consider allocating small budget to O&S as	Scrutiny does not have a dedicated budget but this has not been a significant issue to date. It could become more of an issue if O&S wanted to buy in some outside

	engagement							part of budget round	expertise at any point.
Explanatory notes Impact – an assessment of the impact if the risk occurs on a scale of 1-4 (4 being the greatest impact) Likelihood – how likely is it that the risk will occur on a scale of 1-6 (6 being most likely) Control - Either: Reduce / Accept / Transfer to 3rd party / Close									

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Scrutiny Annual Report 2014 – 2015 (a summary of highlights)



Contents

- 1 Foreword from the Chair of O&S
- 2 Andrew North – Chief Executive
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- 4 Scrutiny Task Groups 2014-15
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- 7 Contacts
- 8 Scrutiny Registration Form for new topics

1. Foreword

Chair of Overview and Scrutiny Committee:
Councillor Tim Harman



I am pleased to present the Overview and Scrutiny annual report for 2014-15.

The role of the committee is to co-ordinate the Overview and Scrutiny function of the Council; which it does by commissioning scrutiny task groups to carry out detailed work and ensuring that they have clear Terms of Reference. It is also responsible for receiving call-ins of Cabinet decisions and determining how they should be dealt with.

2014-15 has been a busy year with the final reports from the Budget Scrutiny, Members' ICT Policy, Public Art Governance and Shopmobility scrutiny task groups having gone to Cabinet. There are two task groups; the Cheltenham Spa Railway and Cycling and Walking, which are preparing to take their recommendations to Cabinet in October 2015 and a task group has also been established with Gloucester City Council to undertake joint scrutiny of Broadband.

The work of the Overview and Scrutiny Committee is not limited to services delivered by Cheltenham Borough Council and with this in mind the committee has, over the last year, met with the Police and Crime Commissioner and received a presentation from the Lido Trust. It also looks forward to future visits from Severn Trent Water to discuss lessons learned following major works throughout the town and the Gloucestershire Hospitals Trust who have been invited to discuss future plans for hospitals across Gloucestershire.

I would like to take this opportunity to thank, not just members of the Overview and Scrutiny Committee, but members from across the council who have contributed to the scrutiny process, as well as the officers who have supported the Committee and various task groups.

The committee will continue to scrutinise issues which are important to the town and I would encourage members and residents to raise issues that, if appropriate, the Committee or a task group, can scrutinise further.

2. Andrew North Chief Executive

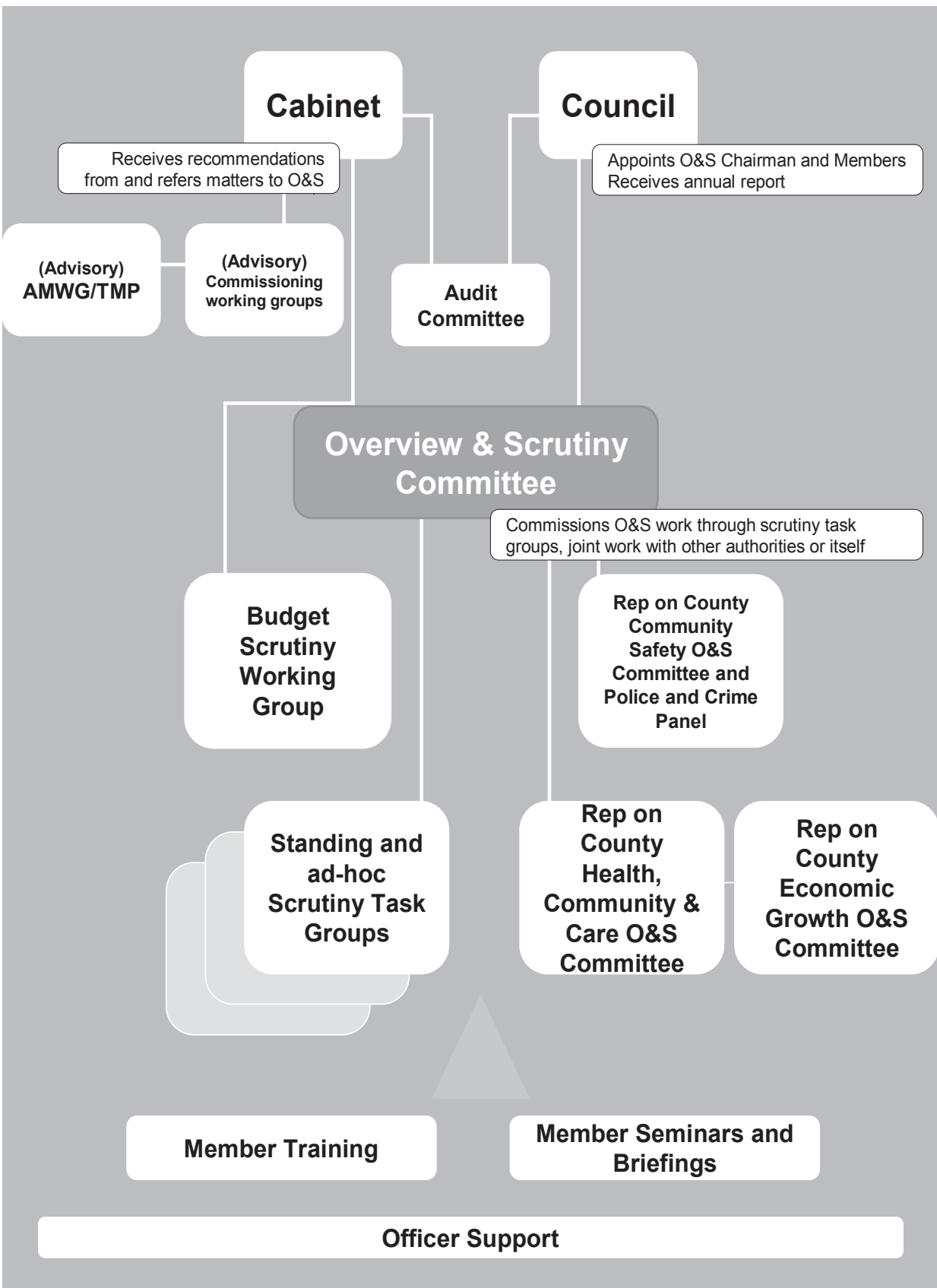


I said in my introduction last year that “effective Overview and Scrutiny is a vital part of local democracy as it plays a key role in holding the Cabinet, officers and the wider council to account. It is important therefore to reflect on how well it has done this, as well as what difference it has made to the community at large.” We had the opportunity to do this in September 2014 when the council invited a peer challenge team led by LGA to visit the council for 3 days to provide an external ‘health-check’ of the organisation. The peer challenge team were asked specifically to look at the effectiveness of the council’s governance arrangements and scrutiny.

I am pleased to say that overall the peer group concluded that scrutiny was working well under the new arrangements and they were impressed by the achievements to date by scrutiny task groups which were set out in the annual report. One improvement area that they identified was in the area of the scrutiny work programme which they felt needed to be rationalised. They encouraged members to feed into the process and challenge themselves when devising the work programme to ensure scrutiny’s limited resources were focussing on the high value areas. They also recommended that the council needed to make more use of the skills of the members and engage a wider group of members into the scrutiny process. The outcome of the review was an action plan which O&S are now monitoring. Actions have included a Members’ skills audit and O&S has been reviewing Project Initiation Documents (PIDS) to assess their level of involvement in projects going forward.

Members have honed their scrutiny skills on a number of scrutiny task groups which have delivered benefits for the council and the community it serves. The council is going through a period of major change with commissioning, shared services, devolution and new models for delivering services all on the agenda. All this in a climate of continuing financial pressures and reductions in government funding. The challenge for scrutiny members is to ensure they play an active role in all these change programmes and help to shape the future models, particularly in ensuring the appropriate scrutiny arrangements are in place and in monitoring delivery of agreed benefits.

A handwritten signature in black ink, appearing to read 'Andrew North'. The signature is fluid and cursive, written in a professional style.



4.0 Budget scrutiny working group Chairman: Councillor Chris Nelson

The budget scrutiny working group forms a permanent part of the scrutiny arrangements at Cheltenham Borough Council. The rationale being that the budget is a complex area that cannot be scrutinised effectively as a one-off exercise. Members of this working group have built up their expertise and understanding of financial matters so that they can review the budget strategy, the bridging the gap programme and be in a position to respond to the budget proposals as well as scrutinising the business cases of major projects within the commissioning framework.

Chair of the working group, Councillor Chris Nelson said that "The Budget Scrutiny Working Group continues to do good work, examining key Council budgetary proposals and contributing to the formulation of important Council initiatives that have significant financial implications (such as the recent REST management review). The Working Group has also played its part in testing the value for money of the authorities accommodation strategy and investigating the reasons for the financial over-spend associated with the Wilson Art Gallery and Museum extension project."

The working group considered the budget proposals at their meeting in January 2015 and as a result made a number of recommendations to O&S which were forwarded to Cabinet. These recommendations covered their views on the use of the New Homes Bonus, the council tax freeze, pooled business rates and the use of the capital receipts from North Place. They were all taken account of in the final budget proposals to Council in February and the Cabinet Member Finance thanked the group for their valuable input.

During the year the budget scrutiny working group have been responsive to urgent requests and have scrutinised the accommodation strategy in some detail and the financial aspects of the REST project before that went to Council. They have now been given an important action by Council to ensure that the financial benefits of the REST project are delivered.

The Director of Resources also commented that " this has been a very valuable process which has given members an opportunity to input into the development of the budget proposals and key initiatives which has added value to the process. The financial position remains very challenging and it is very both helpful and important to have a forum for deeper consideration of the issues facing the council and wider member influence over the strategy for dealing with it."

4.1 Members' ICT Policy Scrutiny Task Group Chair: Councillor Matt Babbage

Task group members: Councillors Matt Babbage, Chris Mason, John Payne, Dan Murch and Max Wilkinson

Officer support: Mark Sheldon, Dan Hares and Rosalind Reeves

The Members ICT Policy task group was set up to approve the policy which had been drafted to support the continued roll-out of iPads to members. The group held a single meeting, at which it agreed the policy and scrutinised the business case for the roll out.

The policy was adopted in April 2015 and at present, 30 of 40 councillors have opted to loan a council Pad. The resulting print savings will cover the cost of the roll out and there are the added benefits to the environment given the reduction in paper copies being produced. The working group also recommended that Members' ICT should be regularly reviewed to ensure that our members can continue to take advantage of new technology as it becomes available.

4.2 Public Art governance Scrutiny Task Group



Task group members: John Payne and Chris Ryder
Officer support: Wilf Tomaney, Shirin Wotherspoon and Rosalind Reeves

In November 2014 Overview & Scrutiny Committee requested that a workshop be set up where scrutiny members could meet with members of the Public Art Panel to review the governance of the panel. The task

group commended the work of the panel and made 9 recommendations relating to governance which included;

- Revised terms of reference for the panel
- Extending the membership of the panel
- Allocation of funding to allow for the Public Art Strategy to be refreshed
- Clarity as to who should be making decisions and when they should be publicised.

The recommendations were welcomed by the Cabinet Member Healthy Lifestyles in February 2015 and in March 2015 recommendations were approved with only minor amendments.

Since the recommendations were accepted a number of decisions have been published which has made the work of the Public Art Panel more transparent.

4.3 Shopmobility Scrutiny Task Group

Chair: Councillor Jacky Fletcher

Task group members: Councillors Jacky Fletcher, John Payne and Louis Savage

Officer support: Wilf Tomaney and Rosalind Reeves

The Shopmobility unit was served notice to quit its existing premises in the Beechwood Arcade by June 2015, though it was subsequently given leave to remain until November 2015. In view of the urgency, the task group was set up by the Chief Executive in consultation with the chair and vice-chair of the O&S committee, as permitted by the constitution.



The review included assessment of the current site, staffing and budgets, charges for the service, customer base, advertising and promotion and research into the Shopmobility brand in other towns. The group worked quickly, meeting in June and agreeing their recommendations in time for O&S in June and Cabinet in July.

The group felt that it was vital that the service continue to be provided and moving forward the service would need to fully exploit opportunities with partners and increase its income by promoting the service more widely. One of the recommendations from the group was therefore to consider strategies to enhance the service including partnership options with other local service providers. The recommendations were agreed by the O&S Committee and subsequently noted by Cabinet in July 2015.

The task group are pleased to see that there is now a public consultation on the service and the way it is provided, as well as its future location and look forward to learning the outcome.

4.4 Cheltenham Spa Railway Station Scrutiny Task Group

Chair: Councillor Roger Whyborn

Task group members: Councillors Flo Clucas, Chris Mason, Dan Murch, John Payne and Max Wilkinson

Officer support: Jeremy Williamson (Cheltenham Development Task Force) and Saira Malin

Initiated in September 2014, the task group were asked to better understand the franchise renewal process. The group were also tasked with developing a wish-list of improvements to the station, transport links and rail service itself and establish if and how they were being progressed. In April 2015 the DfT extended the London train service franchise with the existing franchisee, First Great Western, by a period of three and a half years and therefore the task group did not undertake to understand the franchise renewal process further and instead focussed on the other objectives.

Having met with a variety of experts, including representatives from Network Rail, First Great Western and Stagecoach West; the group have agreed a number of recommendations which will be considered by Cabinet in October.



4.5 Cycling and Walking Scrutiny Task Group

Chair: Councillor Max Wilkinson

Task group members: Councillors Chris Ryder, Helena McCloskey, Barbara Driver and Rob Reid

Co-opted members: John Mallows (Cheltenham and Tewkesbury Cycling campaign), Bronwen Thornton (Walk21) and John Newbury (Living Streets)

Officer support: Rhonda Tauman, Wilf Tomaney and Tess Beck



Set up in September 2014 following the submission of a 'scrutiny topic registration form', the task group were tasked with identifying opportunities for improving provision for cycling and walking in Cheltenham and making recommendations which would facilitate these improvements.

The group met with a variety of officers from the borough and county, as well as seeking advice from experts and

they even ~~undertook~~ a field trip to Bristol to see what could be achieved through implementing a cycling and walking strategy supported by a team of dedicated cycling officers at Bristol City Council.

The task group have devised a number of recommendations and will be tabling these with Cabinet in October.

This task group demonstrated the value that co-opted members can add to the work of a task group given their specialist knowledge.

Other scrutiny successes

5.0 LGA Peer Review

In September 2014 the council invited a peer challenge team led by the LGA to provide an external 'health-check' of the organisation and were asked specifically to look at the effectiveness of the council's governance and scrutiny arrangements.

Overall, the peer team concluded that scrutiny was working well under the new arrangements; however, they also identified areas for improvement in relation to the scrutiny work programme which they felt needed to be rationalised.

They suggested that the work programme should focus on the high value areas, given the limited resources and they also recommended that the council needed to make more use of the skills of the members and engage a wider group of members into the scrutiny process. Officers developed an action plan which O&S were tasked with monitoring and actions included a Members' skills audit and O&S reviewing Project Initiation Documents (PIDS) to decide their level of involvement in projects.

5.1 Presentation by Sandford Lido Trust

Representatives of the Sandford Lido Trust were invited to present their future plans to the Overview and Scrutiny Committee. The committee learned that the Lido, could on any given day, attract as many as 4000 visitors and the Trust were able to raise the issue of their lease. With only 5 years remaining, they felt it might hinder their ability to apply for funding and the committee requested that the relevant officers make contact with the Trust in order to open negotiations on the renewal/renewal of the lease.

5.2 Q&A session with Police and Crime Commissioner

Members welcomed the opportunity to meet with Martin Surl, the Police and Crime Commissioner for Gloucestershire. Whilst responsibility for the scrutiny of this role officially lies with the Police and Crime Panel at County level, the Commissioner was generous enough to attend a meeting of the Committee and answer questions from members about current issues and future plans for policing of the Cheltenham area.

6. Overview and Scrutiny – what's next?

- We are about to commence joint scrutiny of broadband with Gloucester City Council.
- As part of Democracy Week (12-18 October 2015) we will be promoting scrutiny as a means for the wider public to raise issues and get involved in the work of the council.
- The NHS Trust will be attending a future meeting of the Committee to discuss plans for Gloucestershire Hospitals (a date is yet to be agreed).
- An introduction to Overview and Scrutiny is being planned for after the 2016 elections, as part of the Members Induction programme to develop members' skills and understanding of the scrutiny process. Sessions will also be arranged for Officers.
- We would welcome any suggestions or thoughts on how we can make the overview and scrutiny process better. Please contact one of the Democratic Services team.

7. Contacts

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SCRUTINY TOPIC REGISTRATION



Do YOU have a topic that you think Cheltenham Borough Council should scrutinise? Please fill out the following form and return to Democratic Services.

Date:	
Name of person proposing topic:	
Contact details: email and telephone no:	
Suggested title of topic:	
What is the issue that scrutiny needs to address?	
What do you feel could be achieved by a scrutiny review (outcomes)	
If there a strict time constraint?	
Is the topic important to the people of Cheltenham?	
Does the topic involve a poorly performing service or high public dissatisfaction with a service?	
Is it related to the Council's corporate objectives?	
Any other comments:	

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