



CHELTENHAM

BOROUGH COUNCIL

Notice of a meeting of Council

Monday, 4 April 2016
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 25 February 2016	(Pages 3 - 22)
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 29 March 2016	
7.	MEMBER QUESTIONS These must be received no later than 12 noon on Tuesday 29 March 2016	
8.	COUNCIL DIARY SEPTEMBER 2016 TO AUGUST 2017 Report of the Cabinet Member Corporate Services	(Pages 23 - 40)
9.	HOUSING REVENUE ACCOUNT NEW BUILD- GARAGE SITE REDEVELOPMENT	(Pages 41 - 86)

	Report of the Cabinet Member Housing to be presented by the Cabinet Member Finance <i>(**Please note that in accordance with paragraph 3 Part 1 Schedule 12A Local Government Act 1972 any discussion on appendices 2 and 3 should take place in EXEMPT session**)</i>	
10.	ASSET MANAGEMENT PLAN 2016/17 - 2020/21 Report of the Cabinet Member Finance	(Pages 87 - 124)
11.	DRAFT CORPORATE STRATEGY 2016-17 Report of the Leader	(Pages 125 - 152)
12.	COMMUNITY INFRASTRUCTURE LEVY Report of the Leader	(Pages 153 - 180)
13.	NOTICES OF MOTION These must be received no later than 12 noon on Thursday 24 March 2016	
14.	TO RECEIVE PETITIONS	
15.	ANY OTHER ITEM THE MAYOR DETERMINES AS URGENT AND WHICH REQUIRES A DECISION	

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Pat Pratley
Head of Paid Service

Council

Thursday, 25th February, 2016

6.00 - 8.40 pm

Attendees	
Councillors:	Duncan Smith (Chairman), Chris Ryder (Vice-Chair), Matt Babbage, Flo Clucas, Adam Lillywhite, Chris Mason, 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, 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 and Roger Whyborn

Minutes

1. APOLOGIES

Apologies were received from Councillors Murch and Williams.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF THE LAST MEETING

The minutes of the meeting held on 9 February were approved and signed as a correct record.

4. COMMUNICATIONS BY THE MAYOR

The Mayor informed Members that this would be the last Council meeting for Andrew North, Chief Executive. He invited Group Leaders to address Council in this regard.

On behalf of the Liberal Democrats, the Leader thanked the Chief Executive for his service over the last ten years. He had been appointed at a difficult time for the Council but had taken it forward. He paid tribute to his key role in enabling and leading CBC as a commissioning council in difficult financial circumstances which had been positive for the town.

The Chair of the Conservative Group acknowledged the great work the Chief Executive had achieved during his time in office. He had come into post at a traumatic time for the organisation but had quickly brought back stability. He had always provided Members with sound and impartial advice which was listened to with respect and provided him personally with help and guidance as a group leader. The Chair of the Conservative Group welcomed the fact that he would continue to play a part in the life of the town and wished him every success.

The Leader of the PAB group echoed the comments of his colleagues and thanked the Chief Executive for his open door policy, his information and advice that he had provided to him as group leader. On behalf of the PAB he wished him a long, happy and healthy retirement.

In exercising his right of personal explanation the Chief Executive thanked the Group Leaders for their comments. He said that he would not return in any council capacity but hoped he would play a part in the cultural life of the town.

5. COMMUNICATIONS BY THE LEADER OF THE COUNCIL

The Leader informed Members that an announcement had been made that day by Cotswold District Council with 5 Oxfordshire district councils that they were proposing the creation of new Local Unitary Councils.

He explained that Leadership Gloucestershire had met that day and reacted to the unexpected news with dismay and a statement had been issued to that effect but maintained that Leadership Gloucestershire were keen to do the best for Gloucestershire in terms of a devolution deal with Government.

Whilst recognising that it was still early days there would undoubtedly be an impact on the Gloucestershire devolution bid and there would be implications in terms of the existing 2020 partnership should the Oxfordshire deal progress.

6. PUBLIC QUESTIONS

1.	Question from Carl Friessner-Day to Cabinet Member Development and Safety, Councillor Andrew McKinlay
	<p>Under Agenda Item 9 - Section Property/Asset Implications - the Council states :</p> <p>“The implementation of the Cheltenham Transport Plan will have an impact on the marketability, delivery of the subsequent disposal and redevelopment of the Municipal Offices.”</p> <p>There is therefore no longer any denying the link between the CTP and development for sale of the Municipal building. As this Council has sought external professional advice, could this Council now share with the public the estimated value of sale of the Municipal building with the current footprint and the estimated value of sale of the Municipal Building with the enlarged footprint should the CTP enable the closure of Boots Corner to occur, thus restricting the traffic at the back of the Municipal building and thereby facilitating the purchase of land at the back and rear external development.</p> <p><i>(For purposes of clarity we only need the two figures and no other information. I believe the residents of Cheltenham and in particular those in St Pauls, St Lukes, Pittville, All Saints and those around Prince Elizabeth’s Way are able to calculate the difference and therefore the PRICE the Council accepts for the degradation of their health, wellbeing and communities with the added traffic, noise, pollution and safety risks heading their way).</i></p>

	<p>Response from Cabinet Member Development and Safety</p>
	<p>The aim of the CTP is to improve traffic flow around the town. As a result of these programmed transport works there are many opportunities to improve public realm and wider place making objectives.</p> <p>A development brief for the future of the Municipal offices and Royal Well identifies the ability to utilise space should it become available. This development brief has been approved by council. The utilisation of the space is a potential opportunity that would contribute to the wider place making and economic development agenda for Cheltenham.</p> <p>The Council has yet to determine the extent of any redevelopment of the Municipal Offices but the working assumption is that it is likely to just extend to the back of the pavement behind the Municipal Offices rather than across the road in Royal Well.</p> <p>The Council is not proposing to sell the Municipal Offices but is considering redeveloping it with a joint venture partner and has therefore not sought a valuation. The financial assumptions include a projection of additional business rates from any redevelopment of £175,000 per annum w.e.f. 2020/21 which will be factored into the Council's future budgets to protect current services in the context of reducing government funding.</p>
<p>2.</p>	<p>Question from Carl Friessner-Day to Cabinet Member Development and Safety, Councillor Andrew McKinlay</p>
	<p>In 2016 as part of the Cheltenham Transport Plan process, a TRO was held and recommendation made to the GCC Cabinet. Both sides of the argument for and against the Cheltenham Transport Plan respected the</p>

	<p>democratic process and presented their cases, yet the notes for the CDT taken on 9th October 2015 clearly highlight a last minute bid to influence opinion by the Task Force, namely Jeremy Williamson – and the effect this had in changing the Cabinet’s recommendation.</p> <p>“SE suggested that ST/FR give regular updates at future meetings. He also noted the Task Force’s ability to influence decisions as had happened in relation to the TRO issue when a letter of representation”. This referring to the letter signed by the cartel of a hand full of large businesses with self-interest.</p> <p>This Council now seeks to extend the power of the Cheltenham Development Task Force. How can this Council and its elected Councillors, a Council elected under the rule of democracy, allow the principles of democracy to be undermined by non-elected groups like the Cheltenham Development Task Force that show little respect for formal process and rule. Surely this interference makes a mockery of everything every Councillor stands for? Will Councillors investigate this interference and the democratic process around it before supporting further empowerment of the CDTF?</p>
<p>Response from Cabinet Member Development and Safety</p>	
	<p>As one of several Councillors (including Cabinet Members) from both CBC and GCC who sit on the Cheltenham Development Task Force, I can confirm that the Task Force has no decision-making powers. Decisions rest entirely with Councillors and the Task Force is completely advisory.</p> <p>The point in question referred to a letter from the Chair of the Task Force, asking why the initial GCC cabinet recommendation for the meeting of 22/07/15 seemed contrary to the outcome of the Traffic Regulation Order (TRO) committee.</p> <p>The Task Force can raise questions and seek to influence in the same way as any other individual or body – indeed, in much the same way as this question is doing.</p> <p>The Task Force has proven to be an effective vehicle which has helped deliver a host of positives for the Cheltenham economy, including Brewery II, Beechwood Arcade redevelopment, Regency Place, funding for the railway station and a number of public realm improvements.</p>
<p>3.</p>	<p>Question from Peter Sayers to Cabinet Member Development and Safety, Councillor Andrew McKinlay</p>
	<p>The Gloucestershire Cabinet meeting of 22 July 2015 determined that the Cheltenham Transport Plan would be phased and that each phase would be trialled. I am not clear as to Cheltenham Council’s role in determining the success or otherwise of these trials: Where may a resident, affected by these trials, examine the criteria and the data to be utilised to</p>

	determine the success or failure of these trials?
	Response from Cabinet Member Development and Safety
	<p>Final determination of success or failure will rest with GCC as the highways authority.</p> <p>In a supplementary question, Mr Sayers commented that the Cabinet Member had not answered his question. He asked the Cabinet Member to confirm that Gloucestershire County Council would be the sole arbiter of the success or failure of the schemes and there would be no input from any officers from CBC with taking the measurements, commenting on the measurements or decisions on any resulting actions.</p> <p>The Cabinet Member assured the questioner that his answer had been correct and although he would like more influence, GCC was the authority responsible for highways. He could not confirm whether there would be any officer input from CBC but he hoped that would be the case as he wouldn't want any decisions made without input from Cheltenham Councillors and officers.</p>
4.	Question from Peter Sayers to Cabinet Member Development and Safety, Councillor Andrew McKinlay
	The traffic modelling that was constructed to support the Cheltenham Transport Plan was not only utilising out of date data but was not informed by all of the recent housing developments which are proposed around the Cheltenham area. Given the size and impact of these developments, are Traffic Officers confident they understand the effects on residential areas, both now and in the future, of the Cheltenham Transport Plan?
	Response from Cabinet Member Development and Safety
	<p>CBC is not the traffic authority and I am unable to speak on behalf of GCC.</p> <p>In a supplementary question, Mr Sayers asked who would be speaking on behalf of the residents in the many wards right across Cheltenham who would be adversely affected by the CTP and how was the plan being adapted in view of the latest traffic data made available?</p> <p>The Cabinet Member acknowledged that there had been some new traffic data arising from the JCS work but it was for GCC to make any updates to the scheme. He advised the questioner that it was not this council's responsibility to consider any adaptations and indeed they had no legal right to do so but they would be seeking to influence GCC as much as possible.</p>
5.	Question from Andrew Riley to Leader, Councillor Steve Jordan
	As a restaurant owner I applaud the intention to inject vibrancy into the local economy by reducing evening parking costs in the town. This will obviously help sustain the retail jobs on the high street. However, other than this continued drive to promote the retail high street, what is the Council doing in the broader economy to encourage business to Cheltenham as it appears in the last 2 years this Council has allowed the

	<p>conversion of three significant office blocks into retirement homes, forcing residents to get in their cars to drive to jobs outside of Cheltenham, which then has the knock on effect of contradicting the intentions of the CTP i.e. getting people out of their cars!!! . Is Cheltenham to become the new Bournemouth or are there plans afoot to create jobs outside of the retail environment, jobs that pay more than the minimum wage and ones that will sustain the prosperity of the town longer term?</p>
	<p>Response from Leader</p>
	<p>The Council is very much focussed on delivering economic growth. The Cheltenham Development Taskforce has already been successful in bringing about redevelopment of a number of key sites. The Council recognises the important role tourism plays in the local economy and has commissioned a consultant's report on how the town can use and enhance its many assets to encourage further tourism. The Council has set up a Cheltenham Tourism Partnership to take this work forward and recommendations resulting from this will be considered by Cabinet next month. In addition, the Council has been funding a successful small business advice service to assist anyone setting up a new business.</p> <p>In 2014 the Council commissioned consultants Athey Consulting to provide an updated position on the economy of Cheltenham and provide recommendations to support growth. Work is ongoing through the review of the local plan (Cheltenham Plan) to assist this together with additional resource via the recent appointment of Managing Director of Place and Economic Development.</p> <p>However, in relation to the loss of existing office space, the Council must work within the parameters of national planning policy, this includes;</p> <p>Enabling development for other uses where it can be demonstrated the existing use is unviable/site unsuitable for existing use – this is very relevant in respect of recent permissions which has seen the changes of use of dated office space. Consents were granted following the submission of evidence detailing marketing of the sites for employment uses</p> <p>Government planning policy has left towns vulnerable to loss of offices by extending “permitted development rights” to allow the conversion of offices to residential use. This policy is a major concern for the Borough Council, not only because of the direct impact, but because indirectly it weakens the Councils negotiating position in relation to the loss of offices to a whole range of uses. Work is ongoing in respect of this point through work on the Cheltenham Plan, including early investigations of an Article 4 direction.</p> <p>The Council does not wish Cheltenham to become a dormitory town and is working to deliver more employment land through the Joint Core Strategy (JCS) process – much discussion has taken place through the JCS examination on the role and function of employment land, the need for new sites and a working age population to support the economy. The need for high value jobs growth has been recognised by the LEP strategic economic plan and Cheltenham's own economic analysis. I am keen to encourage the growth of the cyber security sector and in 2015 support for this was tested in early consultation on the Cheltenham Plan</p>

	<p>This aligns to the potential for a cyber or innovation hub as announced by the Chancellor in the autumn, and support from GCHQ to the JCS examination in public, which provides the opportunity to bring forward much needed land for employment. Employment that is designed to either attract or help grow high value GVA (gross value added) jobs to the town and which would be welcomed by this authority.</p>
6.	<p>Question from Andrew Riley to Cabinet Member Development and Safety, Councillor Andrew McKinlay</p>
	<p>The County Council is responsible from LSTF funding for the installation of the Albion Street changes. No 'public realm' expenditure should attempt to concrete those junction changes irreversibly in place until they have been demonstrated to be compatible with essential town centre traffic circulation, and therefore been deemed worthy of becoming permanent. Until Phase 1 is installed and trialed and approved as viable, is it not irresponsible to be disbursing from the £100k fund on "public realm improvement" for Albion Street</p>
	<p>Response from Cabinet Member Development and Safety</p>
	<p>This funding is designed to assist in the phasing process. Initially it was envisaged that all phases of the Transport Plan would be delivered in relatively quick succession and the funding was intended to help soften the impact of temporary works during trial works. However, following the GCC cabinet decision to phase implementation, it would seem prudent to have funding available throughout the whole of the projects implementation for both temporary and (if deemed appropriate by the highways authority) more permanent public realm changes.</p>
7.	<p>Question from Geoffrey Bloxson to Cabinet Member Development and Safety</p>
	<p>North Place Car Park On the 10th October 2011 the Council considered and approved a proposal to award the contract to develop the site to Augur Buchler. The scheme included a minimum of 300 space public car park, the freehold of which would be retained by CBC and a 250 year lease granted for the area containing the car park. CBC would receive an annual rent equal to the net revenue from 300 spaces that were currently on the site. Augur Buchler were required to complete the construction work within an agreed time scale. Failure to do so would require them to pay a daily sum equal to the car park revenue for each extra day. As it is now 4 years and 4 months since the council approved the proposal will the Cabinet confirm that the above quoted daily sum is being received, when the payments commenced and the total sum collected to date?</p>
	<p>Response from Cabinet Member</p>
	<p>Mr Bloxson refers to the meeting of the Council on October 10th 2011, at which Augur Buchler was appointed preferred developer of the North Place site. However, he will be aware that Auger Buchler did not take possession of the site until December 2014. Up to that time, the Borough Council continued to run a car park on the site and to take the income from that car park.</p>

	<p>Under the terms of the agreement, Augur Buchler were allowed a reasonable time from the time they took possession of the site, to carry out redevelopment and provide us with a new car park as part of that deal. That period comes to an end in June 2016, after which time the agreed financial compensation that Mr Bloxsom refers to will become due.</p> <p>Morrisons withdrew from their contractual relationship with Augur Buchler early in 2015, which means that no development will be completed on the site in 2016, or for some time to come. The Council is therefore in discussions with Augur Buchler about bringing the site back into use as a car park in the near future. The aim of such an arrangement would be to enable Augur Buchler to deliver on its financial obligations to the Council, as well as increasing parking capacity in the town.</p> <p>In the meantime the Council retains the freehold of the part of the site on which the multi-tier car park was intended to stand. It remains our objective to work with Augur Buchler to ensure that the car park is built a part of a new development of the site.</p> <p>It is worth adding that the impact on the Council's income of losing the North Place car park has not been as great as was feared, as some of the North Place usage has been displaced to other council car parks. In 2014, the Council set up a parking income reserve of £350,000 to cushion the loss of income during the development of the North Place site. However, this has not been needed and has remained intact up to the present time.</p>
<p>8.</p>	<p>Question from Geoffrey Bloxsom to Cabinet Member Development and Safety</p>
	<p>Portland Street Car Park</p> <p>At the council meeting on the 10th October 2011 when Angur Buchlur were awarded the contract to develop the site for residential housing a clause in the development brief stated;</p> <p>It is a requirement of the development brief approved by the council that architectural style should be "of its time" and not a Regency copy or pastiche. This is also the view of the Council's officers and the development team. Augur Buchler subsequently sold the site to Skanska who shortly afterwards withdrew from housebuilding in the U.K. Since 2013 no other builder had been prepared to take on the project. In view of this situation would the Cabinet consider reversing the restrictions on architectural style and approve Regency replica homes on the Portland Street frontage. This approval would complete the last vacant space linking the town centre conservation area to Regency Pittville and fulfil the considerable demand for this style of home. It would also acknowledge the Development Task Force commitment to recognise the town's history in shaping current layout and from and pursuing high quality design that responds positively to historic context.</p>
	<p>Response from Cabinet Member</p>
	<p>The development brief establishes the basis for planning negotiations and decisions in relation to Portland Street and North Place. It is a statutorily adopted document which is a part of the Council's development plan and</p>

	<p>a material consideration in the determination of relevant planning applications. Amending a statutory Development Brief is a lengthy process (usually about 8 months if it runs smoothly) and to commence it at the moment runs the risk of becoming entangled in the emerging Cheltenham Plan adoption process.</p> <p>There is in any event, no evidence that the clause referring to architectural style is a reason for the site's current predicament and seems to me that the lengthy period of uncertainty and delay resulting from a review of the brief will not help in a swift resolution of the problem here.</p> <p>The approved scheme did attract much market interest, as did a similar scheme built by Homes by Skanska in Cambridge, which was why the market was surprised by the withdrawal of Homes by Skanska from the UK market.</p> <p>I am advised that the site is still being actively marketed and until a sale is concluded and a new owner advises their intention, it is premature to determine exactly what approach should be adopted, other than that the development brief should be followed and remains a material consideration in planning terms.</p>
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7. MEMBER QUESTIONS

1.	Question from Councillor Tim Harman to Cabinet Member Development and Safety, Councillor Andrew McKinlay
	<p>The Cheltenham Transport Plan report which the Council will consider this evening envisages a different phasing than originally outlined. Can the Cabinet Member specify what safeguards he has put in place to protect the council and Council Tax Payers should any phase of the scheme up to and including the Boots Corner be deemed to have failed?</p>
	Response from Cabinet Member Development and Safety
	<p>The phasing approved by GCC cabinet was predicated upon the initial phase at Albion Street being implemented between October 2015 and February 2016, with the final phase, a trial at Boots Corner, to take place in Spring 2017.</p> <p>Given events associated with the Beechwood shopping centre and the complexities associated with its conversion to a John Lewis store, the start date has slipped to March 2016, although we understand that the target date for the final phase remains the same.</p> <p>The primary safeguard for Council tax payers, was to ensure that the majority of this scheme was funded through a Department for Transport grant (£4.95 million), which was successfully secured by GCC. However, CBC did offer £50k funding for mitigation (in November 2013) and is proposing the release of £100k of uncommitted funds to assist GCC with implementation.</p> <p>By making available this £100k and £50k funding CBC is demonstrating</p>

	<p>support for the success of the County Council's by seeking to ensure the lengthened implementation stage can be successfully accommodated.</p> <p>Clearly, if GCC determines that any phase is deemed to have failed, then the sums might be required to assist with the County Council's mitigation costs.</p>
2.	Question from Councillor Tim Harman to Cabinet Member Development and Safety, Councillor Andrew McKinlay
	Can the Cabinet Member inform Council of the financial reporting arrangements that the Task Force will be required to undertake to Council and how this will be reported to Members?
	Response from Cabinet Member Development and Safety
	The Task Force has no direct budgetary control. This is because the body is purely advisory. Whilst there is a Task Force budget, it is overseen by officers of CBC and subject to the usual scrutiny and audit controls. The majority of any spend associated with Task Force activity is linked to capital expenditure and this is bid for, allocated and accounted for in line with other budgets managed by CBC officers.
3.	Question from Councillor John Payne to Cabinet Member Development and Safety, Councillor Andrew McKinlay
	This question was withdrawn at the request of Councillor Payne.
4.	Question from Councillor John Payne to Cabinet Member Development and Safety, Councillor Andrew McKinlay
	This question was withdrawn at the request of Councillor Payne.
5.	Question from Councillor John Payne to Cabinet Member Development and Safety, Councillor Andrew McKinlay
	<p>GCC is still unable to publish any details of precisely how the Winchcombe Street and Pittville junctions are to be implemented, e.g. the "zebra crossing". Local residents and road users should be allowed to comment in good time on the viability of these measures by studying a layout plan before expenditure is committed.</p> <p>At the same time as inserting a 'zebra crossing' (and turning off the traffic lights?) are you also intending to reverse the general traffic flow direction in Portland Street (as is marked on the TRO plan)? And will the Traffic lanes approaching the zebra-crossing from North Street be reduced to two, with a central island; and will general traffic still be allowed to turn right into Pittville Street?</p>
	Response from Cabinet Member Development and Safety
	<p>As far as I am aware, the proposed traffic management arrangements on Albion Street are as discussed at the Traffic Regulation Order (TRO) stage of this scheme.</p> <p>I believe that GCC has notified members of pedestrian crossing elements of detailed design, not changes to the scheme, so would suggest that these specific questions are posed to the County Council as highways</p>

	<p>authority.</p> <p>In a supplementary question, Councillor Payne asked about the process for evaluating whether mitigation was appropriate and would this council just be advised of the mitigation requirements by GCC and then expected to pay for it?</p> <p>In response the Cabinet Member emphasised that phase 1 was a different case because the agreement reached with John Lewis had required the Albion Street 2 way changes to be agreed before they would sign up. On this phase the council would be working closely with GCC putting in temporary changes to ensure the scheme worked smoothly and these would go beyond what GCC would normally be expected to do for a TRO.</p>
6.	Question from Councillor Adam Lillywhite to the Cabinet Member Development and Safety, Councillor Andrew McKinlay
	<p>CBC have finally admitted in the officer's report that the "marketability" and "subsequent disposal and redevelopment of the Municipal Offices" is the driver of this unworkable nonsense of closing Cheltenham's sole Ring Road.</p> <p>What are and how can you justify imposing Phase-3, Royal Well changes, which are necessarily permanent if they are the 'land grab' of Royal Well Road, before Phase-4, Boots Corner trial, has been completed and most probably been demonstrated unfit to become permanent when it has already received £2M of irreversible "public realm" capital spend?</p>
	Response from Cabinet Member
	<p>The aim of the CTP is to improve traffic flow around the town. As a result of these programmed transport works there are many opportunities to improve public realm and wider place making objectives.</p> <p>A development brief for the future of the Municipal offices and Royal Well identifies the ability to utilise space should it become available. This development brief has been approved by council. The utilisation of the space is a potential opportunity that would contribute to the wider place making and economic development agenda for Cheltenham.</p> <p>I don't think that the phrase "land grab" is appropriate in terms of the Council's intention to deliver a place-making agenda.</p> <p>The £2m in question for Boots Corner is CBC money, held in a CBC reserve, available for use should GCC determine that Boots Corner can reasonably be closed to most through-traffic beyond the trial period. The money has been allocated for this future purpose, but has not been spent and will not be spent on "irreversible" public realm capital expenditure, until the Boots Corner trial has been assessed by GCC as highways authority.</p>
7	Question from Councillor Adam Lillywhite to the Cabinet Member Development and Safety, Councillor Andrew McKinlay

	<p>In view of Cheltenham's peculiarly unique road network for a large town for which there is no longer any road-building money to remedy and in view of the lengthy controversy over CTP, is it not irresponsible to be restricting all subsequent CTP implementation decisions to one in consultation with one Cabinet Member and in discussion with the MD of the CDTF, rather than take the decision back to all elected Councillors. Can the Cabinet Member assure me that the officer will be fully briefed and have all the relevant information to enable him to make an informed decision?</p>
	<p>Response from Cabinet Member</p>
	<p>The officer concerned is responsible for the Directorate which has had primary responsibility for development and delivery of CBC's input into the Cheltenham Transport Plan and consequently, I believe that he is fully briefed. The suggestion of liaison with the MD of the Task Force, is because he is the Officer of the Council responsible for the Task Force which itself has a number of groups advising on the CTP project and includes a co-ordination group which links together developers and contractors to ensure that operational issues that could impact upon the town centre are dealt with effectively e.g. the delivery of tower cranes; utility connections etc.</p> <p>It is this group that has assisted in developing the proposed timetable for the Albion Street implementation, as we potentially have 3 major projects operational in the same street simultaneously - works for the CTP and works at Regency Place and Beechwood shopping centre.</p>
8	<p>Question from Councillor Adam Lillywhite to the Cabinet Member Development and Safety, Councillor Andrew McKinlay</p>
	<p>How can Councillors make a decision over a zebra crossing when they have no idea what is happening to the traffic on Albion Street? How long will it be between announcing the changes to the public for the rest of Albion Street and them being implemented?</p>
	<p>Response from Cabinet Member</p>
	<p>As far as I am aware, the traffic management on Albion Street is as discussed at the TRO stage of this scheme.</p> <p>I believe that GCC has notified Members of the pedestrian crossing element of detailed design, which I understand is a requirement of the relevant Highway legislation, it is not fundamental changes to the scheme.</p> <p>So, the timing between decision (GCC cabinet 22/07/15) and planned start of implementation (21/03/16) is 8 months.</p> <p>In a supplementary question Councillor Lillywhite asked for clarification on what was due to happen at the junction of Albion Street and Winchcombe Street where the work was scheduled to start in three weeks?</p> <p>In response the Cabinet Member referred to the plans which had been produced by GCC and had been available to Councillor Lillywhite and to</p>

	all Members. These set out details of the scheme and he reminded Members that GCC have produced the TRO and thus any changes to it were being directed by them.
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8. COUNCIL TAX RESOLUTION 2016/17

The Cabinet Member Finance introduced the report the purpose of which was to enable the Council to set the Council Tax for 2016/17. He explained that the Council had agreed its budget and level of Council tax for 2016/17 at its meeting on 12 February 2016. The Council was required to formally approve the total Council Tax for residents of Cheltenham, including the Council Tax requirement of the precepting organisations Gloucestershire County Council (GCC) and Gloucestershire Police. He reported that the Borough Council share of Council Tax for a band D property had increased by £5, the County Council share had increased by £43.51 and the Police by £2.58.

The motion was seconded by Councillor Jordan.

In accordance with the legislation a recorded vote was required.

Voting For 36: (Babbage, Barnes, Baker, Britter, Chard, Clucas, Coleman, Fisher, Fletcher, Flynn, Harman, C Hay, R Hay, Holliday, Jeffries, Jordan, Lillywhite, Mason, McCloskey, McKinlay, Nelson, Payne, Rawson, Regan, Reid, Ryder, Savage, Seacome, Smith, Stennett, Sudbury, Thornton, Walklett, Wheeler, Whyborn, Wilkinson)

Councillor Prince had left the meeting by the time the vote was taken.

RESOLVED (unanimously) THAT

The formal Council tax resolution at Appendix 2 be approved and that the commentary in respect of the increase in Council Tax at Paragraph 6 of Appendix 2 be noted.

9. CHELTENHAM TRANSPORT PLAN - RELEASE OF RESERVE FUNDS

The Cabinet Member Development and Safety, Councillor Andrew McKinlay, introduced the report regarding the release of reserve funds for the Cheltenham Transport Plan (CTP). The report recommended the release of funds to implement temporary and mitigation works related to the Cheltenham Transport Plan. Implementation was about to commence using a phased programme, which differed significantly from the single phase implementation previously envisaged. He explained that funding was from two tranches:

- £100,000 from unallocated capital receipts was to be available for use immediately the implementation of phase 1 commenced; and
- £50,000 from Civic Pride reserve (approved as part of the 2014/15 Budget Setting Report – 14th February 2014 - specifically for mitigation) was to be available for use when phase 4 (works at Boots Corner) commences.

He referred to the amended recommendations which had been circulated to Members before the start of the meeting. The changes addressed some of the

concerns expressed by Members and the public in their questions in that the £50K from the Civic Pride reserve would now be held until phase 4 commenced. This would ensure that there would be funding available for any mitigating issues as a result of the works at Boots Corner.

He emphasised that in passing the resolutions, Council would be allocating funds already included in the budget. There was an immediate need to progress with phase 1 due to the agreement with John Lewis. He emphasised that the council would not necessarily be spending all the money allocated but it would be there if required to carry out mitigation work for any unforeseen issues.

The Mayor invited Members to ask questions of the Cabinet Member.

- Would the local ward councillors be fully engaged in discussions on any mitigation issues?
- The traffic officers at GCC would not necessarily consult with the Cabinet Member but he would pass on any advice he was given to local ward councillors. He suggested that if there were knock-on effects in Oriel Road or St Lukes, which GCC hadn't addressed as part of their mitigation measures, then this could be a case for using some of the additional funding allocated in this resolution today for mitigation measures.
- Was the Cabinet Member confident that the funding referred to in the report would cover all the necessary mitigation work across the town and would this include mitigation work beyond the ring road?
- The Cabinet Member was confident that it would be sufficient and emphasised that £50K was being held back for phase 4. The funds of £100K that GCC had allocated for mitigation work would be confined to where the TROs were taking place whereas the CBC funds could be allocated in areas beyond this where there were knock-on impacts.
- Asked to consider the hypothetical situation where the funds the Council had allocated were insufficient, the Cabinet Member suggested that something would have gone seriously wrong if the council was to get to that point. The Cabinet Member Finance added that the success of the CTP was so significant to the future of Cheltenham that his successor would have to ensure that a solution could be found bringing back a report to this Council seeking additional funding if necessary.
- Could the wards affected include Pittville as certainly Clarence Square could be one area that could be adversely affected.
- The Cabinet Member agreed to add this to the list. He advised that the funds could be released anywhere that they were needed but the four wards specifically mentioned had designated TROs.
- Could the process for assessing the impact of each phase be clarified?
- The Cabinet Member advised that the process would be carried out by GCC and they would be making the decisions. In carrying out this assessment it would be short-term and looking for any showstoppers whereas CBC would be considering the more longer-term impacts.
- The timetable suggests a three-month period between phases. Can the Cabinet Member confirm that the timetable would allow full testing between phases and had the timetable being reassessed in view of the slippage.

- The Cabinet Member confirmed that GCC were confident in the timetable even with the slippage and that they could achieve the 2017 completion date.
- Had the Cabinet Member specifically asked GCC to be involved in the process or have they refused to have a dialogue with him?
- The CTP has been progressing for the last 10 years and this council has worked closely with GCC at all stages to ensure an appropriate scheme for Cheltenham. GCC had submitted the funding bid to government and was now the responsible authority for the implementation. Although the Cabinet Member would have preferred that responsibility to be with the borough council it was a false idea to suggest that the council was washing its hands of it.
- Can the Cabinet Member guarantee that no organisation from this town will try to interfere in GCC's decisions on the success or otherwise of the schemes?
- Any organisation was free to make representations and express their views to the county council so he was not in a position to make that guarantee nor would he want to be in a position to do so.

In the debate that followed two Members from College Ward indicated that they would be planning to abstain from the vote. Whilst supporting the additional funds for the mitigation work, they did not support the proposals in the CTP which they felt would increase traffic through the communities they represented. They were concerned that the mitigation work would not be sufficient to diminish the impact on their residents, particularly if other wards may be competing for the money.

A Member highlighted that in January 2015, they had proposed an amendment to the CTP to do all the schemes on an experimental basis but they had been advised that this was too expensive. They had proposed additional funds for mitigation and were pleased that this had been accepted at the time and they welcomed the additional funding that was now being proposed. They felt that the council had a responsibility to reflect the views of residents in the many wards across town who were really worried about the potential blight to their homes. It was important to listen to these residents and try and address their concerns as the schemes progressed.

A Member stressed that in his view recommendation 3 did not set out to exclude ward councillors and residents but reflected the democratic process that had to be followed in making any decisions.

Councillor Adam Lillywhite proposed an amendment which was seconded by Councillor Stennett to add the following additional recommendation:

4. During the assessment period for each completed construction phase of the CTP request the Highways Authority to report on it and the contents of the next phase to full Council for their agreement to continue.

In proposing the amendment, Councillor Lillywhite reminded Members of the reasons why he was opposed to the CTP. He felt there must be controls in the implementation of the schemes going forward and a proper democratic process should be followed. If Members were to vote for this amendment he believed it

would reinstate public confidence that the council still had a voice and some influence.

The Mayor asked for advice from officers on the legality of the amendment. The Head of Law advised that the council could make such a request to the county council but they could not insist upon it.

Members speaking against the amendment felt that it was an ineffective, toothless resolution. The evaluations of each scheme were already included in the plans and they had been assured by GCC that the Cabinet Member would have access to these evaluations. It was dangerous for this council to try and micromanage the implementation and was not a good use of CBC resources. Other Members also highlighted the impracticability of trying to arrange Council meetings to fit in with the implementation timetable and this could cause unnecessary delays. Another Member suggested that a better way would be for Overview and Scrutiny to set up a review process as they could invite residents to give their views and could request officers from GCC to attend and answer questions.

Some Members were concerned that there could be a liability for consequential damages if this council were to insist on changes to the CTP and this could pose financial risks for the Council. The Chief Executive advised Members that should this situation arise, officers would be able to give clear advice to Members on any potential liabilities. There may be some liabilities but officers could not give hypothetical advice at this stage.

A number of Members supported the thinking behind the amendment and welcomed the opportunity for another layer of scrutiny and public engagement. There were many uncertainties around the traffic schemes and it was important that the council received reports on progress and had the opportunity to express its views to the GCC. There was concern that similar amendments for progress updates had been requested before but Members were not aware that anything had been happening. Despite requests to GCC, some ward Members felt disenfranchised and that they had not been specifically consulted or kept informed by GCC. They agreed that it would send a message of support to residents that their views would be listened to and would make the process more open and accountable. The amendment was fundamentally about improving communications and giving the GCC an opportunity to demonstrate that they were listening to Cheltenham concerns.

The Chief Executive was asked to advise on the procedural implications of passing such an amendment. He advised that if the recommendations were approved, then he would approach GCC to make the request as firmly as possible and agree dates when progress could be reported back to this Council. If these dates were not compatible with the timetable of Council meetings then special meetings would have to be arranged. If the GCC did not agree to the request, the Council would have no comeback. He emphasised that the council could make requests to GCC for alterations to a particular scheme but the cost liabilities would have to be carefully considered at the time.

Councillors Stennett as seconder of the amendment, suggested that a lot of people in the town were very worried about the scheme which represented a big

and very important step for the town and the more information the council could get the better.

In his summing up, Councillor Lillywhite said there were facilities for break points in the contracts and he was confident that the assessment phases could be fitted in with the timetable of Council meetings. The process must be transparent and there must be a democratic process for giving their responses to the county council. He concluded that Members in the chamber would be accountable for the scheme if there was a problem so this check and balance was essential.

In responding to the amendment, Councillor McKinlay was concerned that passing the amendment would give a message to the GCC that the borough council had reservations about the scheme. He did not disagree that the county council should be asked to report back regularly on the scheme but he proposed that the final phrase of the amendment "to full Council for their agreement to continue" should be deleted.

Councillor Lillywhite was not happy to accept this amendment and therefore there was a vote on the amendment. This was LOST.
Voting (For 12, Against 21 and 3 abstentions).

The debate then moved back to the substantive motion.

Councillor Rawson as seconder of the motion, emphasised that the CTP was not just about Boots Corner and he emphasised the importance of the scheme to the town. The changes to Albion Street were very important for the John Lewis development. The council must ensure the appropriate mitigation takes place and passing these resolutions would ensure that the necessary funds could be released at the appropriate time.

At the request of Councillor Babbage, the Cabinet Member Development and Safety indicated that he would be happy to add a recommendation 4 requesting that the highways authority supply regular updates to himself and he would be able to pass those updates to Members via e-mail or to overview and scrutiny if preferred.

Upon a vote the motion with this additional recommendation was CARRIED.

Voting (For 34 with 2 abstentions)

RESOLVED THAT

In order to fund works in support of the Cheltenham Transport Plan during its implementation and trials,:

- 1. £100,000 be allocated from unallocated capital receipts towards works that may be necessary to assist implementation of the Cheltenham Transport Plan, in keeping with the phased approach agreed by the County Council and in close cooperation with Gloucestershire Highways;**
- 2. The future appropriation of £50,000 from the Civic Pride reserve which has previously been approved for mitigation work associated with the implementation of the Cheltenham Transport Plan be agreed ; this funding to be reserved for use during and**

after the final stage of implementation at Boots Corner and spent in close cooperation with the County Council and Gloucestershire Highways; and

3. It be noted that decisions regarding the spending on individual elements of the project will be delegated to the Cabinet Member Development and Safety in consultation with the Managing Director Place and Economic Development and the Managing Director of the Cheltenham Development Task Force.
4. During the assessment period for each completed construction phase of the CTP, the Highways Authority be requested to report on it and the contents of the next phase.

10. APPOINTMENT OF THE HEAD OF PAID SERVICE

The Chief Executive introduced the report and explained that he was due to leave the council on 27 March 2016 following the decision by Council in October 2015 to make his post redundant. The Council had a statutory duty to appoint a designated Head of Paid Service (HoPS) under section 4 of the Local Government and Housing Act 1989 and it was intended that the new HoPS post undertook the statutory role.

The Chief Executive reported that on 20 January 2016 the Appointment and Remuneration Committee met to consider the options and he now had great pleasure in proposing a valued and respected colleague for the role in Pat Pratley, the current Deputy Chief Executive. The Chief Executive referred to the job description in Appendix 1 and explained that the role attracted an additional salary of £8k per annum to be funded from part of the savings from the deletion of the CEO post. He highlighted that the appointment would be on an interim basis due to the fact that the council was about to enter another significant period of change with uncertainty about the impact the 2020 Partnership would have on the retained authority, the announcement from Cotswold and West Oxfordshire with regard to unitary authority status and the possibility of a combined authority. He reported that the council intended to carry out a further review of the senior structure in 12-18 months time when it was hoped that a more detailed position of the impact of the 2020 Programme and the devolution agenda would be known. He added that he would remain the Returning Officer/Electoral registration Officer for the scheduled Borough Council and Police and Crime Commissioner elections on May 5 but the new Head of Paid Service would be in a good position to take up this role for the EU Referendum scheduled for 23 June.

The Chair of the Appointments and Remuneration Committee explained how the committee had considered in detail the appointment and believed the current Deputy Chief Executive would provide the stability and consistency the authority required going forward in this time of change.

The Leader of the Council supported the appointment and gave thanks to the Appointments and Remuneration Committee for their work. He wished Pat Pratley all the best in her new position.

RESOLVED (unanimously) THAT

- 1. Pat Pratley be appointed to the role of Head of Paid Service and that the appointment will be from 28 March 2016.**
- 2. It be noted that the appointment incorporates the responsibility for the role of Returning Officer and Electoral Registration Officer from 23 May 2016**
- 3. It be noted that a further review of the council's Senior Leadership Team structure would take place during 2017.**

11. REVISION TO CONTRACT RULES

The Chairman of the Constitution Working Group introduced the report and reminded members that at its meeting on 14 December 2015 the Council approved an updated set of contract rules which was common to all 2020 vision partner councils. He explained that the contract rules included the requirement for a bond or a parent company guarantee for contracts over £1million. He said however that in practice the need for a bond or guarantee can be negated by holding back retention sums and making staged payments i.e. only for actual work that has been undertaken. Also, the requirement can be difficult and costly to obtain and it was not always necessary to obtain a bond in order to protect the council. As such it was now proposed that there was a revision to the Contract Rules to provide a practical and workable solution to the awarding of high value contracts which provides flexibility in the use of bonds/guarantees. This revision would allow the section 151 Officer, in consultation with the council's Solicitor, to decide that a bond/guarantee was not appropriate in the circumstances of a particular contract.

The Chairman of the Constitution Working Group said that one sensitive issue which had been raised by Audit Committee was on not having a bond in place and he suggested that Audit Committee kept a watching brief on how the variant was used and not misused so there was no additional risk. He highlighted that by not having to have a bond in place did make it easier for smaller local companies to bid for a project rather than rely on larger companies.

In response to a question the Head of Legal clarified that the existing contract rules covered contracts of £1 million or less; the specific issue under discussion was contracts of more than £1 million to ensure that discretion sat with the Section 151 officer as to whether a bond was required for a particular contract.

A member commented that staged payments would not compensate for the additional cost when a contract encountered difficulties. In response the Chair of the Constitution Working group said it was all about risk which would have to be managed and the S151 and Borough Solicitor would have to look at each circumstance individually. Large projects would be project managed and be assessed by the project board. Gateway reviews also were submitted to Overview and Scrutiny Committee and the decisions which were taken with large contracts would be published. Where it was felt that the variant was not used appropriately this would be reported to Audit Committee.

When asked whether this proposal corresponded with the latest best practice the Director Resources said that the use of the variant was a judgement by the S151 Officer due to the nature of the activity and the size of the contract.

The Cabinet Member Housing welcomed the proposals and said it would give more flexibility to officers and he gave the example of CBH who were entering into contracts on behalf of the council as often it was difficult to attract smaller and medium sized companies.

RESOLVED THAT (Voting-32 for;1 against; 1 abstention)

Contract rule 19.1 be amended as per paragraph 1.5.

12. NOTICES OF MOTION

There were no notices of motion.

13. TO RECEIVE PETITIONS

None received.

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

There were no urgent items.

Duncan Smith
Chairman

Cheltenham Borough Council

Council – 4 April 2016

Council Diary September 2016 to August 2017

Accountable member	Cabinet Member Corporate Services, Councillor Jon Walkett
Accountable officer	Head of Paid Service, Pat Pratley
Accountable scrutiny committee	Not applicable
Ward(s) affected	All
Significant Decision	No
Executive summary	<p>The proposed diary of Council meetings for September 2016 to August 2017 is attached as Appendix 1.</p> <p>The dates and times for the Cabinet are shown for information only as it is for the Leader of the Council to determine the Cabinet meeting dates. However they follow the pattern of time and frequency followed in previous years.</p> <p>If it is necessary to make any subsequent amendments to the draft diary, these will be reflected in the published diary.</p>
Recommendations	<p>I therefore recommend that</p> <p>1. The draft Council Diary of meetings for September 2016 – August 2017 be approved.</p>

Financial implications	<p>No Financial Implications</p> <p>Contact Officer: Paul Jones, Tel 01242 264 123 E-mail paul.jones@cheltenham.gov.uk</p>
Legal implications	<p>No specific legal implications arising from the recommendation</p> <p>Contact Officer: Peter Lewis, Tel 01684 272012 E-mail peter.lewis@tewkesbury.gov.uk</p>

HR implications (including learning and organisational development)	<p>Start and end times of Council meetings may impact on officer working hours which may need to be adjusted through flexible working practices e.g. use of flexitime. Additional paid hours may be considered providing any additional cost implications are met within existing budgets. Managers will need to be aware of potential health and safety risks for late evening meetings for individuals when travelling home outside normal office hours and in particular during the winter period.</p> <p>Contact Officer: Julie McCarthy, Tel 01242 264355</p> <p>E-mail: julie.mccarthy@cheltenham.gov.uk</p>
Key risks	None
Corporate and community plan Implications	The diary of council meetings supports the democratic process.
Environmental and climate change implications	None

1. Background

1.1 The diary followed a similar rationale to that adopted in previous years i.e.;

- As far as possible meetings of a particular committee are scheduled on the same day of the week.
- With the occasional exception of the regulatory Planning and Licensing meetings, Easter, August and Whitsun half terms and Friday evenings will be avoided wherever possible.
- Evening meetings have been scheduled for 6 pm to facilitate Members' attendance after the working day.
- The start time for planning view meetings is again omitted to give greater flexibility in arranging an appropriate start time dependent on the time of the year and number of sites to be visited.
- Three regular meetings of the Standards Committee have been scheduled in the diary per year. Due to the nature of the committee, there may be a need for ad hoc meetings during the year to deal with specific issues.
- The dates and times for the Cabinet are shown for information only as it is for the Leader of the Council to determine the Cabinet meeting dates. However they follow the pattern of time and frequency followed in previous years.
- Generally, once a working group has been established it will be permitted to schedule meetings at a time to suit those members involved so working group meetings are not included in the diary.
- Seven meetings have been scheduled for Overview and Scrutiny Committee. These are timetabled to cover key events during the year likely to require scrutiny involvement including the budget consultation, review of the corporate strategy and agreeing the annual work plan.
- The 2020 Joint Committee meetings have been scheduled in the diary.

2. Consultation and feedback

- 2.1 The draft diary was circulated to councillors and officers earlier in March as part of the consultation and feedback was also sought from Cheltenham Borough Homes to avoid any clashes and a few minor changes made.
- 2.2 The start time of Asset Management Working Group has reverted to 6 pm to bring it in line with other evening meetings, but officers and councillors can agree an alternative time to suit the members of the working group/committees once the membership has been decided.
- 2.3 The Licensing Committee will now be held in the Pittville Room and will start at 2.15pm to accommodate the change of venue.
- 2.4 In 2017 there are no Borough elections, but there are County Elections. The diary is relatively free in April and May to accommodate this, except for regulatory meetings.
- 2.5 Regarding Council meetings, a June and July Council meeting have been reinstated for 2017 to avoid too long a gap from the March meeting, however if both are not required then one will be cancelled.
- 2.6 Dates for Mayor’s briefings have been included in the diary to assist members attending.
- 2.7 Consideration has been given to party conference dates and meetings avoided during these times as far as possible. For reference, party conference dates are as follows:-
Lib Dem – 17-20 September; Labour – 25-28 September; Conservative – 2-5 October 2016.
- 2.8 Further to a query on the scheduling of planning meetings in school holidays, notably during Easter week 2017, this matter was referred to the Director of Planning, who requested they remain as scheduled in the attached diary.

3. Performance management – monitoring and review

- 3.1 Any feedback on the diary during the year can be noted for consideration in future years.

Report author	<p>Rosalind Reeves E-mail rosalind.reeves@cheltenham.gov.uk Tel 01242 774937</p>
Appendices	<p>1. Draft Council Diary September 2016 – August 2017</p>

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D R A F T

September 2016 to August 2017

September 2016

Thursday 1	Start of School Term 1 <i>(please note the school term dates and holidays listed in the diary are those set by Gloucestershire County Council and may vary for individual schools)</i>	
Friday 2	Licensing	2 15 pm
Monday 5		
Tuesday 6		
Wednesday 7	Member Seminar	6 00 pm
Thursday 8		
Friday 9		
Monday 12	O&S	6 00 pm
Tuesday 13	Cabinet	6 00 pm
Wednesday 14		
Thursday 15	Asset Management Working Group	6 00 pm
Friday 16		
Monday 19		
Tuesday 20	Planning View	
Wednesday 21	Audit	6 00 pm
Thursday 22	Planning	6 00 pm
Friday 23		
Monday 26	Treasury Management Panel	6 00 pm
Tuesday 27		
Wednesday 28	Public Art Panel	6 00 pm
Thursday 29		
Friday 30	Joint Committee 2020 – Cheltenham	10 00 am

Battle of Britain Sunday 18 September

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October 2016

Monday 3	Appointments	6 00 pm
Tuesday 4		
Wednesday 5		
Thursday 6	Budget Scrutiny Working Group	6 00 pm
Friday 7	Licensing	2 15 pm
Monday 10	<i>Deadlines for Council motions</i>	<i>12 noon</i>
Tuesday 11	<i>Deadline for Council questions</i> Cabinet	<i>12 noon</i> 6 00 pm
Wednesday 12		
Thursday 13	Mayor's Briefing Member Seminar	12 noon 6 00 pm
Friday 15		
Monday 17	Council	2 30 pm
Tuesday 18	Planning View	
Wednesday 19	Standards	2 00 pm
Thursday 20	School Half Term starts Planning	6 00 pm
Friday 21		
Monday 24	School Half Term all week	
Tuesday 25		
Wednesday 26		
Thursday 27		
Friday 28	Joint Committee 2020 – Cheltenham (if required)	10 00 am
Monday 31	Start of School Term 2 O&S	6 00 pm

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November 2016

Tuesday 1		
Wednesday 2		
Thursday 3		
Friday 4	Licensing	2 15 pm
Monday 7	Member Seminar	6 00 pm
Tuesday 8	Cabinet	6 00 pm
Wednesday 9		
Thursday 10		
Friday 11		
Monday 14	Treasury Management Panel	6 00 pm
Tuesday 15	Planning View	
Wednesday 16		
Thursday 17	Planning	6 00 pm
Friday 18		
Monday 21		
Tuesday 22	Budget Scrutiny Working Group	6 00 pm
Wednesday 23		
Thursday 24	Asset Management Working Group	6 00 pm
Friday 25		
Monday 28	O&S	6 00 pm
Tuesday 29		
Wednesday 30	Public Art Panel	6 00 pm

Remembrance Sunday 13 November

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December 2016

Thursday 1	Member Seminar	6 00 pm
Friday 2	Licensing	2 15 pm
Monday 5	<i>Deadline for Council motions</i>	<i>12 noon</i>
Tuesday 6	<i>Deadline for Council questions</i> Cabinet	<i>12 noon</i> 6 00 pm
Wednesday 7		
Thursday 8	Mayor's Briefing Appointments Committee	12 noon 6 00 pm
Friday 9		
Monday 12	Council	2 30 pm
Tuesday 13	Planning View Cabinet (Budget proposals)	6 00 pm
Wednesday 14		
Thursday 15	Planning	6 00 pm
Friday 16	Joint Committee 2020 - Cotswold	10 00 am
Monday 19	<i>Start of School Christmas Holidays</i>	
Tuesday 20		
Wednesday 21		
Thursday 22		
Friday 23		
Sunday 25	Christmas Day	
Monday 26	Boxing Day	
Tuesday 27	Bank Holiday in lieu of Christmas Day	
Wednesday 28	<i>School Christmas Holidays</i>	
Thursday 29		
Friday 30		

January 2017

Monday 2	Bank holiday in lieu of New Year's Day	
	Start of School Term 3	
Tuesday 3		
Wednesday 4		
Thursday 5		
Friday 6	Licensing	2 15 pm
Monday 9	Budget Scrutiny Working Group	6 00 pm
Tuesday 10	Cabinet	6 00 pm
Wednesday 11	Audit	6 00 pm
Thursday 12		
Friday 13	Joint Committee 2020 – Cotswold (if required)	10 00 am
Monday 16	O&S	6 00 pm
Tuesday 17	Planning View	
Wednesday 18		
Thursday 19	Planning	6 00 pm
Friday 20		
Monday 23	Treasury Management Panel	6 00 pm
Tuesday 24		
Wednesday 25	Public Art Panel	6 00 pm
Thursday 26	Member Seminar	6 00 pm
Friday 27		
Monday 30		
Tuesday 31		

February 2017

Wednesday 1		
Thursday 2		
Friday 3	<i>Deadline for Council Motions</i>	<i>12 noon</i>
	Licensing	2 15 pm
Monday 6	<i>Deadline for Council Questions</i>	<i>12 noon</i>
Tuesday 7	Cabinet (Budget)	6 00 pm
Wednesday 8		
Thursday 9	Mayor's Briefing	12 noon
Friday 10	Joint Committee 2020 – Forest of Dean	10 00 am
	Council (Budget)	2 30 pm
Monday 13	School Half Term all week	
	<i>Provisional additional Council (if required)</i>	2 30 pm
Tuesday 14	Planning View	
Wednesday 15		
Thursday 16	<i>Deadline for Council motions</i>	<i>12 noon</i>
	Planning	6 00 pm
Friday 17	<i>Deadline for Council questions</i>	<i>12 noon</i>
	Start of School Term 4	
Monday 20	O&S	6 00 pm
Tuesday 21	Mayor's Briefing	12 noon
Wednesday 22	Standards	2 00 pm
Thursday 23	Council Tax Setting	6 00 pm
Friday 24		
Monday 27	Appointments Committee	6 00 pm
Tuesday 28	Member Seminar	6 00 pm

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March 2017

Wednesday 1		
Thursday 2		
Friday 3	Licensing	2 15 pm
Monday 6		
Tuesday 7	Cabinet	6 00 pm
Wednesday 8		
Thursday 9		
Friday 10		
Monday 13		
Tuesday 14	Race Week	
Wednesday 15		
Thursday 16		
Friday 17	Gold Cup Day	
Monday 20	<i>Deadline for Council motions</i>	<i>12 noon</i>
	Member Seminar	6 00 pm
Tuesday 21	<i>Deadline for Council questions</i>	<i>12 noon</i>
	Planning View	
Wednesday 22	Audit	6 00 pm
Thursday 23	Mayor's briefing	12 noon
	Planning	6 00 pm
Friday 24		
Monday 27	Council	2 30 pm
Tuesday 28		
Wednesday 29	Public Art Panel	6 00 pm
Thursday 30	Asset Management Working Group	6 00 pm
Friday 31		

April 2017

Monday 3		
Tuesday 4		
Wednesday 5	Member Seminar	6 00 pm
Thursday 6		
Friday 7	Licensing	2 15 pm
	<i>Start of School Easter Holidays</i>	
Monday 10		
Tuesday 11	Cabinet	6 00 pm
Wednesday 12		
Thursday 13		
Friday 14	Good Friday	
Monday 17	Bank Holiday	
Tuesday 18	Planning View	
Wednesday 19		
Thursday 20	Planning	6 00 pm
Friday 21	Joint Committee 2020 – Forest of Dean (if required)	10 00 am
Monday 24	<i>Start of School Term 5</i> O&S	6 00 pm
Tuesday 25	Budget Scrutiny Working Group	6 00 pm
Wednesday 26		
Thursday 27		
Friday 28		

Monday 1	Bank Holiday	
Tuesday 2		
Wednesday 3		
Thursday 4	County Elections	
Friday 5	Licensing	2 15 pm
Monday 8		
Tuesday 9	Member Seminar	6 00 pm
Wednesday 10		
Thursday 11	Mayor's Briefing	12 noon
Friday 12		
Monday 15	Annual Council and Inauguration of the Mayor (Town Hall)	5.00 pm 6 30 pm
Tuesday 16	Cabinet	6 00 pm
Wednesday 17		
Thursday 18		
Friday 19		
Monday 22		
Tuesday 23	Planning View	
Wednesday 24		
Thursday 25	Planning	6 00 pm
Friday 26		
Monday 29	School Half Term all week Bank holiday	
Tuesday 30		
Wednesday 31	Public Art Panel	6 00 pm

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June 2017

Thursday 1		
Friday 2	Licensing	2 15 pm
	<i>Start of School Term 6</i>	
Monday 5	Treasury Management Panel	6 00 pm
Tuesday 6		
Wednesday 7		
Thursday 8	Member Seminar	6 00 pm
Friday 9		
Monday 12	<i>Deadline for Council motions</i>	<i>12 noon</i>
Tuesday 13	<i>Deadline for Council questions</i>	<i>12 noon</i>
	Cabinet	6 00 pm
Wednesday 14	Audit	6 00 pm
Thursday 15	Mayors Briefing	12 noon
	Asset Management Working Group	6 00 pm
Friday 16	Joint Committee 2020 – West Ox	10 00 am
Monday 19	Council	2 30 pm
Tuesday 20	Planning View	
Wednesday 21		
Thursday 22	Planning	6 00 pm
Friday 23		
Monday 26	O&S	6 00 pm
Tuesday 27		
Wednesday 28		
Thursday 29		
Friday 30		

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July 2017

Monday 3		
Tuesday 4	Budget Scrutiny Working Group	6 00 pm
Wednesday 5		
Thursday 6	Member Seminar	6 00 pm
Friday 7	Licensing	2 15 pm
Monday 10		
Tuesday 11	Cabinet	6 00 pm
Wednesday 12	Standards	2 00 pm
Thursday 13		
Friday 14	Joint Committee 2020 – West Ox (if required)	10 00 am
Monday 17	<i>Deadline for Council motions</i>	<i>12 noon</i>
Tuesday 18	<i>Deadline for Council questions</i> Planning View	<i>12 noon</i>
Wednesday 19		
Thursday 20	Mayor’s Briefing Planning	12 noon 6 00 pm
Friday 21		
Monday 24	Council	2 30 pm
Tuesday 25		
Wednesday 26	<i>School summer holidays</i> Public Art Panel	6 00 pm
Thursday 27		
Friday 28	Licensing	2 15 pm
Monday 31		

August 2017

Tuesday 1	School summer holidays	
Wednesday 2		
Thursday 3		
Friday 4		
Monday 7	School summer holidays	
Tuesday 8		
Wednesday 9		
Thursday 10		
Friday 11		
Monday 14	School summer holidays	
Tuesday 15	Planning View	
Wednesday 16		
Thursday 17	Planning	6 00 pm
Friday 18		
Monday 21	School summer holidays	
Tuesday 22		
Wednesday 23		
Thursday 24		
Friday 25		
Monday 28	Bank Holiday School summer holidays	
Tuesday 29		
Wednesday 30		
Thursday 31		

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Cheltenham Borough Council

Cabinet – 8th March 2016

Council – 4th April 2016

Housing Revenue Account New Build- Garage site redevelopment

Accountable member	Councillor Peter Jeffries, Cabinet Member Housing
Accountable officer	Martin Stacy, Lead Commissioner – Housing Services
Ward(s) affected	St Marks, Up Hatherley and Hester’s Way
Key Decision	Yes
Executive summary	In March 2015 Cabinet resolved that the Authority seek bids from contractors to build new homes across Cheltenham on a number of garage sites. Following a recent procurement exercise this report seeks approval to enter into a JCT Design and Build Contract with J Harper and Sons with Total Scheme Costs not to exceed £1,405,150. The scheme will deliver up to eight new homes on three HRA garage sites.
Recommendations	<p>That Cabinet:-</p> <ol style="list-style-type: none"> 1. Subject to subsequent Council approval, authorise the Authority to accept the tender received from J Harper and Sons enter into a JCT Design and Build Contract for the construction of up to eight new dwellings with Total Scheme Costs not to exceed £1,405,150. 2. Delegate authority to the Head of Property and Asset Management, in consultation with the Borough Solicitor to: <ol style="list-style-type: none"> 2.1. Conclude the JCT Design and Build contract with J Harper and Sons. 2.2 Take all necessary steps and undertake all necessary procedures, including entering into any legal agreements or other documentation as may be required to implement or facilitate the developments. 3. Authorise the Authority to charge Affordable Rents to the 2 and 3 bed properties at 80% of Market Rents and at 70% of Market Rents for the 4 bed dwelling. <p>Cabinet recommends that Council:</p> <ol style="list-style-type: none"> 4. Authorise the allocation of up to £1,405,150 for the construction of eight new dwellings. 5. Note that the Total Scheme Costs of £1,405,150 (broken down in further detail in exempt appendix 3) will be funded by circa

£420k 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.

- 6. Approves the Authority sourcing loan finance of up to £1.0m from the Public Works Loan Board to be used for the construction of eight new dwellings.**

Financial implications	<p>As outlined in the report and exempt appendix.</p> <p>The development of an HRA new build programme will require an ongoing review of resource availability to ensure the most effective and timely use of each funding stream. The choice of funding streams is delegated to the Section 151 Officer.</p> <p>Contact officer: Paul Jones, Head of Finance</p> <p><i>Paul.Jones@cheltenham.gov.uk/01242 775154</i></p>
Legal implications	<p>The Authority has the power under Section 9 of the Housing Act 1985 to build new housing accommodation on land it owns for that purpose. All of these sites are held for housing purposes.</p> <p>Due to the value of the JCT contract, the Authority's constitution requires Cabinet approval to the Authority awarding the contract.</p> <p>As the Authority owns the land on which the dwellings are to be constructed, it will be the Authority entering into the contract. CBH will monitor the contract and the progress of the build on the Authority's behalf with assistance from the Employer's Agent engaged by the Authority.</p> <p>The sites are affected by third party rights. These will need to be addressed and resolved prior to commencement of works on site.</p> <p>Contact officer: Rose Gemmell, Solicitor</p> <p><u>rose.gemmell@teWKesbury.gov.uk</u> / 01684 272014</p>
HR implications (including learning and organisational development)	<p>There are no direct HR implications arising from this report.</p>
Key risks	<p>Please see Risk Assessment at Appendix 1 of this report.</p>
Corporate and community plan Implications	<p>By increasing the provision of new affordable housing we will be supporting our key strategic objective of strengthening our communities.</p>

<p>Environmental and climate change implications</p>	<p>The redevelopment of the sites will improve the area as they currently consist predominantly of void and poorly maintained garages.</p> <p>The quality of the proposed housing will have an impact on climate change. All of the dwellings will achieve a minimum of Code for Sustainable Homes level 3 adopting a 'fabric first' approach to energy efficiency.</p>
<p>Property/Asset Implications</p>	<p>The redevelopment of the sites is a positive proposal that will bring back into use current underutilised land (former garage sites) and add to the affordable housing stock, providing much needed affordable homes.</p> <p>Various 'rights of way' require formal legal amendments altering their current course to facilitate the unhindered ability to deliver the proposed schemes. Negotiations are progressing and these risks have been captured on the risk register. Works should not start on site until these 'rights of way' issues have been formally resolved. The costs of negotiating the various rights of access to include legal fees have been built into the Total Scheme Costs at £1,405,150, along with potential Party Wall Awards.</p> <p>Contact officer: David Roberts, Head of Property Services</p> <p>david.roberts@cheltenham.gov.uk 01242 264151</p>

1. Background

- 1.1 In March 2015, Cabinet was provided with an update on the pipeline development programme for new build housing. Since then CBH has continued to work with Council Officers via the Joint Programme Group (JPG) to progress suitable sites for new build development within the Housing Revenue Account (HRA). The next tranche of dwellings will be owned by CBC rather than CBH to enable Right to Buy (RTB) receipts to be utilised to part fund the projects.
- 1.2 The redevelopment programme for redundant or underutilised garage sites was developed as the result of a comprehensive survey of all 80+ sites which considered garage condition and utilisation together with site redevelopment potential.
- 1.3 The Council contracted with J Harper and Sons in October 2015 to deliver 10 new homes on four former garage sites. These new homes will be completed by the end of October 2016.
- 1.4 The redevelopment of the redundant site at the corner of Swindon Road/Brunswick Street is due to commence shortly with works to be completed by Spring 2017.
- 1.5 The next phase of new build development comprises the redevelopment of three garage sites. CBH has experience in delivering new build housing on garage sites following the successful completion of 14 new dwellings on 4 sites in March-April 2014.
- 1.6 In addition CBH continues to progress a number of other sites which includes the redevelopment of 3 further garage sites and the regeneration of Cakebridge Place. In total these developments will provide circa 28 new affordable dwellings.

2. Scheme Details

- 2.1 This phase of three garage sites includes the following:-
 - A predominantly derelict garage site at Rowanfield Exchange
 - A cleared garage site at Hester's Way Road
 - A cleared site at Ullswater Road.
- 2.2 The scheme will provide up to 8 homes comprising of a range of house types as follows to meet local housing need: 5 x 3 bed 5 person dwellings; 2 x 2 bed 4 person dwellings and 1 x 4 bed 7 person detached dwelling.
- 2.3 The sites are all in CBC's ownership and there are no acquisition costs.
- 2.4 Planning permission was granted for the redevelopment of the Ullswater Road site on 19th March 2015, Hester's Way on 17th September 2015 and Rowanfield Exchange on 18th February 2016.

3. The Case for Redevelopment

- 3.1 One of the 3 key aims in the approved 30 year HRA business plan is to build new affordable homes in the Cheltenham area. The development proposals are important in meeting this aim.
- 3.2 The benefits of proceeding with the developments include:
 - They align with CBC's housing strategy by helping to provide for current housing needs;
 - They ensure the redevelopment of underutilised land within the HRA;
 - They will provide up to eight high quality homes; and
 - further strengthen the HRA through positive cashflows from Year 1 and a significant return on investment over 40 years (a present value contribution in excess of £0.4m assuming funding via £420k of RTB receipts, £700k of loan and £284k of HRA new build reserves). *It should be noted that the present value contribution may change depending on the final funding structure.*

4. Alternative Uses of RTB Receipts

- 4.1 Following the re-invigoration of the RTB policy in 2012, the Government introduced complex rules on how the proceeds from sales are distributed and used. The Council has signed a retention contract (in common with most Local Authorities) which allows a significant proportion of such receipts to be kept by the Authority on the proviso they are used to finance new build expenditure (at a ratio of 30% of eligible expenditure) within 3 years of receipt.
- 4.2 RTB sales in Cheltenham since April 2012 have generated a total of £1.807m of retention receipts as at 31 December 2015. The receipts are accrued on a quarter by quarter basis and the Authority is required to use them within 3 years of the quarter in which they were realised. This would require total expenditure of £6.023m on new affordable housing by 31 December 2018 and the expenditure will also have to meet the phasing of the receipts. If the receipts are not used by the due date the Council is required to pay them over to Government with interest.
- 4.3 The receipts can only be used to fund “additional” affordable rented housing. These new homes can be new build council homes, newly acquired council homes (existing homes bought on the open market but not those already owned by a registered provider), or social housing provided through Local Authority grant to registered providers (but not one controlled by the authority i.e. not CBH). While it is the Government’s intention to encourage an increase in the supply of new housing (new build always being the favoured option) the receipts can be used to buy existing properties for conversion into affordable rent.
- 4.4 The 3 options noted above for use of RTB receipts have been considered in proposing these developments. The considerations, relating to the 3 options, are set out below:
- 4.4.1 Council officers have been working with CBH to identify new build schemes which will satisfy the criteria for retaining and using RTB receipts and meet current housing need. The schemes brought forward for approval in this report are of a number currently under appraisal. Building new homes, in line with this scheme, provides the greatest financial contribution to the HRA of each of the 3 options for using RTB receipts set out above.
- 4.4.2 Utilising the same level of funds, and RTB receipts, properties could be purchased from the open market and made available for affordable rent. This option could also provide additional council properties in line with housing need. However, full market price would need to be paid for stock that would be of a lower standard than this scheme provides. Depending on the age, price and availability of property purchased this could also result in fewer homes being provided and the financial contribution to the HRA would be lower than option 1 above.
- 4.4.3 Granting the RTB receipts to an independent registered provider could provide new affordable rent properties in Cheltenham however there is no certainty that these will deliver additionality to existing development plans. In addition there would be no financial contribution to the HRA.

5. Other Funding Available for New Build

- 5.1 In addition to RTB receipts new build expenditure in the HRA can be funded from the following sources:-
- 5.1.1 External borrowing financed by the HRA – the level of borrowing was restricted by Government as part of the self-financing settlement in 2012, the “debt cap” for Cheltenham being set at £52.862m. Current HRA debt totals £44.75m, leaving £8.112m available to finance new expenditure.
- 5.1.2 Capital Receipts from HRA asset disposals not arising from RTB. These receipts are exempt from pooling regulations and can be used to finance any capital expenditure without time restraint or the conditions related to use of retention receipts as described above. The sum available at 31st March 2015 was £532,000. This is being increased by proceeds from the disposal of the St Pauls Phase 2 site in the current year (approximately £1.4m in total) and proceeds from the sale of three additional property assets (approximately £0.4m), having been approved by Cabinet for market disposal.
- 5.1.3 Revenue contributions from the HRA. The Council has previously resolved to transfer £2m from

HRA reserves to an earmarked reserve for new build development. After using a proportion of the reserve to fund preliminary costs in 2014/15, the balance remaining at 31st March 2015 was £1.903m. This is currently being used to finance new build expenditure in 2015/16 prior to a final funding decision by the Section 151 Officer.

5.1.4 The Council can also consider funding the delivery of affordable housing schemes through the use of commuted sums received from developers.

5.2 The Total Scheme Costs of £1.405m (broken down in further detail in exempt Appendix 3) will be funded by circa £420k of RTB receipts with the balance funded by the most appropriate combination of the other funding streams noted above – this decision being delegated to the Section 151 Officer.

6. Consultation and feedback

6.1 These proposals have been developed through consultation with key stakeholders including Ward Councillors.

6.2 Local residents surrounding the various sites have been written to confirming the intention to redevelop to provide new affordable housing. Prior to the formal submission of the planning applications a number of information sessions were arranged at local facilities to give residents and local stakeholders the opportunity to review the proposals.

6.3 Local residents surrounding the various sites have been written to confirming the intention to redevelop to provide new affordable housing. Prior to the formal submission of the planning applications a number of information sessions were arranged at local facilities to give residents and local stakeholders the opportunity to review the proposals.

6.4 Pre-application planning advice has been sought for each site and the schemes have been amended to incorporate comments from the Planning Department. The proposals submitted to the Planning Department reflect the feedback received from the information sessions, CBC Planning department and CBC and CBH staff members.

6.5 CBC Councillors have been consulted on the proposals via the Asset Management Working Group.

6.6 Following feedback received from local residents and the local ward Councillors in relation to concerns over the impact on parking provision due to the loss of garage spaces, CBH has provided additional off road parking in Up Hatherley to off-set the loss of parking at Ullswater Road.

6.7 The garages at Rowanfield Exchange are now void and tenants offered an alternative garage within close proximity to their home.

6.8 Prior to the commencement of construction works, all affected residents will be written to and a further drop in session will be arranged for each site, to include meeting the contractor to unveil the intended site traffic plan etc.

7. Tender Validation

The report on tender from the project appointed Employers Agent and Quantity Surveyor, Baily Garner, confirms that the tender from J Harper and Sons is competitive in the current market and represents value for money for the size and scope of the works proposed. Please see exempt Appendix 2.

8. Indicative Programme

- **Planning achieved:** 19th March 2015 for Ullswater Road, 17th September 2015 for Hester's Way Road and 18th February 2016 for Rowanfield Exchange.
- **Tenders returned:** 15th January 2016
- **Required approvals:** Cabinet (8th March) and Council (4th April)

- **Contract start date:** Pending the outcome of Cabinet and Council approval the intention is to award the contract to J Harper and Sons in April.
- **Start on site:** Assuming a 12 week lead in time the likely start on site date will be July 2016.
- **Practical Completion:** Anticipated by Summer 2017.

9. Performance monitoring and review

- 9.1 JPG will continue to oversee the delivery of the forward programme of housing development. An Operational Group has been created consisting of key Officers from CBH and CBC to deliver day-to-day management and to provide JPG with performance monitoring and reporting data.
- 9.2 The performance of the contractor will be monitored informally each week at regular site visits and formally each month at the monthly site meetings to ensure compliance with the contractual obligations of the JCT Design and Build contract.
- 9.3 Close financial monitoring of the scheme will continue with costs monitored on a monthly basis to ensure budgets are not exceeded. Should any issues be encountered these will be discussed with CBC to ensure appropriate action is agreed.

10. Forward Actions

Following approval of the recommendations contained herein, CBH to progress completion of the overall legal documentation and enter into the Build Contract.

11. Reasons for Recommendations

Cabinet are asked to confirm their continuing support for the proposed developments and approve the decision to enter into contract with J Harper and Sons.

Report authors	<p>Contact officers:</p> <p>Alison Salter, CBH Development Project Manager Alison.Salter@cheltborohomes.org 01242 774612</p> <p>Martin Stacy, Lead Commissioner for Housing Services CBC Martin.Stacy@cheltenham.gov.uk 01242 775214</p>
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Report on Tender from Baily Garner (confidential) 3. Financial Assessment (confidential)
Background information	Cabinet Report 17 th March 2015

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 capital receipts held from RTB sales under the retention agreement with DCLG are not used within 3 years of receipt they are repayable with interest to the Government.	Tim Atkins	December 2013	3	2	6	Reduce	CBC and CBH to work closely via JPG to monitor the programme to enable construction of approved sites to commence in accordance with indicative timescales. In November 2015 Cabinet approved option to acquire properties from the open market subject to a total consideration cap of £1million paid for the entire portfolio should there be a need to spend RTB receipts sooner than what can be achieved within our	July 2016	Martin Stacy	

								existing pipeline of development.			
2	If the contractor and/or its sub-contractors become insolvent or otherwise cease to trade then this will adversely impact on the delivery of the programme.	Tim Atkins	June 2015	3	3	9	Reduce	Effective contract management; inclusion of retention monies in contract; include Liquidated and Ascertained damages within the contract in the case of delays to the programme; ongoing dialogue with the contractor to monitor labour and resources	July 2017	Martin Stacy	
3	If adverse ground conditions and site contamination is identified, then this will impact on the delivery of the programme.	Tim Atkins	April 2015	2	3	6	Reduce	Commission site investigations and issue detail to contractor, assume asbestos containing materials will be found in the existing garages.	July 2016	Martin Stacy	
4	If amendments to the Rights of way that have been identified at	Tim Atkins	April 2015	4	3	12	Reduce	The tender was worded to enable CBC to withdraw a site from the	June 2016	David Roberts	

	<p>Hester's Way Road and Ullswater Road and existing legal rights at Rowanfield Road are not formally agreed with the relevant owners, then the Council will be unable to progress with developing on those sites.</p>							<p>package in the event that the rights of way cannot be agreed with the relevant owners. The build contract will not be executed until the various rights of way have been formalised via the due legal process.</p>			
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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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**Cheltenham Borough Council
Cabinet – 29th March 2016
Council - 4th April 2016
Asset Management Plan 2016/17 – 2020/21**

Accountable member	Cllr John Rawson, Cabinet Member for Finance
Accountable officer	Mark Sheldon, Director of Resources
Ward(s) affected	All
Key/Significant Decision	Yes
Executive summary	<p>The Council's current Asset Management Plan was due to expire in 2015.</p> <p>The Council invited the Chartered Institute of Public Finance and Accountancy (CIPFA) to review our approach to asset management in 2015 which resulted in a deferral of the production and approval of the replacement Asset Management Plan so that we could pick up on CIPFA's advice and suggestions. Instead the Council, at its meeting 31st March 2015, approved an updated Asset Management Policy and revised terms of reference for the Asset Management Working Group.</p> <p>Since then, the Council has been working on updating the Asset Management Plan, responding to the observations and suggestions made by CIPFA. The review has helped shape our approach to asset management including the potential to grow the Council's property investment portfolio to support the Medium Term Financial Strategy.</p> <p>Accordingly, the updated Asset Management Plan and supporting appendices provide a policy framework and operational parameters for management of the Council's assets for the period 2016/17 to 2020/21.</p>
Recommendations	<p>Cabinet resolves to:</p> <ol style="list-style-type: none"> 1. Approve the Asset Management Plan and supporting appendices A to K. <p>Cabinet recommends that Council:</p> <ol style="list-style-type: none"> 2. Approve the policies set out in the Asset Management Plan.

Financial implications	<p>As outlined in the report and appendices. Delivery of the work plan will support the delivery of the savings and income targets in the Medium Term Financial Strategy.</p> <p>Contact officer: Sarah Didcote, sarah.didcote@cheltenham.gov.uk, 01242 264125</p>
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<p>Legal implications</p>	<p>It is essential to have a clear and robust Asset Management Plan in place, in order for decision makers to have regard to such plan when exercising decision making powers. Reference to such plan would be made in the event that a decision by the Authority is challenged.</p> <p>The Council has a general duty to act prudently in managing its property portfolio, and must bear in mind the fact that property values may drop, ageing properties will require increasing maintenance, and that financial downturns may result in untenanted properties which still require upkeep. As landlords (whether residential or commercial) it will have duties towards its tenants and visitors to the properties to ensure that the properties are in a safe condition (whether or not the tenants contribute towards the upkeep of the properties).</p> <p>Although it is unlikely that any subsidy to a Third Sector tenant would exceed EU thresholds, the Council must also be alert to the possibility that attempting to influence the third sector organisation's service provision by making the subsidy subject to detailed conditions in respect of such provision, could lead to the interpretation in procurement terms that the third sector is, in fact, providing that service on behalf of the Council.</p> <p>Contact officer: Rose Gemmell , rose.gemmell@tewkesbury.gov.uk, 01684 272014</p>
<p>HR implications (including learning and organisational development)</p>	<p>The HR implications of the AMP have yet to be determined. The resourcing implications are assessed by project managers for individual projects which are considered by SLT quarterly and taken on board in developing the Council's annual corporate plan. There may be a need for additional resource to support the delivery of the AMP and work plan over it's lifetime which will be assessed over the next few months and considered as part of the financial outturn in July 2016.</p> <p>Contact officer: Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 264355</p>
<p>Key risks</p>	<p>See Appendix 1</p>
<p>Corporate and community plan Implications</p>	<p>The capital investment proposals for investment will be assessed against the outcomes in the corporate plan.</p>
<p>Environmental and climate change implications</p>	<p>The environmental and climate change implications of the potential capital investment proposals for investment will be assessed in considering options.</p>
<p>Property/Asset Implications</p>	<p>As outlined in the report and appendices.</p> <p>Contact officer: David Roberts, david.roberts@cheltenham.gov.uk 01242 264151</p>

1. Background

- 1.1 The Council's current Asset Management Plan (AMP) was last amended in 2010 and therefore requires updating.
- 1.2 The Council invited the Chartered Institute of Public Finance and Accountancy (CIPFA) to review our approach to asset management in 2015 which resulted in a deferral of the production and approval of the replacement Asset Management Plan in 2015. Instead the Council, at its meeting 31st March 2015, approved an updated Asset Management Policy and revised terms of reference for the Asset Management Working Group (AMWG).
- 1.3 Since then, the Council has been working on updating the AMP responding to the observations and suggestions made by CIPFA. The review has helped shape our approach to asset management and also endorses officers' recommendations to grow the Council's investment property portfolio to support the Medium Term Financial Strategy (MTFS).
- 1.4 As a result, the AMP is now a higher level strategy document and much of the detail, required to support officers in undertaking their respective roles, has now been transferred into a Property Management Toolkit which will be published on the Council's intranet. This will be used to support a new Building Managers Liaison Group which will bring together officers from across the Council and its partner organisations e.g. Ubico and the Cheltenham Trust where, as leaseholders, they have day to day responsibilities for the management of certain council properties. The toolkit includes information on the role of property as Corporate Landlord; the building manager's role and responsibilities and Property Services delivery standards.

2. CIPFA Review

- 2.1 One of the key recommendations of the review was that the Council, rather than adopting a 'traditional' AMP, should consider approving an Asset Management Policy that sets out broad policies and principles, supplemented by an Asset Management Strategy or Work Plan that sets out the overall strategic direction for the property portfolio and provides 'more life, direction and purpose'.
- 2.2 CIPFA noted the engagement of members in the AMWG in considering property issues. They suggested this group could do more to challenge the portfolio and its performance and make recommendations in respect of strategic direction for the management of the Council's assets. This was a helpful steer and consequently the terms of reference for the AMWG were revised to reflect this suggestion and agreed by the Council in March 2015. The terms of reference have now been revised to reflect the consideration of investment property proposals as outlined in section 5 below.
- 2.3 The CIPFA report will be considered by the AMWG who will monitor the actions arising from the review.

3. Capital Programme

- 3.1 As part of the budget setting process, the Council annually approves a Capital Programme.
- 3.2 The Council received £7.8m from the sale of North Place and Portland Street car parks in January 2014 and, with further capital receipts, had a total of circa £8m available to finance capital investment. This is a 'once in a lifetime' opportunity to deliver some significant projects for Cheltenham which make a contribution to the local economy and the Council's MTFS.
- 3.3 In July 2014, as part of the financial outturn report, the Council published a list of potential projects which could be funded / part funded from the North Place/Portland Street receipt. The total value of these projects significantly exceeded the funding available. Following consultation,

the Council agreed the allocation of this receipt at its meeting on 30th March 2015.

- 3.4 A number of the projects approved in March 2015 are now progressing. However, in some cases the allocation of the money may require further review including the development of business cases. In these cases the funding may not be required for a number of years, which provides an opportunity in the meantime to use the capital receipt to achieve the Council's corporate objectives in other ways, e.g. through internal borrowing.

4. **Asset Management Plan – Work Plan**

- 4.1 In updating the AMP, a Work Plan has been developed which indicates the areas of activity which will be progressed over the life of the AMP. CIPFA suggested the use of logic maps which essentially map how asset management activity meets corporate outcomes. This approach has been adopted in the production of the Work Plan.

5. **Investment Property Portfolio**

- 5.1 The Council currently holds a number of properties for investment purpose i.e. where the income from leases provides a valuable income stream which supports the revenue budget and MTFS. For example, the lease on Regent Arcade which generates £575k per annum.
- 5.2 Recent major property acquisitions have been made at least partially with a view to generating income for the Council. Delta Place was acquired as an income-generating investment as well as a potential new home for the Council. The former Shopfitters site in St George's Place was acquired for its medium to long term development potential. There may be other opportunities of a similar kind in the years ahead.
- 5.3 One of the key observations in the CIPFA review was that 'In response to cuts in core government funding an increasing number of local authorities are strategically expanding and/or developing a property investment portfolio that will provide an ongoing income stream independent of government funding'.
- 5.4 During 2015, officers visited Eastleigh Borough Council which has actively been increasing the size of its investment property portfolio. This is now very substantial and making a massive contribution to their annual budget. This provided a helpful steer in considering investment property acquisitions.
- 5.5 Officers have discussed this issue with the Council's auditors, Grant Thornton, who shared examples of investment property activity from councils across the country. They have also provided the following advice on the powers which the Council can use to make decisions to acquire investment properties and some guidance to support decision making.

Legislative powers – The main acts empowering local authorities to commercialise to generate an income for public service are the **Local Government Act 2003** and the **Localism Act 2011**, in terms of a General Power of Competence (GPC). The DCLG has previously set out guidance in this regard, in terms of [security / liquidity / yield](#), in that order.

Guidance - The LGA too has issued [guidance](#) and developed a [microsite](#) setting out current and good practice, with case studies showcasing a variety of funding options and routes to market which may or may not require borrowing. Furthermore, the **Public Services (Social Value) Act 2012** also affords councils the power, and indeed responsibility, to consider wider public value aspects as a commissioner of products and services (e.g. living wage, local SME supplier and apprenticeships, environmental protection, etc.).

Social value - The Cabinet Office has also shared current and good practice with respect to social value, with case studies demonstrating why and how councils are striving to secure

[multiple outcomes](#) for the same spend through responsible procurement. Councils' interpretation and implementation of these powers differ however, according to their particular local constitution, socio-economic factors, size and strength of balance sheet, risk appetite, capacity and previous experience of Alternative Delivery Models (ADMs). This in turn will impact on the specific legal, regulatory, tax and procurement ramifications for a council's asset management and commercialisation plans (e.g. VAT, OJEU, and State Aid).

5.6 In response to this guidance, the Cabinet Member for Finance and officers are proposing that the Council actively seeks to increase the size of its investment property portfolio to support the MTFS, using the process for decision making and parameters as set out in Appendix G of the AMP. This proposal is recommended for both Cabinet and Council approval.

6. Reasons for recommendations

6.1 The Council needs to agree an Asset Management Plan in order to ensure that property decisions support the delivery of the Council's corporate objectives and the allocation of resources.

7. Alternative options considered.

7.1 No alternatives considered.

8. Consultation and feedback

8.1 The Asset Management Working Group has been consulted.

9. Performance management – monitoring and review

9.1 The AMWG will be used to monitor performance of the property portfolio.

Report author	Contact officer: Mark Sheldon, mark.sheldon@cheltenham.gov.uk, 01242 264123
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Asset Management Plan 2016/17 – 2020/21
Background information	<ol style="list-style-type: none"> 1. Asset Management Plan update – Council 31st March 2015

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If the Council does not agree an AMP, then it may not direct resources to deliver its corporate objectives.	Mark Sheldon	8/3/16	4	3	12		Approve the AMP and allocate staffing resources to support its implementation.	31/3/2021	David Roberts	
	If the Council does not increase the size of its investment property portfolio, it may lose the opportunity to make a financial contribution towards the MTFs.	Mark Sheldon	8/3/16	4	3	12		Approve the proposals and parameters for investment property decisions.	31/3/2021	David Roberts	
	If there is a recession then there is a risk that the rate of return and or income flow could be affected	Mark Sheldon	8/3/16	4	3	12		Manage the risk by being selective in the type and nature of the proposed acquisition.	31/3/2021	David Roberts	

ASSET MANAGEMENT PLAN

2016/17 to 2020/21

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Appendices

- A Asset Management Policy**
- B Strategic Asset Management Review Cycle**
- C Asset Management Work Plan**
- D Terms of reference for Asset Management Working Group**
- E Policy for Property Lettings and Disposals to the Third Sector, Voluntary and Community Groups**
- F Disposals Policy**
- G Investment Portfolio Policy and Decision Making Process.**
- H Capital Scheme Investment Decisions and Assessment Process**
- I Planned Maintenance Policy**
- J Performance Indicators and Targets**
- K Local Government Transparency Code 2014**

1. Introduction to the Asset Management Plan

- 1.1 The Council, at its meeting on 30th March 2015, received an update on the development of its Asset Management Plan (AMP) which had been subject to an external review by the Chartered Institute of Public Finance and Accountancy (CIPFA). During the course of the past year, the CIPFA report has been finalised and officers, in consultation with the Cabinet Member for Finance, have responded to it by developing this AMP.
- 1.2 The Council owns a diverse range of land and property assets. The AMP sets out the Council's approach to the management of its asset portfolio over the next 5 year period (2016/17 – 2020/21). It outlines how it will use these assets to deliver services to the public, outcomes for the community and support the objectives in the corporate plan.
- 1.3 The AMP outlines the strategic aims and objectives for the portfolio, the intended actions to achieve the objectives and how performance is to be measured, and how, through selective investment, will aim to grow the portfolio to support operational aims and objectives.
- 1.4 The Council's strategic commissioning approach to public service delivery impacts on management of the property portfolio. The result of creating alternative delivery models is that the Council needs to work in partnership with organisations such as Ubico and the Cheltenham Trust in managing its assets as in many other aspects of its work.
- 1.5 The quality, condition, suitability and sustainability of the Council's operational assets have a direct bearing on the quality and deliverability of front line services. It is therefore important that these assets are fit for purpose, safe to work in and visit and managed in a proactive and efficient way in response to the changing requirements of our customers, staff and legislation. The AMP outlines the approach to planned maintenance and investment in the property portfolio.

2. The Medium Term Financial Strategy

- 2.1 The Council is facing a challenging financial outlook as a result of the reducing government grant support and a shift towards rewarding councils for business and housing growth. The Medium Term Financial Strategy (MTFS) projects the Council's financial position over the period 2016/17 to 2019/20 currently estimates a funding gap of £4m. This, if the current budget strategy work streams are delivered, leaves an unresolved budget gap of £233k. However, much of the strategy for bridging the gap is built on target for growth.
- 2.2 In developing the AMP, the Council is seeking to improve the links to the MTFS. A key driver in developing the AMP is to ensure that the Council's assets make a positive contribution to the MTFS. Accordingly, various work streams are aimed at either reducing the cost of or increasing income from the asset portfolio.

3. Other Current Challenges

- 3.1 There are a number of global, national and local challenges which influence the development of the AMP.
- 3.2 There is the need to improve the infrastructure and built environment, which has in some areas, become outdated, tired and worn, where investment would enhance council services and boost the local economy.
- 3.3 Technology continues to rapidly evolve, profoundly affecting many parts of our lives, especially the changing way we and our customers communicate access and transfer information. Investment in

technology will enable us to provide some services more efficiently and effectively, facilitate flexible working, support commissioning thereby deliver operational cost savings.

- 3.4 Energy is an increasingly scarce commodity and will become ever more expensive. This is linked to the wider concerns regarding climate change, to which our buildings are major contributors. There is an ongoing need to mitigate and adapt to climate change through careful investment aimed at reducing energy consumption.
- 3.5 Changing customer demand needs to be borne in mind in the AMP as the public's expectations of the quality and delivery of services evolve and demographic change resulting from an ageing and growing population drives up the overall demand for services.

4. The Corporate Business Plan

- 4.1 This important strategic document sets out the Council's key aims and objectives. The plan for 2016/17, to be approved by Council on 4th April 2016, identifies the following council wide objectives:
 - Environmental quality and heritage are protected, maintained and enhanced
 - Sustain and grow economic and cultural vitality
 - People live in strong, safe and healthy communities
 - Transform our Council so it can continue to enable delivery of our outcomes for Cheltenham and its residents.
- 4.2 The primary aim of the AMP is to align asset management with the delivery of the objectives in the corporate strategy.
- 4.3 The AMP needs to be considered in the context of other key documents, strategies and work streams, namely:
 - Capital Programme
 - Cheltenham's Sustainable Community Strategy
 - MTFs / Budget Strategy / Shared Services / Vision 2020 programme
 - Cheltenham Development Task Force Business Plan
 - Accommodation Strategy
 - Parking Strategy (in development)
 - ICT infrastructure upgrade strategy

5. Asset Management Policy

- 5.1 The Council, at its meeting on 30th March 2015, approved an updated Asset Management Policy which supported our corporate plan objectives. This is an overarching statement which sets out the overall vision and policy objectives of the Council's property portfolio and is attached at Appendix A.

6. Current Asset Base

- 6.1 The Council owns land, property, plant and equipment within the following asset categories and valuations as at 31st March 2015, as reported in the Annual Statement of Accounts 2014/15.

	£000
Council dwellings	152,295
Other land & buildings	122,302
Infrastructure assets	11,146
Community assets	226
Surplus Assets	367
Assets under construction	484
Total	286,820

6.2 General Fund Properties

General Fund properties include all those assets which are used to delivery council services supported by the General Fund i.e. government grant and council tax. These include:

Community Assets - those that are held for the benefit of the community that the Council intends to hold in perpetuity and has a determinable useful life e.g. Montpellier Gardens, Long Gardens Promenade, Pittville Park, Sandford Park etc.

Infrastructure Assets - property which will not be sold, transferred or assigned to another owner and includes properties such as Honeybourne Line, bridges and highway verges.

Operational - occupied by the Council to support the delivery and provision of services e.g. Municipal Buildings.

The Cheltenham Trust Properties - these support the delivery and provision of services now being delivered for the Council but by the Cheltenham Trust e.g. Town Hall and The Wilson

Non Operational Properties - properties in which the Council has legitimate ownership either freehold or leasehold and are not being used to meet or provide service needs (operational purposes). Such non-operational assets will include investment properties that are let to third parties to generate income and properties that are vacant and surplus to requirements e.g. Berkeley Mews (commercial) and Enterprise Way (industrial).

6.3 Housing Revenue Account (HRA) Properties

These are properties partly managed by the Council e.g. sub-let commercial properties beneath residential accommodation; and the housing stock managed by Cheltenham Borough Homes (arm's length management organisation) financed through the ring fenced Housing Revenue Account.

7. Corporate Approach to Asset Management

Strategic Management

- 7.1 Councillors have a key role in ensuring local services meet the needs of their constituents. The AMP is approved by Council and sets out the policy and framework within which the Cabinet make decisions and officers manage assets.
- 7.2 The Head of Property and Asset Management fulfils the role of Corporate Property Officer (CPO) providing strategic advice on property related issues.
- 7.3 The decision process is set out in the constitution and the related delegated powers, where essentially:

8. Roles and Responsibilities

8.1 Given the significant changes in the delivery models now used by the Council to deliver services, in updating the AMP, a new Property Management Toolkit has been developed which sets out roles and responsibilities (including services standards) for the management of assets. The following principles and approach apply throughout.

8.2 Corporate landlord

Property Services act as the Corporate Landlord for the Council's operational space which places responsibility with the property department for the following:

- Strategic as well as day to day management of property portfolio including management / utilisation of special requirements
- Arranging repairs / maintenance/refurbishments and development opportunities
- All landlord and tenant related matters
- Renewing leases
- Carrying out rent reviews
- Responsibility for all property budgets
- Gathering and maintaining data on the portfolio
- Support for key capital projects.

This enables greater utilisation of the property assets, realising property management efficiencies and aids the delivery of more efficient services.

8.3 The property team aim to deliver the services in accordance to the service development charter set out in the Property Management Toolkit.

8.4 Property Services also provide the following professional services for CBH, which manages the Council's residential dwellings.

- Right to buy valuations
- Cyclical valuation of residential portfolio
- Property advice where common interest and projects
- CBC client for new build proposals.

Operational Management (internally managed assets)

8.5 In the corporate landlord model, service departments effectively become corporate tenants who will liaise with property services with regard to their spatial needs justified by a business case where necessary.

8.6 The operational building manager's role is:

- Day to day security of building
- Ensure health and safety of building is maintained and remains operational
- Act as local liaison for property services.

8.7 The Council's building operational management policy and the building/ operational managers' specific responsibilities are set out in Property Management Toolkit.

9. Third Party Lettings Policy

- 9.1 The Council has a number of buildings / assets which are let commercially e.g. the Everyman Theatre, shops, business premises. The property management and repairing responsibilities of the third party are set out in the respective leases.
- 9.2 In the case of The Cheltenham Trust, the Council's responsibilities are set out in the relevant Leases, Property Services Service Level Agreement including key performance indicators.
- 9.3 Other properties are let for voluntary / Third Sector purposes. The policy for assessing applications for rent reductions is currently being reviewed with the intention of reporting to Cabinet in late summer 2016. However the current policy is included at Appendix E.

10. Disposals Policy

- 10.1 The policy applied in the disposal of assets is set out in Appendix F.

11. Investment Property Portfolio

- 11.1 The Council has a portfolio which includes the Regent Arcade lease, business and industrial units. The CIPFA review commented that 'An increasing number of local authorities are exploring the opportunities that property investment (whether direct or indirect) could bring and some have already started to acquire such assets'.
- 11.2 Investing in assets for operational purposes can provide opportunities that support corporate objectives as well as a beneficial return to support the MTFS. It is vital to ensure that the right balance is achieved between sustainable investment management and other uses of the Council's assets.
- 11.3 If this can be achieved then the Council will deliver better outcomes, reduce/eradicate costly delivery failures, increase the effectiveness of staff and improve public satisfaction with its performance. The strategy for property investment decisions seeks to:
- Identify opportunities for investment to support operational need
 - Identify regeneration opportunities for the town
 - Achieve a positive contribution to the MTFS through long term income growth and a competitive return on investment
 - Ensure investment is coordinated and meets prudential borrowing criteria or can be afforded with council resources
 - Ensure that the intended benefits are realised through sound and effective monitoring.

The policy, parameters and decision making process for developing the investment property portfolio is set out in Appendix G

12. Capital Programme

- 12.1 The Capital Programme is agreed by the Council annually as part of its budget setting process. The aim of the Capital Programme is to direct and link investment decisions to the delivery of the objectives as set out in the AMP which is linked to the Corporate Strategy.

- 12.2 This programme sets out how the Council will allocate and manage capital investment into public realm works, civic buildings and sustainable energy activity.
- 12.3 Despite the challenging financial climate, there is a need to commit to investment to meet the Council's aspirations and the town's long-term requirements. Substantial investment in the town has now been made possible through the receipts realised through disposals like that of North Place and Portland Street car parks and other surplus assets, supported where necessary by affordable prudential borrowing.
- 12.4 The primary objective of the Capital Programme is to identify priorities for investment and outline how the Council will manage, finance and allocate the necessary resources.
- 12.6 The Capital Programme sets out how investment is funded from the following sources:-
- Capital receipts: Selective disposals of surplus land and buildings to be reinvested into the capital programme.
 - Prudential Borrowing: Use of prudential borrowing within strict limits and linked to revenue savings where there is a sound business case which results in a positive contribution to the MTFS.
 - External fundraising: Leverage of inward investment from private and public sources e.g. pump priming to facilitate external fundraising by The Cheltenham Trust.
 - Alternative Sources: Bidding or applying for funding from government and other agencies.
 - New Homes Bonus: Potential use of this funding stream to support one off capital investment.
 - Section 106 Planning Contributions: Use of private sector developers contributions to fund essential infrastructure.
 - Joint ventures: Levering in of private sector investment for redevelopment / investment using council assets in order to secure a future income stream or net increase in capital value.

13. Capital Investment Decision-Making Process and Assessment Criteria

- 13.1 Annually service managers bid for funds using a Project Assessment Tool (PAT) process which will outline individual business cases and funding proposals.
- 13.2 Given the scarcity of resources, funding needs to be allocated to highest priority projects for which there is a sound business case based on the following principles:
- The investment is necessary to deliver the corporate objectives
 - The project has been justified as the best way of delivering corporate priorities, where necessary following an option appraisal
 - There is no alternative funding source available
- 13.3 The scoring criteria and assessment process is outlined in Appendix H. The bids for funding are scored according to the criteria and the results are provided to the Cabinet to support the decision-making process.

14. Planned Maintenance Programme

14.1 The Council's 10 year maintenance programme is funded from the Planned Maintenance Reserve and is used to fulfil the following overarching policy outcome:

'Maintain the property portfolio to a good standard and to invest in key public buildings in order to improve the customer access and experience'.

14.2 The planned maintenance policy is at Appendix I

14.3 The programme includes key cyclical investment required to repair, maintain or replace existing infrastructure including replacing cremators, boilers, electrical and mechanical updating, catering equipment replacement, re-surfacing and lighting replacement in the car parks. A review of the programme is undertaken annually as part of the budget setting process.

14.4 The programme includes the following types of expenditure:

- Planned – cyclical, programmed maintenance work for buildings based on regular condition surveys
- Routine – includes electrical and mechanical installation service contracts for the maintenance of infrastructure e.g. security/fire alarms and lifts
- Reactive – emergency/ adhoc / unplanned expenditure

15. Monitoring the AMP

15.1 The property team has developed a monitoring process to measure the delivery of outcomes (financial and performance) against property objectives / outcomes. The performance indicators and targets they have adopted are contained in Appendix J.

15.2 Information about the property portfolio will be published in order to address the Government's drive for greater transparency, as outlined in Appendix K.

16. Cheltenham Borough Homes (CBH)

16.1 Cheltenham Borough Homes is an ALMO (Arms Length Management Organisation), a wholly owned subsidiary of Cheltenham Borough Council. Its principal objectives are to manage, maintain, improve and refurbish the housing stock owned by Cheltenham Borough Council. In addition CBH provides a range of services and advice to residents of the housing stock, particularly vulnerable residents.

16.2 Delivering new affordable housing through the provision of new build is a key strategic priority for the Council, and this is being delivered in partnership with Cheltenham Borough Homes. The strategic housing market assessment calculates the need for 136 new affordable homes to be provided each year over the plan of the Joint Core Strategy up to 2031.

16.3 The Council is currently increasing the provision of new affordable housing mainly through regeneration of a number of council-owned garage sites and other council-owned brownfield site opportunities, though in the future as council owned sites begin to diminish we will consider increasing our affordable housing provision by acquiring affordable housing from s.106 sites. We will also explore the potential for redevelopment of the non-traditional stock of affordable housing, where it is appropriate and financially viable to do so.

Cheltenham Borough Council - Asset Management Policy

Our vision for the Council's Asset Portfolio is:

'A fit for purpose property portfolio which drives delivery of our corporate vision and outcomes'

ASSET MANAGEMENT POLICY

Our specific asset management policy objectives are:

1. *To use our assets to sustain and grow Cheltenham's economic and cultural vitality and make a positive contribution to people's lives.*

- To invest in quality, public realm renewal (supported by the Cheltenham Development Task Force) in order to improve the street scene, attract business and remain economically competitive.
- To use our own investment programme to encourage and promote private sector infrastructure investment and lever in other funding in order to strengthen the local economy and the town's cultural offer.
- Wherever possible, to bring forward council owned sites for development to help businesses set up, invest and create employment in the town.

2. *To maintain a 'fit for purpose' property portfolio to support service delivery*

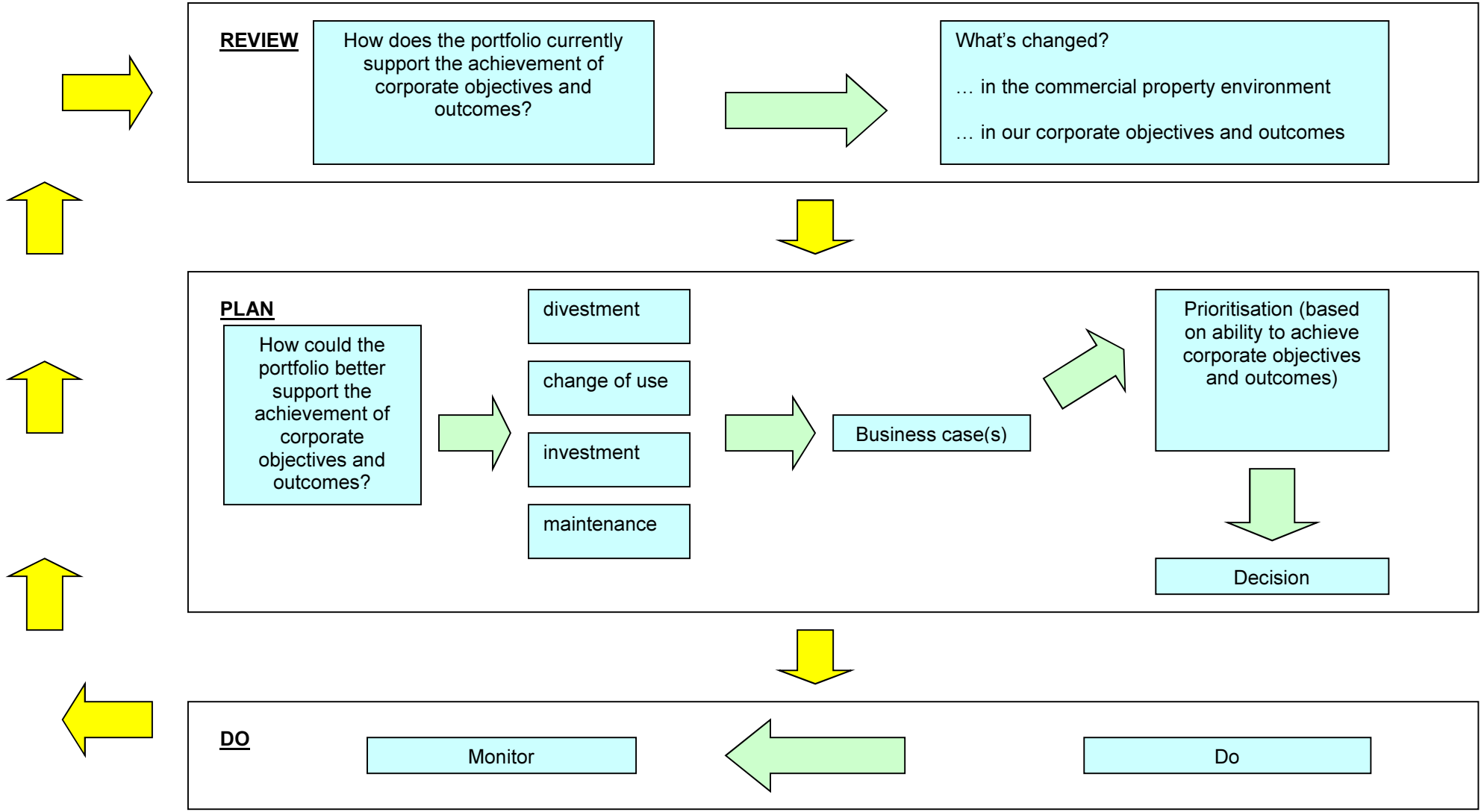
- To provide specialist property support and advice where appropriate to facilitate and improve service delivery, by implementing the corporate landlord model.
- To minimise the environmental impact of the portfolio, particularly water and energy use and the associated level of greenhouse gas emissions.
- To maintain the portfolio to a standard that complies with current legislation in particular, health and safety and to ensure that buildings are fit for purpose, sustainable and provide access for all members of the community, through our planned, routine and reactive maintenance programmes.

3. *To make a positive contribution to the Council's financial position.*

- To optimise the utilisation and rationalisation of property assets, thereby minimising the level of void and surplus property and associated maintenance spend.
- To optimise growth and regeneration opportunities through the release of surplus sites.
- To realise capital receipts from disposal of surplus property, where option appraisals demonstrate that retention is unviable or less financially attractive than alternative options.
- To optimise the rental income of existing non-operational investment properties, while also seeking opportunities to grow rental income through selective property investment.

- To minimise the management costs associated with holding property assets.
- To plan for the current and future spending on the portfolio.
- To demonstrate value for money in the management and maintenance of the portfolio, supported by effective procurement.
- To work with partners and other public bodies to ensure that the shared use of assets is explored and optimised wherever possible using a joined up approach to service delivery to improve outcomes for our customers and communities which will reduce property costs, generate income and better value for money.
- To explore opportunities to manage the portfolio differently where properties are performing poorly.
- To work closely with Cheltenham Borough Homes to refurbish properties, regenerate neighbourhoods and deliver new and affordable housing.
- To regularly review the Third Sector policy.

STRATEGIC ASSET MANAGEMENT REVIEW CYCLE



Strategic Asset Management work plan							
Corporate Objective	Property/Key Commitments	Outcome	Action	Risks/ Other Issues	Time scale	Responsible Officers	Impact
Enhancing and protecting the environment	Parks and Green Space	Protection of Cheltenham's long established green heritage. Opportunity to explore alternative uses on low quality, low value sites.	Cheltenham has a long established green heritage, the town parks, gardens and tree lined avenues being recognised nationally as some of the best in the country. The Council's stated vision for green space is ' working together to ensure a comprehensive network of attractive, valued and well used, locally distinct green spaces, that are accessible, safe and welcoming, which meet the existing and future needs of the community, enhance biodiversity and are managed sustainably to reduce our impact on climate change'. The protection and maintenance of the Boroughs historic green spaces, sites of special scientific interest, ancient woodlands, local nature reserves and other designated sites will help support the delivery of Civic Pride. There will be close liaison with the Green Environment Team to support their objective of retaining and protecting the Boroughs historic green spaces in addition to identifying and reviewing other low quality/value spaces for potential upgrade, redevelopment or disposal opportunities.	Difficult to fund maintenance and presumption against disposal	Ongoing	MD Economic Development & Place	(1) On-going planned maintenance costs. (2) Potential future capital receipt, from disposal of low quality/value green space. (3) Meets corporate objective in maintaining and enhancing environmental quality and heritage (4) Potentially enables CBC to influence environs and place shape.
	All property	Building fabric is maintained in good condition. .	Continual review of 10 year planned maintenance programme. Investment in the portfolio through the implementation of works in accordance with the 10 year planned, reactive and routine maintenance programmes.	(1) Potential impact on use and damage to the Council's reputation if not implemented. (2) Pressures on the annual budget to fund the programme hence potential impact on the MTFS.	Ongoing	Head of Property	(1) Funding via the property maintenance repairs and renewals reserve. (2) Minimal impact on service delivery (3) Maintains and enhances environmental quality and heritage (4) More effective and efficient use of resource and finance.
	All property	Environmental benefits. Reduction in Carbon Footprint.	Continue to explore the investment and implementation of energy efficiency measures leading to the reduction of carbon emissions to Operational Space and seek to achieve lower energy costs.	Cost of implementation	Ongoing	Head of Property	(1) Potential operational cost savings, thereby contributing to the MTFS. (2) Need for capital investment to realise savings (3)) Potentially enables CBC to influence environs and place shape

Corporate Objective	Property/Key Commitments	Outcome	Action	Risks/ Other Issues	Time scale	Responsible Officers	Impact	
Sustain and grow economic and cultural vitality.	Development Task Force	(1) Revitalise key streets and spaces for the benefit of the whole community. (2) Maintain and grow a varied competitive economic base. (3) Improve retail offering and ranking. (4) Growth in business rates income to support MTFS.	Support the town's economic strength and sustainable development by investing in revitalising key streets and spaces for the benefit of the whole community whilst recognising and supporting the need to maintain / grow a varied competitive economic base. Through proactive management of the property portfolio and identified development sites, the Council intends to realise much needed capital to help kick start important town centre initiatives, which are underpinned by an Urban Design Framework in the form of adopted supplementary planning guidance. Activities will include (1) Reviewing / rationalising car parking consistent with the towns commercial and environmental needs. (2) Promoting high quality physical linkages between both existing / new development areas. (3) Seeking opportunities to strengthen existing greenscape and biodiversity. (4) Reusing key buildings sensitively and redefining core assets e.g. High Street and Royal Well to provide a distinct identity. (5) Promoting sustainable residential and community housing provision against identified need. (6) Promoting employment opportunities.	Value of Council owned development sites.	Ongoing	MD Development Task Force. MD Economic Development and Place and Head of Property	(1) On capital reserve. (2) Should encourage further outside investment in the town and aid further economic growth.. (3)) Potentially enables CBC to influence environs and place shape	
	Car Parks	Positive social, economic/environmental outcomes.	Undertake a strategic review in conjunction with integrated transport and investigate potential divestment, investment and redevelopment opportunities, as part of the Development Task Force initiative. e.g. Shopfitters and Chelt Walk for mixed commercial/residential use	Planning restrictions	2016/17	MD Economic Development & Place. MD Development Task Force and Head of Property	(1) Potential release of sites for development (1) Potential capital receipt, (2) Sale receipts, Capital reserves and or Prudential borrowing to fund development. (3)) Potentially enables CBC to influence environs and place shape	
	Industrial	Potential capital receipt or income	Undertake an options appraisal on the partly developed Enterprise Way	Lack of demand due to economic climate	2017/18	Head of Property	(1) Potential revenue growth or capital receipt. (2)) Potentially enables CBC to influence environs and place shape	
		Growth in new business and jobs.	Identify Council owned properties suitable for starter/incubator units for fledgling business	Unavailability of suitable property	ongoing	Head of Property	(1) Potential impact on capital reserve (2) income generation (2) Place Shaping	

Corporate Objective	Property/Key Commitments	Outcome	Action	Risks/ Other Issues	Time scale	Responsible Officers	Impact
	Depot	Better use of the existing site	In conjunction with the occupiers to investigate the possibility of improving the efficiency of the depot following the expansion of Ubico.	Practical obstacles to change. Finance an issue in effecting change	2016/17	Head of Property	(1) Capital investment required to undertake identified and agreed improvements (2) Potential loss of third party tenants (3)) Potentially enables CBC to influence environs and place shape (4) Greater efficiencies and or income generation for Ubico
	Airport	(1) Supports and maintains local jobs. (2) Potential revenue growth. (3) Potential to attract regional HQ's	Working collaboratively with joint owner Gloucester City Council, to facilitate the opportunity to expand commercial operations	Viability of the airport if expansion is not supported	Ongoing	Head of Property	(1) Growth in Income/capital return for the Council (shareholders) (2) Benefit to Cheltenham and greater Gloucestershire economy (3)) Potentially enables CBC to influence environs and place shape
	Local Development Framework	(1) Deliver additional affordable housing. (2) Growth in business rates income	Identification of sites with potential for increasing residential and employment capacity.	Planning and site assembly	Ongoing	MD Economic Development & Place and Head of Property	(1) Potential capital receipt (2) Positive economic benefits (3)) Potentially enables CBC to influence environs and place shape (4) Meets provision of affordable housing corporate objectives
	The Wilson (Art Gallery and Museum)		Support and advise The Trust with any building related proposals	Insufficient funding will jeopardise potential future projects	Ongoing		
	Town Hall	Supports cultural enhancement. (1) Increase in visitor numbers to Cheltenham with associated economic benefits. (2) Cultural enhancement. Sustainability benefit (3) Reduction in management fee supporting MTFs	Development plans for improving performance/catering space	Impact on quality of service and reputation. Insufficient funding will jeopardise potential future projects		Trustees of the Trust and Head of Property	(1) Potential increase in revenue which can be re invested to enhance service delivery. (2) Capital investment will be primarily funded by funds raised by the Trust and supported by CBC (3) Improve service delivery (4)) Potentially enables CBC to influence environs and place shape
	Leisure@ POW		Development plans for improving performance/catering space	Impact on quality of service and reputation. Insufficient funding will jeopardise potential future projects			(

Corporate Objective	Property/Key Commitments	Outcome	Action	Risks/ Other Issues	Time scale	Responsible Officers	Financial Implications
Strengthening our Communities	CBC Regeneration sites	(1) Social and community benefits. (2) Deliver new and affordable housing.	New affordable housing provision from the regeneration of St Paul's, various garage sites, Cakebridge Place, Swindon Road and other similar surplus underutilised sites. The proposed land swap with the football club supports not only the new housing objectives but also provides the club with the opportunity to expand their facilities.	Legal issues preventing or impacting on the proposed development	Ongoing	CEO CBH and Head of Property	(1) HRA Prudential borrowing HCA funding and CBC funding. (2) Contribution to Increase in housing numbers (3) Potential improvement to the football club facilities will be funded through their own fund raising activities. (4)) Potentially enables CBC to influence environs and place shape
	Community Assets	Social and community benefits	Continuing to support the Third Sector. Transfers of ownership of Community Assets will need to be considered carefully. The Council will weigh the potential community benefit against the potential loss of future capital receipts and revenue income	Sustainability of charity funding	Ongoing	Strategy and Engagement Manager Head of Property	(1) Potential reduced maintenance costs (2) Rent subsidy affects ability to grow third party income (3) Community benefits.
Value for Money	Accommodation Strategy	More efficient use of space will demonstrate a commitment to the Council's objectives of sustainability and good environmental stewardship, strengthening our economy and communities, partnership working and providing value for money services. Other benefits will include operational cost savings, potential income/capital receipt from the joint venture redevelopment of the Municipal Offices.	A review of Council occupied operational property has been undertaken to determine its condition, suitability and efficiency. Also to establish current efficiency and use of space a survey has been conducted to assess the future impact on the Council's space requirement that initiatives such as Go Shared Services, Flexible Working and Commissioning and Vision 20:20 will have. Feasibility studies will examine relocation or new build options which will involve assessing the investment required, potential rental income, the needs for a more efficient flexible working environment, demands for new space, whole-life costs, and the potential realisation of any capital /long term income receipts. Consideration will be given to look to co-locate with other governmental bodies, statutory authorities, or other partner organisations pursuant to the 'Total Place' approach, which could lead to further operational savings for the Council, as well as providing an income stream.	May be unable to relocate to Delta Place until 2023. Other suitable alternative accommodation may not be secured. Other interested governmental bodies, statutory authorities or partner organisations may decide not to co-locate or take any space.	2016/19	Head of Property and MD Development Task Force and Director of Resources	(1) Potential reduction in operational costs, (2) Potential income and capital receipt. (3) Shared operational costs through co-location (4) Redevelopment of the Municipal Offices will have a positive economic benefit to the town centre (5) Potential efficiency benefits
	Investment	Supports Medium Term Financial Strategy and Operational Strategy	Seek to ensure commercial property voids are kept to a minimum. Selective acquisitions that support corporate operational objectives	Remains void due to lack of demand, therefore reputational risk, and ongoing maintenance liability	Ongoing	Head of Property	Maintains or increases rental income or potential capital receipt.
		Retention of tenants	Aim to improve income through new lettings and timely implementation of rent reviews and lease renewals and proactive estate management.	(1) Fall in rental values could see a possible reduction in income at lease renewal. (2) Tenants cease trading due to current economic climate	Ongoing	Head of Property	Improvement in revenue stream. Contributes towards MTFs

		Capital receipt contribution to MTFS	Investigate opportunities to dispose of both surplus and investment property.	Property is slow or difficult to sell due to lack of demand	Ongoing	Head of Property	(1) Potential capital receipt
		Provision of income, and opportunity of longer term income/capital growth	Investigate opportunities to grow income through selective commercial property acquisitions and transactions	Perceived growth is not achieved. Cost of managing the properties	Ongoing	Head of Property	(2) Operational costs savings. (3) Contribute towards MTFS. (4) .Income return will need to exceed cost of borrowing, to justify the transaction. (5)) Potentially enables CBC to influence environs and place shape (6) Investment income

(1) Potential increase in revenue which can be re invested to enhance service delivery.

(2) Capital investment will be primarily funded by funds raised by the Trust and supported by CBC

Corporate Objective	Property/Key Commitments	Outcome	Action	Risks/ Other Issues	Time scale	Responsible Officers	Impact
Value for Money	Operational	Greater commerciality	Challenging costs i.e. rates payable. Utility charges and maintenance works	Challenges are unsuccessful therefore unable to achieve any savings.	Ongoing	Head of Property	(1) Potential reduction in operational costs. Benefits MTFS.
		Greater commerciality	Estate Management Improvements. By reducing rent arrears, collecting interest on late payment and obtaining income for 3rd party work	Increased administration time in chasing arrears and interest payments.	Ongoing	Head of Property	(1) Improves income (2) Contributes towards the Bridging the Gap initiative
		Operational efficiencies. Improvement in service quality. Potential to grow the business and Environmental benefits by complying with the Mercury Abatement Act.	Cremators. Options appraisal has been completed which considered the following (1) the replacement of the cremators (2) extending the existing facility (3) provision of a new crematorium and chapel. Option (3) is the option to be implemented.	Service disruption and failure therefore reputational and financial risk.	2016/18	Head of Property	(1) Capital investment required, (2) Reduction in maintenance costs (3) Potential to grow income through better reliability of the equipment. (4) Potential reduction in rate income due to proposed location of new cremator (5) Improvement in service due to better reliability of new equipment
		Will assist and improve with the management of the portfolio, performance monitoring and production of management information. Greater efficiencies by reducing double handling and making the process less labour intensive.	Data Base. Seek refinements and improvements to 'Uniform' IDox and Agresso	(1) Risks of crucial action dates being missed. (2) Production of meaningful management data will be more labour intensive. (3) Missed opportunities to increase revenue. (4) Unwillingness to invest to drive out the efficiencies.	Ongoing	Head of Property	(1) Portfolio management efficiencies. (2) Improved and more accurate reporting of data (3) Improved budgetary forecasting (4) Improve service delivery
		Potential future disposals	Arle Nursery. Monitor and review other potential proposals.	Planning restrictions. Alternative plant provision will be required, or change to planting regime.	2016/17	MD Ubico and Head of Property	(1) Potential capital receipt. (2) Cost of alternative plant provision and loss of income, (3) Operational cost savings. (4)) Potentially enables CBC to influence environs and place shape
		Retention of 100% of disposal proceeds	Surplus HRA Properties. Disposal of properties that cannot be brought up to the decent homes standard.		Ongoing	Head of Property	(1)Capital receipt can be used toward other HRA projects. (2) Potential re use of void property leading to social and community benefits.

Terms of reference for the Asset Management Working Group (AMWG)

- To serve as a forum for consultation on property decisions to support the formal decision making process in line with the constitution.
- To support and make recommendations on the strategic direction of the management of the Council's assets.
- To consider proposals to increase the investment property portfolio
- To scrutinise and review the performance of the asset portfolio.
- To review and challenge the commercial property portfolio to ensure that assets are held which provide benefits and outcomes for the Council and the community and provide the most effective return, minimising cost and maximising return.
- To review the policy for property support to the third sector, voluntary and community groups and the financial implications for the council.
- The Working Group will have no delegated authority to make any decisions or commitments

Membership

- Cabinet Portfolio Member
- Other representative members of the political groups
- Director of Corporate Resources & Projects
- Head of Property
- Head of Legal (or Deputy)
- Section 151 Officer (or Deputy)
- Cabinet members and officers as appropriate.

Meetings

- Regular meetings will be scheduled in the council diary
- Additional meetings may be convened if urgent items need to be considered ahead of Cabinet / Council meetings.
- The Group will elect its own chairman, who will not necessarily be the Cabinet Member responsible.

Reporting Structure

- Briefing Notes will be prepared for Cabinet where the AMWG considers it appropriate
- Where items require a decision reports will be prepared and submitted either to the Cabinet Member, Cabinet or full Council under the appropriate procedure in the constitution.

Policy for Property Lettings and Disposals to the Third Sector, Voluntary and Community Groups

General Principles

As a guiding principle, the Council seeks to maximise the return on its non-operational portfolio. However, where a property is occupied by a registered charity or community group which clearly supports the Council's priorities, the authority will consider a rent subsidy. The subsidy will be calculated against the total assessed rental value of the property on the open market and will be counted as grant aid.

Market Value

In future all lettings by the Council will start from the basis of a commercial or market rate clearly set out in the tenancy agreement and any subsidy, either in the form of a specific performance-related grant or reduction in the market rent will be explicitly identified.

The decision on whether a particular third sector organisation should be offered Council property at less than 'best consideration' needs to be related to the assessed benefits of the service it provides to the community. If the arrangement is subsidised in any way, it must avoid falling foul of European legal requirements relating to state aid. State Aid occurs when financial assistance is given by a public body which favours certain organisations and distorts, or threatens to distort, competition between Member States of the EU. In addition the use of the building must achieve or promote social, economic or environmental well-being and that it falls within the state aid exemption.

State Aid

State Aid occurs when financial assistance is given by a public body which favours certain organisations and distorts or threatens to distort competition between Member States of the EU.

The current position is that the letting at an undervalue to community organisations will not be State Aid if:

- The proposed tenant is a not for profit organisation;
- The use of the building will be for a community purpose; and
- The activities carried out by the organisation(s) are of local interest only.

Rent Discount

In this process it is the responsibility of the Asset Management Working Group, acting on the advice of the Head of Property and Asset Management, to determine the lease conditions and the market rent for the property.

It is the responsibility of the Cabinet, acting on advice from the Cabinet Member responsible for Community Development, in consultation with appropriate officers and Cabinet portfolio holders, to decide whether or not the organisation contributes sufficiently enough to the Council's Corporate Plan, or the Local Strategic Partnership's Community Plan, to merit a discount on the rent and what the level of discount should be. The total discount will be considered to be grant aid.

As a general rule, when leases are due to be renewed and at the Cabinets discretion, buildings that are operating primarily as social or sports clubs with a paying membership should be given the standard 20% discount against the full market rent, that applies to all charities hiring Council property.

Buildings being leased to organisations that are open to the community at large and are working to further the aims of the Council's Community Plan can be given up to 100% discount, subject to a

business plan outlining their activities, how they align with the corporate or community plan and how they intend to make their activities sustainable.

Disposals

This policy will not apply to public services which are commissioned or contracted out to third sector organisations and which have a clear monetary or commissioned value to the Council to i.e. Instances such as where a third sector group takes over the management or provision of a service on behalf of the Council should be dealt with separately. In these cases formal contracts or service level agreements would invariably be applicable.

New lettings

The proposed disposal must fall within a general disposal consent (see below).
The proposal must contribute towards meeting identified priorities in the current Community Plan and/or Corporate Business Plan;
A business plan must be submitted, clearly indicating the community benefits of the proposed operation and its financial viability over both the short and longer term;
If a planning consent will be required, there must be a reasonable prospect that this can be obtained in a timely fashion, as advised by the Council's Development Control Manager;
In the case of municipal shops, any related shopping facilities must not be adversely affected;
The current state / condition of the premises and any proposed repairs by the incoming tenant will be taken into account in assessing the market rent.

Existing leases

The proposed disposal must fall within a general consent;
The proposal must contribute towards meeting identified priorities in the current Community Plan and/or Corporate Business Plan;
A business plan should be submitted, clearly indicating the community benefits of the proposed operation and how it will be viable in the longer term;
In the case of municipal shops, any related shopping facilities must not have been adversely affected by the existing tenancy.

Temporary licences

E.g. Access licences to cross Council land. These are not classed as a disposal and therefore the disposal strategy does not apply and neither does 'opportunity cost'.
Access must be necessary to allow the organisation to function;
The applicant must exempt from the State Aid rules as set out under Legal implications
An 80% discount will be applied in the case of temporary licences, to align with the discount given to charities on business rates.

Legal documentation

The unrestricted market value of any disposal should be noted in the legal documentation, so as not to risk undermining the value of other Council assets;
The unrestricted market value of the disposal should be noted in the financial accounts;
The Council should be able to request an annual progress report on the operation if it so chooses;
The Council will include appropriate rent review periods and mutually acceptable break clauses in all new letting arrangements, to provide financial assurance for both the authority and its tenants;
If the tenant or use changes, the Council will have the option to withdraw from the agreement;
The disposal must comply with European legislation relating to state aid.

General disposal consent

Under S123(2) of the Local Government Act 1972 the consent of the Secretary of State is required to carry out a disposal at less than best consideration.

From time to time, the Secretary of State issues so-called 'General Consents' which apply to disposals meeting specified criteria. Where a general consent has been issued, a qualifying disposal can proceed without the need for referral to the Secretary of State. The General Disposal Consent (England) 2003 applies to disposals where:

The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole of the whole or any part of its area, or of all or any persons resident or present in its area:

- the promotion or improvement of economic well-being;
- the promotion or improvement of social well-being;
- the promotion or improvement of environmental well-being; and
- the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds)

General Principles

The Asset Management Plan and property review activities are designed to identify areas of mismatch between existing asset provision and current and future requirements, thereby identifying property that can be declared surplus. One of the primary aims and subsequent benefits of the disposals strategy will be the reduction of property maintenance spending going forward, and providing the opportunity reinvest the proceeds in other projects.

Before a property is disposed of the Council will consider whether it could be reused by another service within the Council, or another public body. Consideration will also be given to encourage existing occupiers to relocate where it is mutually beneficial to do so, and particularly where it would result in the release of higher value asset.

All property categorised as surplus for the purposes of the asset register will be divided into three sections as below:

1. Surplus property held for pure investment purposes, e.g. where the Council is achieving a good rate of return and the revenue stream is regarded as important. The returns from such properties will be carefully monitored each year. However, the Council should only consider the disposal of the investment properties where it is clearly demonstrated that the income generated from investing the capital receipt will be greater than the rental income by retaining the property and saving in annual maintenance costs.
2. Surplus property that is being deliberately retained for a community benefit or where a long term view is being taken. For example, property/land that is rented out and providing community support activities (e.g. scout huts) or agricultural land. It is accepted that this property will not necessarily achieve a good rate of return.
3. Surplus property where the intention is to sell will be placed in into short, medium and long term priority order.

The Disposals Programme does not rule out windfall disposal decisions, which can arise through tenant changes, lease expiry, special market conditions or an approach from a special purchaser. All capital receipts released from the sale of assets are returned to the corporate "pot" for council to determine how they will be allocated.

Disposals process

All surplus property will be the subject of an option appraisal / business cases to determine, analyse and subsequently recommend the preferred option that is in the best interests of the Council taking into consideration and in accordance with the requirements of the Corporate Plan and MTFS.

The property team in conjunction with the Head of Property will decide on the method of disposal e.g. private treaty sale, auction, formal or informal tender, through specialised agents or in house, and will dispose of property in accordance with the disposal strategy as set out in the constitution.

Ward members will be consulted on all disposals prior to any decision being taken and disposals will then referred to the Asset Management Working Group prior to any final decision. Consent to a disposal will be a matter for the Cabinet or in accordance with a scheme of delegation approved by the cabinet.

The policy on disposal of all surplus land or buildings will be to sell them on the open market, using the most appropriate method to achieve a satisfactory sale for the best price possible. The Local Government Act 1972 governs the disposal of non-housing land. Section 123 requires that disposals

by way of freehold sale or the granting of a lease for a term of 7 years or more will be for the best consideration that can be reasonably obtained unless prior Secretary of State approval is granted.

From time to time, the Secretary of State issues so-called 'General Consents' which apply to disposals meeting specified criteria. Where a general consent has been issued, a qualifying disposal can proceed without the need for referral to the Secretary of State. The General Disposal Consent (England) 2003 applies to disposals where:

a) The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole of the whole or any part of its area, or of all or any persons resident or present in its area:

- i) the promotion or improvement of economic well-being.
- ii) the promotion or improvement of social well-being.
- iii) the promotion or improvement of environmental well-being and

b) the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).

The Council recognises the Duty to 'Involve' which became a statutory requirement in April 2009 and will involve and engage local people through meetings with the community not only on single issues but also through the Town & Parish Councils established network.

Where the Council wishes to dispose of housing land (other than to secure tenants exercising the right to buy), it can only do so with Secretary of State consent. General Consents are issued from time to time by the Secretary of State. The Council has a general duty to act prudently in managing its property portfolio, and must bear in mind the fact that property values may drop, ageing properties will require increasing maintenance, and that financial downturns may result in untenanted properties which still require upkeep. As landlords (whether residential or commercial) it will have duties towards its tenants and visitors to the properties to ensure that the properties are in a safe condition (whether or not the tenants contribute towards the upkeep of the properties). which enable disposals meeting the criteria set out under the general consents to proceed without the need for express referral to the Secretary of State.

The Council recognises the Duty to 'Involve' which became a statutory requirement in April 2009 and will involve and engage local people through meetings with the community not only on single issues but also through the Town & Parish Councils established network.

The land will be sold at best price reasonably obtainable on the open market. Special covenants may be appropriate to particular sites, especially where the Council has retained adjacent land.

Investment Property Portfolio Policy and Decision-Making Process

Criteria for acquisition

- Must satisfy borrowing criteria powers, e.g. PWLB, prudential borrowing.
- Must satisfy legal powers of the council for property investment.
- Must make a positive contribution to the MTFS
- Acquisition cost must be in line with a commercially acceptable valuation.
- Must deliver the council's strategic objectives e.g. place shaping or value for money..
- May meet social value aspirations e.g. employment of apprentices, meet housing needs, positive regeneration or environmental improvement.

Decision making process

The Property Acquisition Assessment Group (PAAG) will consider proposals for acquiring investment properties.

Terms of Reference:

- To serve as a forum for consultation on investment property decisions to support the formal decision making process in line with the constitution.
- To scrutinise and review the performance of the investment property portfolio.
- The Group will have no delegated authority to make any decisions or commitments

Membership:

- Head of Paid Service
- Director of Resources and Projects
- MD of Place and Economic development
- MD of Cheltenham Development Task Force
- Head of Property
- Head of Legal (or Deputy)
- Section 151 Officer (or Deputy)
- Cabinet lead Member

Accountability:

- PAAG is not a decision making body
- It makes recommendations to the AMWG to consider prior to approval by Cabinet or Council as appropriate.

Working methods:

- PAAG meets as and when required, with ability to be convened at short notice should an opportunity arise that requires a quick decision.
- Each member of undertakes his/her appraisal and brings it to the meeting for discussion, having supplied the headline information to complete the PAAG appraisal form.
- Confidential meeting as information is commercially sensitive. The meeting will be minuted.
- PAAG will receive regular performance report on the Council's investment portfolio for consideration, to be reported to the AMWG and Cabinet as part of the quarterly budget monitoring

report if appropriate.

Reporting structure

- Briefing Notes will be prepared where appropriate.

Where items require a decision, reports will be prepared and submitted either to the Cabinet Member, Cabinet or full Council under the appropriate procedure in the constitution.

PAAG Acquisition Evaluation Form	
Date:	
Address	
Agent/Source	
Tenure	Area Sq Ft (M²)
Portfolio Sector	Weighting (% of Sector to Portfolio)
Asking Price	Valuation
Potential Purchase Price	Rental Income
Internal Rate of Return based on Potential Purchase Price	Projected Annual Revenue Surplus YR 1 (based on asking price)
Tenants/Covenant/Strength	
Capital works/repairs Identified	Non-recoverable items – voids/improvements
Current Planning Status	
Restrictive Covenants	
Strategic Objectives related to the Corporate Plan	
Income Profile	
Risk	
Due Diligence including Funding Arrangements	
Comments including Social Value Objectives relating to (a) Employment (b) Housing (c) Regeneration (d) Environmental together with other Operational Impacts or Factors	
PAAG Recommendation	

Portfolio Sector

- | | |
|-------------------------------------|---------------|
| Residential | Entertainment |
| Retail (High Street) | Hotel |
| Office (single / multiple occupier) | Food/Drink |
| Mixed use | |
| Warehouse/Distribution | |
| Manufacturing | |
| Community use | |

Capital Scheme Investment Decisions and Assessment Process

Project Assessment Forms (PAT) forms will be completed for capital funding requests and captures the information which includes the following:-

- A description of the project, timescale, impact and alternatives
- Financial details, capital and income costs, funding including match funding.
- How it meets the corporate objectives

Bids will be assessed to determine how they meet the Council Corporate Strategy objectives using the following scoring criteria:

Contribution Assessment	Score
Significant	5
Moderate	3
Weak	1
None	0
Undermines	-3

The Bridging the Gap programme board supported by the Head of Property will assess the bids. As such the assessment panel will include:

- Head of Paid Service
- Director of Corporate Resources and Projects
- Section 151 Officer (or representative)
- Managing Director of Place and Economic Development
- Head of Property and Asset Management
- Cabinet portfolio Member.

Recommendations with regard to investment will be referred to the Asset Management Working Group for consultation and subsequently onto Cabinet and Council for approval.

It is the responsibility of the Cabinet, acting on the advice from the Cabinet portfolio Member following consultation with relevant officers and Cabinet portfolio holders, to decide whether or not to support schemes.

Planned Maintenance Policy

Policy outcome: To ensure at least 95% of property is maintained to a satisfactory or good condition. A rolling programme of maintenance over the next 10 years has been produced based on initial condition surveys which will be reviewed cyclically every 5 years, buildings are categorised according to their condition A, B C or D with priority levels in accordance with the National Performance indicators.

The main emphasis of the surveys will be based on a hierarchy of needs as follows:-

1. health and safety
2. protection of the asset from the elements
3. satisfactory internal environmental conditions (heating lighting and ventilation)
4. impact on delivery of service
5. consequences of failure and serious decay
6. impact on users.

The current percentage breakdown of the properties into the various categories is as follows:-

A (Good)	B (Satisfactory)	C (Poor)	D (Very Poor)
10	87	3	0

The small number of properties graded C will be assessed for consideration as an improvement/refurbishment project as surplus to requirements and subsequently disposed.

A primary aim will be to drive down property maintenance costs via proactive procurement, which will also be supported by the rationalisation of space and disposal of surplus assets.

Performance Indicators and Targets

	Actual 14/15	Target 15/16	Target 16/17	Target 17/18	Target 18/19	Target 19/20	Target 20/21
Maintenance							
Repair and maintenance costs per m2 Gross Internal Area (£/m2)	9.55	9.83	8.28	8.28	8.28	8.28	8.28
Total repair and maintenance spend (£)	1.500m	1.544m	1.300m	1.300m	1.300m	1.300m	1.300m
% split between planned and responsive maintenance	90:10	90:10	90:10	90:10	90:10	90:10	90:10
Environmental Property Issues							
Water Consumption Ltrs	49.67k	48.68k	47.7k	46.75k	45.81k	44.89k	43.99k
Gas Consumption KWH	12.6m	12.34m	12.09m	11.85m	11.61m	11.37m	11.14m
Electricity Consumption KWH	3.1m	3.03m	2.97m	2.91m	2.85m	2.79m	2.73m
Water Ltrs per m2 GIA (£/m2)	0.32	0.31	0.307	0.301	0.29	0.289	0.283
Gas Consumption KWH per m2 GIA	80.50	78.62	77.00	75.50	73.97	72.44	70.98
Electricity Consumption KWH m2 GIA	19.73	19.31	18.92	18.54	18.16	17.77	17.39
% reduction in energy consumption (using 2012/13 as baseline) kWh 15,779,859	0%	2%	2%	2%	2%	2%	2%
Estate Management Issues							
Total net income General Fund (£)	991.6 k	2.0m	2.004m	2.005m	1.995m	2.016m	2.030m
Total net income HRA (£)	258k	250k	251k	251k	251k	252k	257k
Total net income Combined (£)	1.250m	2.250m	2.255m	2.256m	2.246m	2.268m	2.287m
Rent arrears as a % of total combined income	<4	<4	<4	<4	<4	<4	<4
Statutory Issues							
% of survey programme to be completed on Asbestos, Legionella, Fire Risk Assessments and DDA. To ensure statutory issues are being addressed and the risk to the Council minimised.	100	100	100	100	100	100	100

Local Government Transparency Code 2014

The Local Government Transparency Code 2014 was issued in May 2014 in recognition of the Government's desire to further increase democratic accountability and make it easier for people to contribute to decision making in their local area. One of the requirements of the code is that on an annual basis, local authorities publish details of all land and building assets that they hold. Local authorities had to comply with this requirement by 02 February 2015. CBC published the first set of data at the end January 2015.

The Council is required to publish the following property information, together in one place, for each asset:

- Unique Property Reference Number (UPRN)
- Unique Asset ID (for each building or each user of a building)
- Name of the building/land or both
- Street number or numbers
- Street name
- Postal town
- Postal code
- Easting and Northing (geocoding in accordance with ISO 6709)
- Clarify whether the property is leasehold or freehold.

In addition to the above, the local authority must list all the characteristics that apply from the options given below:

For freehold assets:

- occupied by the local authority;
- ground leasehold; leasehold;
- licence;
- vacant.
- For leasehold assets:
 - occupied by the local authority;
 - ground leasehold;
 - sub leasehold;
 - licence.

For other assets a free text description is required to indicate whether the asset is a right of way for example and whether the asset is land only or land with a permanent building.

The information required to make the Council compliant with the Transparency Code 2014 in terms of its property portfolio will be provided from the UNIFORM system and work is underway to develop a robust reporting mechanism from this database to ensure publication of accurate data on an annual basis.

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Cheltenham Borough Council
Council – 4th April 2016
Draft Corporate Strategy 2016-17
Report of the Leader of the Council

Accountable member	Leader of the Council, Cllr. Steve Jordan
Accountable officer	Strategy and Engagement Manager, Richard Gibson
Accountable scrutiny committee	All
Ward(s) affected	All
Key Decision	No
Executive summary	The corporate strategy 2016-17 has been drafted and was reviewed by Overview and Scrutiny Committee on 22 nd February before being endorsed at Cabinet on 8 th March. The strategy is now put before full Council for approval.
Recommendations	Council approves the 2016-17 Corporate Strategy (appendix 2) and uses this as a basis for monitoring the Council’s performance over the next twelve months.
Financial implications	<p>None as a direct result of this report. The corporate strategy has been developed alongside the Medium Term Financial Strategy to ensure that there are sufficient budgets in place to deliver the outcomes as proposed.</p> <p>The corporate strategy will be reviewed on an annual basis to take into account our changing budgetary position.</p> <p>Contact officer: Paul Jones, GOSS Head of finance E-mail: paul.jones@cheltenham.gov.uk Tel no: 01242 775154</p>
Legal implications	<p>The corporate strategy 2016-17 is the “corporate strategy” for the purposes of the Local Authorities (Functions and Responsibilities) Regulations 2000. The Executive is responsible for preparing the strategy which must then be submitted to and approved by council.</p> <p>Contact officer: Peter Lewis E-mail: Peter.Lewis@tewkesbury.gov.uk Tel no: 01684 272012</p>

HR implications (including learning and organisational development)	<p>Capacity to deliver the strategy will remain a key focus for the Senior Leadership Team. Effective forward planning, use of project management techniques, re-prioritising work streams are some of the tools available to ensure that there is adequate resource available to deliver the strategy.</p> <p>Contact officer: Julie McCarthy, Human Resources Manager, GO Shared Services E-mail: julie.mccarthy@cheltenham.gov.uk Tel no: 01242 264355</p>
Key risks	<p>We recognise that if the council does not establish prioritised, realistic and achievable ambitions there will be continued pressure on organisational capacity and staff to maintain core services, and a risk of a perception of poor performance due to over ambitious or ill-informed planning.</p> <p>The Senior Leadership Team is responsible for the management of the risks associated with the delivery of the corporate strategy and where appropriate, risks are included on the corporate risk register.</p> <p>Elected members will have oversight of the corporate risk register through the scrutiny arrangements and through Audit Committee.</p> <p>Risks associated with the delivery of specific outcomes are identified in the corporate strategy and specific risk assessments are carried out as part of our programme and project management arrangements.</p>
Corporate and community plan Implications	<p>The corporate strategy sets out the framework for our corporate priorities.</p>
Environmental and climate change implications	<p>The corporate strategy sets out the council's commitment to reducing carbon emissions and adapting to the impacts of climate change.</p>

1. What do we want the corporate strategy to do?

- 1.1 The corporate strategy sets out the following:
- A vision statement;
 - The four priority outcomes that we will be working towards;
 - The context for the year ahead in terms of needs, challenges and opportunities and proposed commissioning intentions;
 - The council's priority actions to deliver the outcomes;
 - The milestones, indicators and risks by which progress will be measured.

2. How we have prepared the draft strategy

- 2.1 Officers and cabinet members have been fully involved in the development of the corporate strategy.
- 2.2 The corporate outcomes focus on three high level place-making outcomes covering social, environmental and economic, with an internal "transformation" outcome covering commissioning, asset management and financial management.
- 2.3 Each outcome has an introductory section which sets out the context and an analysis of needs, together with a summary of challenges and opportunities. There is then a statement of the council's commissioning intentions in regard to that outcome.
- 2.4 To reflect the change in the way the council delivers its services, each outcome has a section that

identifies which organisations have been commissioned to deliver that outcome, the organisations we will work in partnership with and the services that CBC will continue to directly provide.

- 2.5** Alongside the priority actions and milestones, thought has also been given to measuring progress through outcome measures (how we will measure positive changes to the outcome) and service measures (how we will measure the direct contribution of our activities). Finally, the relevant corporate risks to the delivery of that outcome have been listed.

3. Consultation and feedback

- 3.1 The draft action plan was considered by the Overview and Scrutiny committee on 22 February 2016. The following observations were made.

Observation	Response
Cllr. Hay suggested we include the term “vibrant” in the vision statement	Now included
Cllr. Hay suggested a minor re-wording of our transformation outcome to reflect that the council’s role is to enable and facilitate delivery of outcomes, rather than to deliver them directly.	Now re-worded <i>Our council can continue to facilitate the delivery of our outcomes for both Cheltenham and its residents</i>
Cllr. Hay asked about how we can increase recycling opportunities for people living in HMOS or blocks of flats and whether this could be included in the action plan.	Response from Joint Waste Team: Unfortunately there is no one-size fits all solution for HMO’s and flats, so each block often has to have a bespoke solution which allows its residents to fully partake in the recycling service available to them. Officers are currently looking at the service options available in the future and increasing recycling opportunities for residents of HMO/Flats recycling is a priority within this review.
Cllr. Ryder backed up Cllr. Hay’s request as she is aware of disabled residents living in blocks of flats who find it a challenge to manoeuvre recycling boxes.	As above
Cllr. Ryder requested a mention of the SSSI on Leckhampton Hill	Now included
Cllr. Wilkinson asked that consideration be given to including reference to enabling sustainable transport in the vision statement.	Now included
Cllr. Mason wanted a clarification added to the JCS milestone that this was subject to council approval	Now included
Cllr. Mason wanted clarification about the inclusion of CR89 – a corporate risk about St. Pauls phase 2	This risk has now been closed and will therefore no longer appear in the corporate strategy.
Cllr. Hay asked that consideration be given to including reference to improving the town’s air quality in the corporate strategy	Now added to list of services, but no specific action identified with the 16-17 action plan as air quality improvement actions are dependent upon the progress Cheltenham Transport Plan, and travel related initiatives from the County Council as part of the LSTF.

4. Next Steps

- 4.1 The corporate strategy sets out our intended milestones and performance indicators associated with the four outcomes and provides the basis for monitoring the council's performance over the next twelve months.
- 4.2 To promote accountability, the Senior Leadership Team will receive quarterly performance reports that will set out progress made against corporate strategy milestones and performance indicators.
- 4.3 Monitoring reports will be brought to the Overview and Scrutiny Committee and it is suggested that this is done at least half-yearly. In addition, the annual report detailing performance from the previous financial year will be brought in June to council for consideration.

Report author	Richard Gibson Strategy and Engagement Manager 01242 235354 richard.gibson@cheltenham.gov.uk
Appendices	<ol style="list-style-type: none"> 1. Risk assessment 2. Draft Corporate Strategy action plan 2016-17

Risk Assessment

Appendix 2

The risk				Original risk score (impact x likelihood)			Managing risk			
Risk ref.	Risk description	Risk Owner	Date raised	I	L	Score	Control	Action	Deadline	Responsible officer
CR75	CR75 - If capacity to deliver key projects is achieved by diverting necessary resources away from either core services or other provider commitments, then there is a risk of not being able to deliver all of the business as usual expectations including a failure to comply with internal controls that could in turn impact on our reputation and finances	Pat Pratley		3	3	9	Reduce	Gathering of projected resource data on the council's key programmes and projects takes place quarterly. This enables the council's Senior Leadership Team to review demands alongside the resource needs of their core services and modify plans if necessary.'	1.4.17	Ken Dale



CHELTENHAM
BOROUGH COUNCIL

Draft Corporate Strategy 2016-17

Draft for Council

April 2016

Introduction

Every year, the council publishes its annual corporate strategy. The document sets out the following:

- A proposed vision statement;
- The four priority outcomes that we will be working towards;
- The context for the year ahead in terms of needs, challenges and opportunities and proposed commissioning intentions;
- The council's priority actions to deliver the outcomes;
- The milestones, indicators and risks by which progress will be measured.

Our vision statement

As part of last year's corporate strategy, we developed a vision statement setting out our aspirational goals for the long-term future of Cheltenham.

Our vision is of a vibrant Cheltenham that delivers the very best quality of life for its people. We believe that key elements in achieving this vision are to protect and enhance the built heritage and green spaces that have shaped the unique character of the town; to create the conditions in which businesses can thrive, innovate and provide good quality jobs; to make the town a world-class cultural and learning centre which is outward-looking and welcoming to visitors; to build strong, safe and healthy communities for residents and their families; to facilitate the provision of a wide-range of sustainable travel options and to accept our responsibility to present and future generations to live within environmentally sustainable limits.

Our outcomes

For the purposes of corporate strategy 2016-17, we have focused our efforts on three high-level outcomes covering the issues that matter most to our residents, businesses and visitors. We also have an internal "transformation" outcome covering commissioning, asset management and financial management. The outcomes are:

Cheltenham's environmental quality and heritage is protected, maintained and enhanced

Sustain and grow Cheltenham's economic and cultural vitality

People live in strong, safe and healthy communities

Our council can continue to facilitate the delivery of our outcomes for both Cheltenham and its residents

Background to the draft strategy

Each outcome has an introductory section which sets out the context and an analysis of needs, together with a summary of challenges and opportunities. There is then a statement of the council's commissioning intentions in regard to that outcome.

To reflect the change in the way the council delivers its services, each outcome has a section that identifies which organisations have been commissioned to deliver that outcome, the organisations we will work in partnership with and the services that CBC will continue to directly provide.

Alongside the priority actions and milestones, thought has also been given to measuring progress through outcome measures (how we will measure these positive change to the outcome) and service measures (how we will measure the direct

contribution of our activity). Finally, the relevant corporate risks to the delivery of that outcome have been listed.

Input from partnerships

Cheltenham Partnerships is in the process of developing its action plan for 2016/17. This will identify the most-pressing issues for partnership activity where there is both corroborating evidence about community needs and a willingness from partners to work collectively on solutions but also where there is alignment with priorities set at a county level. We have cross-referenced actions in the corporate strategy where they will support the achievement of these emerging partnership outcomes:

- Strengthening the emotional wellbeing and resilience of vulnerable children, young people and adults - **see actions COM 7**
- We will work to promote healthy lifestyles across all communities in Cheltenham - **see actions COM 8, COM 9, COM 10**
- We will work to encourage more people to get actively involved in their communities so that people live in strong and safe communities - **see actions COM 6**
- We will work to ensure that everyone has an opportunity to contribute to Cheltenham's economy - **see actions ECON 1**

Meeting needs in our communities

The corporate strategy constitutes the council's Crime Reduction Strategy to comply with Section 17 of the Crime and Disorder Act 1998. The Act places a statutory duty on CBC to work together in partnership to formulate and implement local crime reduction strategies. Along with the current partnership action plan and many of the services and functions listed out in the outcome "People live in strong, safe and healthy communities", we have a well-rounded approach to reducing crime and the fear of crime in Cheltenham.

Under the Equality Act 2010, the council now has to comply with the Public Sector Equality Duty which came into force in April 2011. The Equality Duty ensures that all public bodies play their part in making society fairer by tackling discrimination and providing equality of opportunity for all. As part of this we have a duty to set and publish equality objectives. We have developed three objectives that we feel are most important in promoting equality and diversity:

- Listening and responding to a wide-range of communities
- Promoting fair access to our services
- Ensuring fair employment practices

The actions we will take forward in the coming year are as follows:

Listening and responding to a wide-range of communities.

Our commitment

We will continue to consult and engage communities in the commissioning of our services so that we are better able to provide services that are responsive to the needs of our customers.

Actions

- Ensure that our engagement activities pay regard to people who share the protected characteristics covered by the equality duty.
- Continue to work in partnership with the police, housing providers and the voluntary sector to respond to incidents of hate crime through the Cheltenham Anti-Social Behaviour Working Group and the Gloucestershire Hate Crime Group.
- Develop an action plan to reduce the risk of people being drawn into terrorism in order that we can meet our statutory obligations under the Counter-Terrorism and Security Act 2015

Promoting fair access to our services

Our commitment

We will ensure that customers, service users and the wider community of Cheltenham have fair access to our services and are not discriminated against in any aspect of our service delivery.

Actions

- Continue to use an equality impact assessment process to assess the impacts of key decisions and policies on different groups of people.
- Embed equality considerations into commissioning and our procurement approaches to ensure that relevant equality issues are taken into account when designing and procuring services.

Ensuring fair employment practices

Our commitment

We will ensure fair and equal opportunity in all areas of employment, including recruitment and selection, appraisals, learning and development and the career development of our employees.

Actions

- Commit to the regular publication of workforce intelligence reports that will help monitor trends in our workforce in terms of recruitment, retention, turn-over and sickness absence.
- Provide equality and diversity training for our employees so that they are able to help implement our equality objectives.

Our environmental outcome

Cheltenham's environmental quality and heritage is protected, maintained and enhanced

Strategic Direction:

Context and needs analysis

Cheltenham has the most complete 19th town plan in England, and the plan together with many of the original tree planting schemes, makes the Borough unique. It is this special town plan together with the historic parks; squares and tree lined avenues, which has given it the title of “a town within a park”. The borough is home to 2,600 listed buildings, of which five are grade 1 listed and seven conservation areas.

There are 461 green space sites covering an area of 620 Ha, comprising 13% of total borough area, including land on Leckhampton Hill, parts of which have been designated as Sites of Special Scientific Interest (SSSI). There are also 2 ancient woodlands and 60,000 trees. These parks, gardens and tree lined avenues have been nationally recognised as some of the best in the country. The provision ranges from small formal gardens and churchyards, to allotments, playing fields, equipped play areas, local nature reserves, and large areas of accessible countryside on the urban fringes. Spaces are also linked by recreational and wildlife corridors such as the Chelt Walk.

Challenges looking forward

- Moving forward with the adoption of the Joint Core Strategy and bringing forward the Cheltenham Plan
- Continuing to increase recycling rates for Cheltenham; currently at 46%, in the context of reducing residual waste per capita tonnages
- Continuing our investment programme in our parks and gardens

Commissioning intentions

The strategic direction for our environmental outcome will be set out in Joint Core Strategy and Cheltenham Plan.

We have commissioned Ubico to deliver a range of environmental management services and have endorsed the expansion of the number of shareholders of Ubico from April 2015. These are Tewkesbury Borough Council, West Oxfordshire District Council, Forest of Dean District Council and Stroud District Council.

We are working with the Joint Waste Committee focusing on residual waste and in particular reducing residual waste per capita from 273kg to a target of 228kg per capita by 2020. In the context of the per capita reduction in residual waste we will seek to achieve a target of 60% for recycling and composting by 2020.

In 2015, we completed a commissioning review of our environmental and regulatory services that has shaped how we will deliver the services in the future so that they are:

- More customer focused – delivering services in a more convenient manner for the customer
- More supportive of economic growth that is hoped to deliver additional income of up to £500k by 2019/20
- More efficient - with joined up services provided at optimal cost, that will deliver a saving of £157k to the MTFs by 2017/18

As part of the review, we have now appointed a new Managing Director for Place and Economic Development that will head up the environmental and regulatory services division.

We will also continue to invest in our physical assets; in 2016 we will progress three high profile projects the restoration of the War Memorial, the improvement of the Pittville Park Play area and the building of a new crematorium building.

Our environmental outcome

Cheltenham's environmental quality and heritage is protected, maintained and enhanced

What are we doing already to deliver this outcome:

We have commissioned the following:	To deliver the following:	We work in partnership with:	On the following activities:	We will deliver directly through these teams:	Delivering the following activities:
Ubico	Waste and recycling collections, household and commercial Household recycling centre and bring sites Street cleaning Public toilet cleaning Grounds & cemetery maintenance Nursery operations Fleet management and maintenance	Joint Waste Committee Gloucester City and Tewkesbury Borough Councils, Gloucestershire County Council & LEP Cheltenham Development Task Force Gloucestershire County Council	Strategic approach to Waste and recycling activity across Gloucestershire including client management of Ubico Joint Core Strategy Town Centre sites Sustainable Transport Cheltenham Transport Plan	Public Protection Green Team Development Management Building Control Townscape The Enforcement Team Bereavement Services	Pollution Control, Contaminated Land, Air Quality Management Green Space management Development applications Strategic planning Building Control Urban Design Landscape Architecture Heritage, Arboriculture Planning enforcement Cemetery and Crematorium

What are our plans to deliver this outcome in 2016-17?

Priority actions	Key milestones	Dates	Lead Commissioner / Project Lead	Cabinet Lead
ENV 1 - We will put in place the statutory development plan for Cheltenham, including adoption of the Joint Core Strategy (JCS) and preparation of the Cheltenham Plan	<ul style="list-style-type: none"> Conclude JCS examination Adoption of JCS (subject to Council approval) Prepare and consult on draft Cheltenham Plan (non statutory) Publication of Cheltenham Plan (regulation 19) Submit Cheltenham Plan to Secretary of State for examination Adoption Cheltenham Plan 	April 2016 Dec 2016 July 2016 Feb 2017 June 2017 Nov 2017	Tracey Crews	Leader of the Council

<p>ENV 2 - We will deliver CBC's commitments contained within the Joint Waste Committee plan</p>	<ul style="list-style-type: none"> • Consider options for the transfer of waste after August 2018 • Review options for recycling service redesign in Cheltenham including round optimisation across all services • Support Ubico in making preparations to implement chosen recycling service model in Summer 2017 • Support the enforcement of no sidewaste and closed bin lid policy • Explore new recycling opportunities at HRCs including Swindon Road • Undertake a review of the capacity and resources required by the JWT to deliver its plan 	<p>Mar 2017</p> <p>Oct 2016</p> <p>Mar 2017</p> <p>Jun 2016</p> <p>Sep 2016</p> <p>June 2016</p>	<p>Pat Pratley</p>	<p>Cabinet Member Clean and Green Environment</p>
<p>ENV 3 - We will strengthen the council's approach to enforcement as part of the re-structuring of the REST division</p>	<p>Complete the amalgamation of Community Protection into the Enforcement Team to enable an increase in enforcement performance against outcomes, utilising the synergies that exist between teams.</p> <p>Continue to deliver service improvements through systems thinking and provide quarterly performance statements.</p>	<p>By May 2016</p> <p>March 2017</p>	<p>Mike Redman</p>	<p>Cabinet Member Development and Safety</p>
<p>ENV 4 - We will create a new children's play area in Pittville Park.</p>	<ul style="list-style-type: none"> • Commence work on-site • Complete work on-site • Soft opening • Official Opening event 	<p>Jan 2016</p> <p>May 2016</p> <p>June 2016</p> <p>July 2016</p>	<p>Adam Reynolds</p>	<p>Cabinet Member Clean and Green Environment</p>
<p>ENV 5 - We will restore Cheltenham's War Memorial</p>	<ul style="list-style-type: none"> • WMT grant application • HLF grant application outcome • Commence War Memorial restoration • Complete War memorial restoration • Commence WW1 	<p>April 2016</p> <p>April 2016</p> <p>May 2016</p> <p>Sept 2016</p> <p>Sept 2017</p> <p>Nov 2018</p>	<p>Mark Sheldon</p>	<p>Cabinet Member Finance</p>

	<ul style="list-style-type: none"> commemoration programme Close WW1 commemoration programme – War Memorial dedication ceremony 			
ENV 6 - We will progress the building of the new Crematorium building	<ul style="list-style-type: none"> Appoint design team Submit main planning application Target completion date for new crematorium building 	June 2016 March 2017 October 2017	Mike Redman	Cabinet Member Clean and Green Environment

Proposed measures

Type of Indicator	Measured by this indicator	Baseline	Lead
Outcome measures	<ul style="list-style-type: none"> An increase in the number of buildings and spaces given an award or commendation in the Cheltenham Civic Awards (bi-annual). An increase the number of applications for green flag status for our parks and gardens An increase the number of green space sites with community involvement in terms of management or maintenance 	<p>At the 2014 ceremony, there were 4 Awards and 5 Commendations</p> <p>Currently there are 4 parks with Green Flag status, Naunton Park, Hatherley Park Montpellier Gardens and Springfield Park</p> <p>14 sites currently (Sandford, Leckhampton Hill, Priors Farm, Montpellier, Hatherley, Weavers Field, Honeybourne Line, Wymans Brook, Swindon Village Playing Field, Springfields Park, Benhall Open Space, St Peters Park, Pilley Bridge, Imperial Gardens.)</p>	<p>Townscape Manager</p> <p>Green Space Development Manager</p> <p>Green Space Development Manager</p>
Type of Indicator	Measured by this indicator	Targets	Lead
Key service measures	<ul style="list-style-type: none"> Percentage of household waste recycled and composted Residual household waste per household (Kg/year) Average number of days to process a major planning application from receipt to issuing of decision Average number of days to process other planning applications Number of improvement schemes to parks, streets and spaces Number properties improved in terms of built environment heritage as a result of council action. 	<p>46%</p> <p>464kg</p> <p>91 days</p> <p>54 days</p> <p>8</p> <p>116</p>	<p>Strategic Client Officer, Joint Waste Team</p> <p>Applications Team Leader</p> <p>Applications Team Leader</p> <p>Green Space Development Manager</p> <p>Enforcement Manager</p>

What are the corporate risks associated with this outcome?

CR33 - If the council does not keep the momentum going with regards to the JCS and move towards adoption this could result in inappropriate development.

CR81 - If the Council does not progress as quickly as possible to preparing the Cheltenham Plan, then the Borough will be exposed to the risk of inappropriate development.
CR98 - If we fail to make the cremators reliable and are unable to cremate due to failure of the equipment over a sustained period of time, cremations will have to be transferred to another crematorium, resulting in lost income and reputational damage to the authority
CR99 - If we fail to put in place a programmed maintenance contract for the crematorium within the next 12 months then we could suffer an increased risk to the loss of the system and service.
CR104 - If the proposed new crematorium is not delivered to the expected quality, cost and timescale, there are likely to be significant operational, financial and reputational risks for the authority.
CR106 - If the war memorial restoration is not undertaken sensitively and to a high standard then this may result in bad publicity and a negative impact on the reputation of the council

Our economic outcome:

Sustain and grow Cheltenham’s economic and cultural vitality

Strategic direction

Context and needs analysis

Cheltenham has a relatively affluent economy; it supports approx. 72,000 jobs in a range of industries including defence, aerospace, electronics and tourism businesses. It generated between £2.4bn and £2.7bn in economic output. The public administration, education and health sector is the largest contributor by GVA to the economy (21.8%), closely followed by Production (20.4%), though in terms of job numbers, business administration (8,800), health (8,200) and retail (8,100) are the most significant sectors. (source Athey Report).

However, we know that Cheltenham’s annual rate of economic growth (0.7%) has lagged significantly behind national average growth rates (1.9%), the rate of jobs growth is below the average for Gloucestershire, Productivity rates in Gloucestershire (data not available for Cheltenham) are below average and declining relative to comparator areas and England averages. In addition, despite workers in Cheltenham having a high qualifications profile, there is a low percentage of people working in the district in high skilled occupations while average earnings are also below the national average.

Cheltenham has gained an international reputation as a thriving centre for culture and is home to a number of festivals that take place throughout the year. The four festivals put on by Cheltenham Festivals bring in nearly a quarter of a million people per annum. Cheltenham Racecourse is home to the National Hunt festival season and hosts sixteen events every year including the Gold Cup Festival with over 500,000 visitors per annum. The borough also plays host to the Everyman Theatre and the Playhouse Theatre, both of which put on a rich and varied programme of professional and amateur performing arts. The Wilson has national recognition as a museum with an outstanding collection.

Cheltenham also has a vibrant night-time economy, the largest such economy between Bristol and Birmingham with an estimated 285 licensed premises in the town centre area out of 460 in whole borough. Our NTE is bolstered by the presence of around 10,000 students at the University of Gloucestershire and from the many sporting events; particularly the Cheltenham Gold Cup Festival which brings many visitors to Cheltenham – the Gold Cup day itself attracts around 67,000 people to the racecourse itself.

Challenges / opportunities looking forward

- Ensuring that the Joint Core Strategy and Local Plan are able to set out a clear direction for sustaining and growing Cheltenham’s economic and cultural vitality.
- Meeting demand for office and business accommodation

Our economic outcome:

Sustain and grow Cheltenham's economic and cultural vitality

- Junction 10 upgrade to unlock the economic potential of land at north west Cheltenham
- The opportunity to use land to the West of Cheltenham to support economic growth
- Consistent and joined-up approach across economic development, tourism, marketing, regeneration and cultural activities through a longer term strategy for place making and growth
- The Business Improvement District proposals that will create a pot of funding to sustain our quality approach to the town centre
- Improving transport connectivity between Cheltenham and other major cities (especially London) and connectivity between the train station and the town centre

Commissioning intentions

The strategic direction for our economic outcome will be set out in a place-making and growth strategy that will knit together our economic development, cultural and tourism ambitions. Alongside a strategy to bring forward employment sites, the strategy will set out how we use direct delivery, influence and leadership to sustain and grow Cheltenham's economic and cultural vitality. Programmes that we will seek to influence will include:

- Gloucestershire LEP
- Cheltenham Development Task Force which is leading the regeneration of town centre sites
- Cheltenham Transport Plan which will deliver improvements to traffic flow and public transport linkages with the town centre
- Cheltenham Trust – delivery of arts, culture and tourism services
- Cheltenham Partnerships – linkages with Job Centre Plus, schools and advice providers

In 2015, we undertook a commissioning review to develop an aligned outcomes proposition for Cheltenham's tourism offer that will boost the tourism economy, clarity on how we deliver the proposition and clarity on how we will measure success and the impact on public value in the widest sense. The findings from this work are now available and we will be working to implement these in 2016.

What are we doing already to deliver this outcome?

We have commissioned the following:	To deliver the following:	We work in partnership with:	On the following activities:	We will deliver directly through these teams:	Delivering the following activities:
The Cheltenham Trust	The Wilson Town Hall Pittville Pump Room Leisureat Cheltenham Sports Play and Healthy Lifestyles	Local Enterprise Partnership Cheltenham Business Partnership	Strategic Economic Plan for Gloucestershire	Managing Director Place and Economic Development	Economic development strategy Tourism Strategy
Gloucestershire Enterprise	Business advice clinics	Cheltenham Chamber of Commerce			

What are our plans to deliver this outcome in 2016-17?

Priority actions	Key milestones	Dates	Lead Commissioner /	Cabinet Lead
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Our economic outcome:				
Sustain and grow Cheltenham's economic and cultural vitality				
			Project Lead	
ECON 1 - We will work in partnership with key stakeholders to develop a longer term strategy for place making and growth	<ul style="list-style-type: none"> • Draft Strategy • Consultation complete • Approved by Cabinet 	Sep 16 Jan 17 Mar 17	Tim Atkins	Leader of the Council
ECON 2 - We will develop our strategic approach to tourism, work with the tourism partnership to ensure that there is alignment behind the strategy and agree appropriate delivery mechanisms	<ul style="list-style-type: none"> • Tourism Development Officer in-place • Commence implementation of key priorities • Establish Tourism Task Force • Report back to Cabinet on year 2 work plan 	June 2016 June 2016 Sep 2016 Dec 2016	Tim Atkins	Cabinet Member Healthy Lifestyles
ECON 3 - We will undertake a ballot of town centre businesses on the establishment of a Business Improvement District and assist in its establishment if the ballot is positive.	<ul style="list-style-type: none"> • CBC support for new BID company if 'YES' vote secured • Measures to remove Late Night Levy if 'YES' vote secured 	August 2017 TBA	Tim Atkins	Leader of the Council
ECON 4 - We will support delivery of the Cheltenham Development Taskforce business plan	<p>Conclusion of and progress towards delivery on various key sites and themes including</p> <ul style="list-style-type: none"> • Brewery II • Beechwood • Regency Place • North Place • Cheltenham Transport Plan - highways • Cheltenham Spa station • public realm upgrades <p>To support Director Resources with the implementation of the accommodation strategy</p>	July 17 July 17 Dec 17 TBA Summer 17 Spring 18 On-going ongoing	Jeremy Williamson	Cabinet Member Development and Safety
ECON 5 - We will work in partnership with The Cheltenham Trust as they develop their capital investment strategy to support their business plan	<ul style="list-style-type: none"> • To have reviewed the potential projects which support the delivery of the business plan targets for the Trust. • To have scoped, tendered and evaluated the initial feasibility study into the redevelopment of the Town Hall. • To have made an application for external funding of the redevelopment of the Town Hall. 	July 2016 Sept 2016 Dec 2016	Mark Sheldon	Cabinet Member Healthy Lifestyles
ECON 6 - We will consult on options and agree a car parking strategy, to determine where council investment should best be directed in support of	<ul style="list-style-type: none"> • Develop options in consultation with the Car Parking Working Group, including input from key stakeholders, including GCC and 	October 2016	Mike Redman	Cabinet Member Development and Safety

Our economic outcome:

Sustain and grow Cheltenham’s economic and cultural vitality

<p>the local economy, having regard to the Council’s overall financial position, environmental and tourism objectives</p>	<p>private car park operators</p> <ul style="list-style-type: none"> • Liaise with GCC regarding delivery options , having regard to any opportunities arising as a result of the devolution agenda • Undertake public consultation where appropriate to the implementation of emerging options • Report to Cabinet regarding recommended option(s) and associated action plan 	<p>October 2016</p> <p>Jan 2017</p> <p>March 2017</p>		
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How will we measure our progress to achieving this outcome?

Type of Indicator	Measured by this indicator	Baseline	Lead
Outcome measures	Growth in births of new enterprises	There were 600 “births” in 2012, 725 in 2013 (ONS) and 680 in 2014	Director of Planning
	Reduction in claimant rate	As at Dec 2015, there were 705 claimants representing a rate of 0.9%. Cheltenham rate of young people not in education, employment or training was 3.12%	Director of Planning
	Increase the gross weekly pay for full-time workers (2015)	£546.80	Director of Planning
	Grow the number of employee Jobs (full-time / part-time) 2014	44,400 / 22,900	Director of Planning
	Increase the number of business units – enterprises (2015) (Nomis)	4905	Director of Planning
Type of Indicator	Measured by this indicator	Targets	Lead
Key service measures	<ul style="list-style-type: none"> • Number of Town Centre enhancement schemes implemented by Spring 2017 	5	Townscape Manager

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What are the corporate risks associated with this outcome?

CR68 - If there is a failure to align and manage the Cheltenham Task Force developments with the (emerging) Car Parking Strategy then there is a risk of customer dissatisfaction and the loss of reputation and revenue. There are several strands to mitigating this Corporate Risk each will be managed through Divisional Risks registers.

CR100 - If the recommendations within the car parking audit action plan are not effectively addressed or the issues mitigated, there are income and reputational risks to the Council

Our community outcome:

People live in strong, safe and healthy communities

Strategic Direction

Context and needs analysis

Strong communities

We know that Cheltenham is a borough with a great diversity of communities. We have well established neighbourhood-based communities which have a range of structures to represent them including 14 neighbourhood coordination groups, 11 friends of groups, 40 resident associations, 3 neighbourhood partnerships and 5 parish councils. We also have many communities of interest; including those that have representation through established groups such as Cheltenham Inter-Faith forum, Cheltenham Pensioners Forum and Cheltenham Carer's Forum.

We also know that despite Cheltenham being a relatively affluent borough, there are still pockets of deprivation. The Indices of Multiple Deprivation 2015 clearly show that there are three super output areas in the 10% most deprived areas nationally – parts of, St. Marks, Hesters Way and St. Pauls. We also know that child poverty is an issue in Cheltenham; there are four wards where over 30% of children growing up in poverty. These are St. Pauls, Oakley, St. Marks and Hesters Way.

In terms of housing choice, Cheltenham has a well-documented lack of affordable housing and increasing supply is a huge challenge for the borough; a housing needs study carried out in 2010 concluded that to meet the demand for affordable housing 670 affordable dwellings would have to be built every year for the next five years. A key factor in delivering affordable housing is negotiation on sites delivering market housing as part of the planning process. As set out in the draft Joint Core Strategy, over the next 16 years Cheltenham will need to identify sites to accommodate 9,100 new homes to meet the needs of existing communities and new residents.

Safe Communities

Although crime rates in Cheltenham have fallen steadily over the past 20 years from 1993/94 when there were 18,811 recorded crimes to the calendar year 2015 when there were 7,269 recorded crimes, there are still a large number of crimes that cause distress for local people. Domestic burglary, serious acquisitive crime and sexual offences have all increased recently and are subject to intensive work by the Police to address them. Domestic abuse continues to be a significant issue; in the past year or so, Cheltenham has seen two domestic homicides as the result of domestic abuse and the council is leading the formal investigation into these tragedies in the form of a Domestic Homicide Review.

Healthy communities

Cheltenham is perceived as being a healthy place to live, and many statistics support this perception. Results from the 2011 Census show a higher proportion of people in Cheltenham being in 'good or very good health' compared to the rest of Gloucestershire and the proportion feeling they were in bad or very bad health was lower than the County average. But good health is not universally shared by everyone with some groups of individuals, such as those on lower incomes and people with mental health problems that experience poorer health outcomes. Mental health is the most commonly reported disabling condition in Cheltenham, representing a fifth of all claims. This differs from the picture in all of the other districts where arthritis was the most commonly reported condition

We know that excess alcohol consumption causes significant social and health problems in the town. Until 2011/12, the rate of alcohol related hospital admissions in Cheltenham had been steadily rising for 4 years, and was higher than both the county and national benchmarks. However, the most recent year of data shows a fall in the Cheltenham rate, although it still remains above the Gloucestershire and England rates.

In addition, we know that Cheltenham has an ageing population. Between 2004 and 2014, the older population (aged 65 and above) in Cheltenham continued to outpace that of the younger population and now stands at 18% of people. This figure is likely to increase as more older people live longer and as young people continue to move out

Our community outcome:

People live in strong, safe and healthy communities

of Cheltenham due to high house prices. Cheltenham has higher rates of excess winter deaths – these rose significantly from 2006-09 to 2008-11, but has since plateaued though remains higher than the national and county benchmarks. Cheltenham has the second highest rate of people in residential care in the county in recent years. For nursing care Cheltenham has moved from being the District with the lowest rate in 2011/12 to the highest in the county in 2014/15.

Challenges and opportunities looking forward

Many elements of the public and voluntary sectors charged with leading the stronger, safer, healthier agendas will continue to see budgets shrink over the next few years. With less resource, it has become ever more important for all agencies to collectively identify community needs and then agree shared outcomes and then either jointly commissioning activity or co-ordinating existing local activity. Part of the equation must be to reduce the demand on service providers by empowering and growing the capacity of communities through resourcing, capacity building, training and volunteer support.

Cheltenham has a very well regarded ALMO, Cheltenham Borough Homes, which is now self-funded and so able to bring its resources and assets to the table in the delivery of this outcome.

Commissioning intentions

Our commissioning intentions are to work in partnership with others in the public and voluntary sectors to deliver this outcome and to explore joint commissioning wherever possible. Recent work by Cheltenham Partnerships has identified the following areas for joint work:

- Strengthening the emotional wellbeing and resilience of vulnerable children, young people and adults
- Working to promote healthy lifestyles across all communities in Cheltenham, including work around reducing alcohol-related harm
- Working to encourage more people to get actively involved in their communities so that people live in strong and safe communities including work on reducing domestic abuse
- Working to ensure that everyone has an opportunity to contribute to Cheltenham's economy including work to promote apprenticeships

We will also work to ensure that Cheltenham Borough Homes and other commissioned housing-related service providers support the priorities and outcomes within our Housing and Homelessness Strategy.

What are we doing already to deliver this outcome?

We have commissioned the following:	To deliver the following:	We work in partnership with:	On the following activities:	We will deliver directly through these teams:	Delivering the following activities:
The Cheltenham Trust	The Wilson Art Gallery and Museum Leisure at Cheltenham Sports, Play and Healthy Lifestyles	Gloucestershire County Council	Supporting People Health inequalities Vulnerable children and families Safeguarding Domestic abuse	Strategy and Engagement	Neighbourhood working Inclusion work Parish Council Liaison Safeguarding Vulnerable children and families Big Local
Cheltenham Borough Homes	Safer Estates Rent collection Housing Management Housing improvements and repairs Neighbourhood Warden Service Repairs to your property Welfare benefits & advice	Gloucestershire Police / Police and Crime Commissioner Clinical Commissioning Group	Anti-Social Behaviour Late Night Levy Alcohol Coordination Group Social Prescribing	Housing Strategy Public Protection	Housing enabling Client side for CBH Food safety Licensing Public health inspections Air quality

Our community outcome:				
People live in strong, safe and healthy communities				
		Voluntary sector		Built Environment Enforcement
				Licensing of HMOs

Our community outcome:				
People live in strong, safe and healthy communities				
What are priority actions to deliver this outcome in 2016-17?				

Priority actions	Key milestones	Dates	Lead Commissioner / Project Lead	Cabinet Lead
Housing strategy and enabling				
COM 1 – work with CBH to deliver more houses for rent on HRA sites	<ul style="list-style-type: none"> Council approval to build on Garage Phase 2 sites Council approval to build on Garage Phase 3 sites plus other miscellaneous sites 	April 2016 February 2017	Martin Stacy	Cabinet Member Housing
COM 2 – explore opportunities for creating more homes for veterans	<ul style="list-style-type: none"> Project scope agreed and embedded within CBC-CBH new build Joint Programme Board 	July 2016	Martin Stacy	Cabinet Member Housing
COM 3 - We will develop proposals to introduce a more rigorous approach to the licensing and enforcement of private rented sector housing in the borough.	<ul style="list-style-type: none"> Monitor outcome of the government consultation and review considering an extension of the national mandatory HMO licensing regime. Alongside monitoring the government's extended mandatory HMO licensing regime, utilise the emerging Cheltenham Plan to provide opportunities to frame new planning policies and strategies, to help improve the quality of HMO's, working with the University of Gloucestershire to inform the Council's overall HMO strategy. Consider the feasibility and resourcing implications of introducing Article 4 direction(s) to limit the percentage of HMO accommodation currently leading to community imbalance and related loss of amenity in some parts of the town. Report to Cabinet on the options for extending activity relating to the enforcement of standards in private rented sector accommodation. 	December 2016 On-going March 2017 July 2017	Mike Redman	Cabinet Member Housing

Our community outcome:

People live in strong, safe and healthy communities

COM 4 – prepare for update housing and homelessness strategy in 2017	<ul style="list-style-type: none"> • Scope out engagement arrangements with relevant stakeholders to help inform the development of the strategy. 	March 2017	Martin Stacy	Cabinet Member Housing
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Safeguarding the welfare of others

<p>COM 5 - We will update our safeguarding policy to reflect our wider work to safeguard people including recognition of domestic abuse and sexual violence, hate crime and modern slavery</p> <p>We will publish two domestic homicide reviews and then work in partnership to ensure that our local response in Cheltenham supports a coordinated approach to supporting victims of domestic abuse and sexual violence</p>	<ul style="list-style-type: none"> • Cabinet Draft report to • sessions Staff consultation • Cabinet Final report to • Publication of DHRs • Development of partnership response 	<p>July 2016</p> <p>Sept 2016</p> <p>Nov 2016</p> <p>July 2016</p> <p>October 2016</p>	Richard Gibson	Cabinet Member Housing
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COM 6 – We will work in partnership with Gloucestershire Constabulary to review town centre CCTV provision and associated monitoring arrangements.	<ul style="list-style-type: none"> • Work with the Police & Crime Commissioner to consider the impact of the closure of Lansdown Road police station on the provision of town centre CCTV monitoring. • Review the provision and need for up-grading of the town centre CCTV system, having regard to the delivery of our priority outcomes, including crime reduction. 	<p>Sept 2016</p> <p>March 2017</p>	Mike Redman	Cabinet Member Development and Safety
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Working with others to promote strong and healthy lifestyles

COM 7 – Enable a range of community building and celebration events through taking a facilitative role to working with community groups and organisations	<ul style="list-style-type: none"> • Coordinate & deliver the Children’s Festival • Coordinate & deliver the Midsummer Fiesta • Support Black History Month • World Mental Health Day • Support Inter-Faith week • Support Holocaust Memorial Day • Support LGBT history month 	<p>May 2016</p> <p>July 2016</p> <p>Oct 2016</p> <p>Oct 2016</p> <p>Nov 2016</p> <p>Jan 2017</p> <p>Feb 2017</p>	Richard Gibson	Cabinet Member Healthy Lifestyles
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COM 8 – Develop a commissioning approach to tackling a range of health and wellbeing issues in	<ul style="list-style-type: none"> • Agree specifications • Commissioned providers in place 	<p>April 2016</p> <p>June 2016</p>	Richard Gibson	Cabinet Member Healthy Lifestyles
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Our community outcome:

People live in strong, safe and healthy communities

Cheltenham such as tackling obesity, reducing alcohol harm and improving mental health	<ul style="list-style-type: none"> Report back to Cheltenham Partnerships on progress 	December 2016		
COM 9 - Progress cycling & walking options as a result of the work of the O+S task group	<ul style="list-style-type: none"> Establish Advisory Group Produce a delivery plan for the various recommendations Installation of contra-flow cycle lane in Winchcombe St with rearrangement of the Albion St junction 	April 2016 Sept 2016 August 2016	Wilf Tomaney	Cabinet Member Development and Safety
COM 10 - Commissioning review of Shopmobility	<ul style="list-style-type: none"> Agreement to procurement process Award of contract Implementation of service 	Aug 2016 Oct 2016	Wilf Tomaney	Cabinet Member Healthy Lifestyles

How will we measure our progress to achieving this outcome?

Type of Indicator	Measured by this indicator	Baseline	Lead
Outcome measures	Increase the provision of new affordable housing	32 affordable housing completions to date in 2015-16.	Lead Commissioner - Housing Services
	Reduce the numbers of households who are homeless	There have been 5 homelessness acceptances in the past quarter.	
	Reduction in recorded crime	As at December 2015 there had been 7,269 recorded crime incidents in the previous 12 months.	Strategy and Engagement Manager
	Reduction in domestic burglary	As at December 2015, there had been 611 domestic burglary incidents in the previous 12 months.	As above
	Reduction in anti-social behaviour incidents	As at December 2015, there had been 5,380 anti-social behaviour incidents in the previous 12 months.	As above
	Reduction in the number of residential properties with significant health hazards	In 2011, there were 3,352 properties with one or more category 1 hazards (7.5% of housing stock.)	Enforcement Manager
	Growth in numbers of food businesses rated 3 stars and above	There are currently 777 food premises rated 3 stars and above out of 836 food	Public & Environmental

Type of Indicator	Measured by this indicator	Targets	Lead
Key service measures	Number of vacant homes for more than 12 months brought back into use as a direct result of Council action	145	Enforcement Manager
	Number of disabled and older persons able to stay in their own homes as a result of Council action.	57	Enforcement Manager
	Number of private sector dwellings made safe by the Council	145	Enforcement Manager
What are the corporate risks associated with this outcome?			
None currently			

Corporate outcome

Our council can continue to facilitate the delivery of our outcomes for both Cheltenham and its residents

Strategic direction

Context and needs analysis

Since 2009/10, Government core funding (revenue support grant and business rates income) has been cut by some £5.7m, from £8.8 million to £3.1 million a year. The scale of the cuts has forced the council to transform itself in order to protect frontline services – central to this has been the commitment to be a commissioning council as a means of:

- Delivering better outcomes for our customers and communities;
- Collaborating more with others; and
- Delivering financial savings.

Since then we have commissioned 12 service areas including:

- Human Resources, Procurement and Finance now delivered by a shared arrangement with three other councils;
- Waste collection and recycling services now delivered by a shared arrangement with Cotswolds District Council;
- ICT now delivered by a shared arrangement with Forest of Dean District Council; and
- Leisure and Culture services now delivered by a new charitable trust.

Our overall budget management programme, the Bridging the Gap (BtG), has successfully managed the on-going funding gap, with over £11m of savings / income generated from commissioning, plus initiatives to increase commercial activity and manage our property assets.

Challenges and opportunities looking forward

The government's financial settlement in principle allows authorities to spend locally what is raised locally from either business rates or council tax enabled local authorities to engage much more with what is happening on the ground in their areas. Most noticeably, there has been a shift away from freezing

council tax to using council tax to generate additional funding. The phasing out of revenue support grant and in due course allowing councils to benefit from a higher share of business rates creates a need for to develop a long-term strategy to support the local economy.

Commissioning intentions

The council has committed itself to 2020 Vision which sets out an ambition for further collaboration with Cotswold, West Oxfordshire and Forest of Dean District Councils who, together with CBC make up the GO Partner Councils. The vision for the partnership 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.” The programme is expected to save CBC £1.32m per annum by year 10.

With the maturing of the 2020 programme, the council has now agreed to share revenues and benefits and customer services, along with ICT services and Human Resources, Procurement and Finance. There will also be work done to understand how a shared commissioning function could work across the four councils.

The council is also committed to the effective use of its assets, infrastructure and the way it procures goods and services to support this outcome.

Corporate outcome

Our council can continue to facilitate the delivery of our outcomes for both Cheltenham and its residents

What are we doing already to deliver this outcome?

We have commissioned the following:	To deliver the following:	We work in partnership with:	On the following activities:	We will deliver directly through these teams:	Delivering the following activities:
GO Shared Services	Financial Management Human resources, Health & Safety, Learning & Development Procurement	Forest of Dean, West Oxfordshire and Cotswold District Councils Forest of Dean DC	GO Shared services and 2020 Vision ICT shared services	Property Services Customer and Support Services Revenues and Benefits Business Development Team Democratic Services	Asset Management, Property Management Reception, Telephony, Custodian services, Post-room, Income processing and Car Park Income collection Council Tax, Housing benefits Project and Programme Management, Customer Complaints, Fols, systems thinking, Client-side Committee Management Member Liaison
ICT shared services	IT infrastructure, application and business support IT training				
Audit Cotswolds	Audit and Assurance				

What are our priority actions to deliver this outcome in 2016-17?

Priority actions	Key milestones	Dates	Lead Commissioner / Project Lead	Cabinet Lead
2020 Vision				
VFM 1 - We will work with our 2020 partners to implement agreed shared services from April 2016.	<ul style="list-style-type: none"> Cabinet to consider a business case for a local authority company governance model 	July 2016	Pat Pratley	Leader of the Council
	<ul style="list-style-type: none"> 'To have reviewed the capacity for provision of strategic property advice'. 	July 2016	Mark Sheldon	Cabinet Member Finance
	<ul style="list-style-type: none"> To have developed and agreed a shared Customer Access strategy to support the development of the customer services. 	Mar 2017	Mark Sheldon	Cabinet Member Finance
Devolution				
VFM 2 - We will work with our Gloucestershire partners to develop an implementation plan for the delivery of the devolution agreement	<ul style="list-style-type: none"> Agree with GCC proposals for devolved Cheltenham input on a range of highways matters 	April 2016	Pat Pratley	Leader of the Council
	<ul style="list-style-type: none"> Presented to individual councils and organisations for approval 	April 2016		
	<ul style="list-style-type: none"> Public consultation 	June 2016		
	<ul style="list-style-type: none"> post-election Reaffirm proposals 	July 2016		
	<ul style="list-style-type: none"> Submit to government 	Sep 2016		
	<ul style="list-style-type: none"> Shadow arrangements 	Oct 2016		
Assets and Infrastructure				
VFM 3 - We will deliver our Accommodation Strategy which delivers more modern, flexible and cost-effective office accommodation.	<ul style="list-style-type: none"> Establish future space needs and those of our partners. 	June 2016	Mark Sheldon	Cabinet Member Finance
	<ul style="list-style-type: none"> Determined the strategy for relocation from and the 	June 2016		

	<ul style="list-style-type: none"> redevelopment of the Municipal Offices. Undertake consultation of redevelopment proposals Prepared a marking pack to support the process of finding a joint venture (JV) partner to deliver the accommodation strategy. Evaluated options and enter into a contract for a JV partner. 	July 2016 Sept 2016 Dec 2016.		
VFM 4 - Asset Management Plan	<ul style="list-style-type: none"> Agreed a revised AMP including parameters and terms of reference to support decision making in respect of enhancing the Investment Property portfolio. Agree a revised policy of support to the third sector 	April 2016 July 2016	Mark Sheldon Mark Sheldon	Cabinet Member Finance
Financial Management				
VFM 5 - We will implement the 'Bridging the Gap' programme and budget strategy for meeting the MTFS funding gap	<ul style="list-style-type: none"> Identify further savings / income to close gap for 2017/18 and residual MTFS budget gap. 		Paul Jones	Cabinet Member Finance
How will we measure our progress to achieving this outcome?				
Type of Indicator	Measured by this indicator	Baseline	Lead	
Outcome measures	To find the bridging the Gap savings / increased income	The 2016-17 budget gap was £1.88m. The predicted gap for 2017-18 is £1.73m	Director Resources	
Type of Indicator	Measured by this indicator	Targets	Lead	
Key service measures	Turnover – number of leavers as a percentage of average headcount: Controlled (eg TUPE, redundancy) Uncontrolled	No targets set – figures to be monitored	GO Shared Services Head of HR	
	No. days lost due to sickness absence	7.5 days per FTE	GO Shared Services Head of HR	
	% staff appraisals completed	100%	GO Shared Services Head of HR	
	Number of stage 3 complaints upheld/partially upheld in favour of the customer	4	Customer Relations Manager	
What are the corporate risks associated with this outcome?				
CR3 - If the council is unable to come up with long term solutions which bridge the gap in the medium term financial strategy then it will find it increasingly difficult to prepare				

budgets year on year without making unplanned cuts in service provision
CR75 - If capacity to deliver key projects is achieved by diverting necessary resources away from either core services or other provider commitments, then there is a risk of not being able to deliver all of the business as usual expectations including a failure to comply with internal controls that could in turn impact on our reputation and finances
CR77 - If the new reciprocal ICT Business Continuity arrangements with FoDDC are not put in place then there is a risk that key councils services in the event of an emergency or unplanned event will not be effective.
CR78 - If the Corporate and Service Business Continuity Plans do not reflect the governance structures associated with the commissioning and shared service arrangements then there is a risk that key services will be not be available in the event of an emergency or unplanned event.
CR101 - If the council is not able to progress delivery of the 2020 Vision project, then the Council will have to look for alternative ways to deliver the £1.32m savings predicted to be realised over the 10 years of the programme – proposed corporate risk
CR105 - If the Budget Deficit (Support) Reserve is not suitably resourced insufficient reserves will be available to cover anticipated future deficits resulting in the use of General Balances which will consequently fall below the minimum required level as recommended by the Chief Finance Officer in the Council's Medium Term Financial Strategy.

Cheltenham Borough Council
Council – 4 April 2016
Community Infrastructure Levy

Accountable member	Leader – Councillor Jordan
Accountable officer	Director of Planning – Tracey Crews
Ward(s) affected	All
Key/Significant Decision	Yes
Executive summary	<p>On 14 April 2015 Cabinet agreed a Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule (PDCS) for public consultation. This work was progressed in collaboration with Gloucester and Tewkesbury councils. Consultants Peter Brett Associates (PBA) were appointed to help consider whether a CIL should be taken forward.</p> <p>The report now before Council draws together all the relevant threads of information informing the revisions to the charging schedule, taking account of consultation responses to the PDCS and further detailed viability assessment.</p> <p>The purpose of this report is to gain agreement to undertake public consultation on the Cheltenham CIL Draft Charging Schedule (DCS) prior to independent examination. A CIL rate is proposed for development within the Borough for the following uses:</p> <ul style="list-style-type: none"> • Residential • Out of Town Retail • Retirement and Care Homes <p>Other development uses were assessed, but based on viability evidence recommended as a zero rate (£0). Separate CIL rates are proposed for the JCS strategic allocations and for development within Gloucester City and Tewkesbury Borough areas. Taking on board the evidence on viability a one size fits all approach is not appropriate for the JCS area as a whole. This report details the recommended CIL charge for Cheltenham, but the details for Gloucester and Tewkesbury are set out in the PBA report appended.</p>
Recommendations	<ol style="list-style-type: none"> 1. Council approves the publication of the Draft Charging Schedule for public consultation purposes; 2. Authorises the Director of Planning in consultation with the Leader of the Council to prepare the final publication documents as required, based on the detail of this report and information in Appendix 2;

3. **Authorises the Director of Planning to agree the date of publication on the Draft Charging Schedule with Gloucester and Tewkesbury Councils; and**
4. **Following the conclusion of the publication period, the responses received are compiled and submitted with the Draft Charging Schedule to the Planning Inspectorate for Examination.**

Financial implications	<p>The CIL Cabinet Report dated 18th June 2013 flagged that the statutory process involving formal consultation and public examination would have a financial impact in terms of both set up and on-going costs. Budgetary provision at this stage was not specifically set aside by the partner councils.</p> <p>The costs incurred in 2014/15 were £82,000. These costs were covered by the Joint Core Strategy Reserve and by the Homes and Communities Agency Large Site Infrastructure Fund. All cost incurred to date are shared by the JCS councils.</p> <p>Costs incurred in 2015/16 resulted in £56,175 arising through further viability testing, detailed engagement via consultants with the development industry on specific infrastructure and CIL manager contract support. This was funded through resource of £75,000 agreed through relevant reports to Cabinet April 2015 in which each JCS partner authority agreed a contribution of £25,000.</p> <p>In budgeting for 2016/17 a total of £105,000 has been allocated from the JCS programme budget to facilitate;</p> <p>Consultation £5,000</p> <p>CIL resource support £30,000</p> <p>PBA further analysis including presentations £20,000</p> <p>Examination £50,000</p> <p>Further costs are anticipated for the implementation stage of CIL which may need specific additional funding from the partner councils. A further request will be made at a later date should this be necessary. On an ongoing basis there will be costs to administer the scheme. Options for delivery are currently being investigated and costed, giving consideration to the CIL Regulations, which provide for Charging Authorities to recover their administrative costs from CIL income, up to a total of 5%, including set up costs of CIL, fees involved in setting the charge and any training - defrayed against the first 3 years income.</p> <p>Contact officer: Nina Philippidis, Business Partner Accountant, nina.philippidis@cheltenham.gcsx.gov.uk 01242 264121</p>
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Legal implications

The formal procedure for the setting and adoption of CIL charges is set out in the Planning Act 2008 (as amended by the Localism Act 2011) and the Community Infrastructure Regulations 2010 (which are known collectively as “the drafting requirements”).

Under the drafting requirements, a Charging Authority (the local planning authority) which proposes to charge CIL must prepare a Draft Charging Schedule (DCS) and then formally publish the DCS together with the appropriate available evidence on infrastructure costs, other funding sources and economic viability for consultation for a minimum period of 4 weeks.

After the close of the consultation process, the Charging Authority must then submit the DCS for public examination before an independent person, who is usually a Planning Inspector. After the consultation period, a DCS may be amended to take account consultation responses but such amendments should not be substantive. Any such changes must then be set out by the Charging Authority in a “Statement of Modifications” and must take such steps as it considers necessary to inform consultees that such Statement has been made.

At the examination in public of the DCS, anyone who has asked to be heard during the consultation period or following any Statement of Modifications, must be heard in public. At the examination, the evidence base for the Charging Schedule is examined in public prior to the adoption of the CIL so it is critical that the Charging Authority’s evidence base is robust. The PBA report is the evidence in this case and meets this test.

For the examination, a Charging Authority should set out and present in evidence: -

- 1) A draft list of projects or types of infrastructure that are to be funded wholly or in part by the CIL (in order to provide evidence of a funding gap); and
- 2) Any known site specific matters for which s.106 contributions may continue to be sought.

Further matters to note in relation to the examination in public are: -

- a) Where a Charging Authority has chosen to work collaboratively with other charging authorities, they may opt for a joint examination.
- b) The Charging Authority must meet the costs of the examination.

Following the public examination, the Examiner produces a report of their recommendations to the Charging Authority in writing. The following options available to the Examiner are to approve the Charging Schedule; Reject it or approve it subject to modifications (but it must give reasons for the recommendations). Provided that the Charging Authority has complied with the requirements of the drafting requirements, the Examiner must recommend approval of the DCS.

The Charging Schedule must be formally approved by a resolution of the full council of the Charging Authority and within it, that resolution should include an appropriate commencement date following or on approval. The approved Charging Schedule must then be published setting out the date of its effect. **Contact officer: Tessa Yates, Solicitor, legal.services@tewkesbury.gov.uk , 01684 272690**

HR implications (including learning and organisational development)	No implications at this stage.
Key risks	If the Council was not to adopt and implement a CIL the Council would not be able to collect developer contributions towards infrastructure costs to its full potential given the limited use of Section 106 planning obligations from April 2015.
Corporate and community plan Implications	By delivering infrastructure needed to support new development and mitigate against the impact of new development CIL would contribute to supporting objectives of the corporate plan.
Environmental and climate change implications	
Property/Asset Implications	No implications.

1. Background

- 1.1 The Community Infrastructure Levy (CIL) was introduced by the Planning Act 2008 with further information set out in subsequent CIL Regulations (the Regulations). In overall terms, CIL is intended to be used for general infrastructure contributions whereas the current Section 106 (S106) process is for site specific mitigation. The introduction of CIL is a response to concerns about the use of S106 obligations: they are not transparent, are ineffective in providing for major infrastructure and the needs arising from cumulative development, they have a disproportionate impact on larger developments, and many developments make no financial contribution. The set charges and the legal obligation to pay a CIL where introduced are intended to bring much greater certainty and to capture a broader range of development to contribute.
- 1.2 The introduction of CIL in April 2010 remains discretionary for the Local Planning Authority. However, the scaling back the use of S106 obligations (in April 2015) is not discretionary and has significant impacts for those planning authorities deciding not to adopt CIL. Since April 2015, the Council cannot now pool S106 payments where there have already been five or more S106 contributions (since April 2010), toward any named project or named type of infrastructure that could otherwise be funded through CIL. In practice, this means that S106 will continue to apply to site specific mitigation measures and on-site elements (such as open space, affordable housing, play areas, highway access, etc.), but is restricted.
- 1.3 CIL differs fundamentally from S106 in that the funds collected are not tied to a specific development or the provision of specific infrastructure. Unlike infrastructure provided through S106 obligations, which must be necessary to mitigate the impact of a particular development and used only for that specific purpose, CIL funds can be used flexibly by the Local Planning Authority to fund any infrastructure as defined within the Regulations. They can be pooled freely (unlike S106) to fund infrastructure priorities and collectively between authorities in order to make larger strategic investments.
- 1.4 CIL allows local authorities in England and Wales to raise funds from development. Charges are levied on new development and are payable when development commences or as staged payments after the commencement of development. The charges are set by the Local Planning authority, which is called the 'Charging Authority'.
- 1.5 Charging authorities must spend the CIL income on infrastructure. It cannot be used to remedy existing deficiencies unless a new scheme will make this worse. CIL is used where there is a funding gap – i.e. where availability of funding is not available from mainstream sources. In addressing the funding gap it can be used to fully fund or provide a contribution to the infrastructure needed to facilitate growth and to deliver the development strategy. It is unlikely that CIL will, on its own, fully fund the entire necessary infrastructure within an area.
- 1.6 Charging authorities need to strike an appropriate balance between the need to capture funds for infrastructure and the potential effects of the CIL rates upon the economic viability and delivery of development, taken as a whole across its area. The economic evidence on the potential to capture land value forms the basis for deriving CIL charges. Viability is tested at a district wide level in setting CIL rates, compared to site by site negotiation under S106. It is expected that CIL will capture more of the land value uplift that results from development than S106 contributions are able to capture.
- 1.7 There is a defined process for preparing a CIL Charging Schedule which includes an Independent Examination to test the rates and robustness of the evidence. The process for preparation and approval of the Charging Schedule is set out in legislation (Planning Act 2008 part 11, the Community Infrastructure Levy Regulations 2010 and the Community Infrastructure Levy (Amendment) Regulations 2011). This involves evidence gathering, consultation and testing at a public examination. Once approved, the Charging Schedule does not form part of the development plan but does support it.

- 1.8** Negotiation for affordable housing falls outside of the CIL Regulations and will continue to be negotiated by S106 agreements. However, decisions made in regard to CIL charges have direct implications on the future negotiation of affordable housing. At the time of writing this report the Government has yet to determine whether the starter home initiative (as an alternative to other affordable housing products) will be formally introduced. If this proceeds it is likely that this will impact on viability. Officers are keeping a watching brief on the progress of starter homes and amendments may need to be incorporated in the lead up to an examination of CIL, if confirmed. This has been captured in the risk assessment of this report.
- 1.9** The Council has a choice whether to introduce CIL or not. However, as a result of the restriction on s106 contributions as set out in paragraph 1.2, the use of pooled S106 contributions for major infrastructure (such as major transport or leisure facilities) will be severely restricted and so it is considered necessary to introduce CIL to ensure that the funding gap is met
- 1.10** The CIL Regulations 2010 also introduced into law three tests for planning obligations that are capable of being charged CIL. S106 obligations must be:
- Necessary to make the development acceptable in planning terms.
 - Directly related to the development.
 - Fairly and reasonable related in scale and kind to the development.
- 1.11** Whilst these tests are a consolidation of the advice originally contained in Circular 05/05, they are now a legal requirement giving them much greater force. The statutory status of these tests now brings a much greater need to demonstrate that the terms of any S106 are lawful and such agreements are now subject to greater scrutiny in terms of their lawfulness.

2. Progress on Cheltenham CIL

- 2.1** During 2014 the Borough Council in collaboration with Gloucester City Council and Tewkesbury Borough Council (JCS Authorities) appointed Peter Brett Associates (PBA) to consider whether a CIL should be taken forward. On 14 April 2015 Cabinet agreed a Preliminary Draft Charging Schedule (PDCS) for consultation.
- 2.2** The PDCS was the subject of a six week period of public consultation from 29th May to 10th July 2015. A total of 34 representations were received during the consultation period and a further two responses were received after the consultation closed. The consultation was helpful as it raised a number of queries regarding the detail of the viability assessment, which were then subsequently checked and retested. As part of the preparation of the PDCS a workshop was held with consultants supporting the viability work and the development industry. This provided an opportunity for check and challenge.
- 2.3** Following the conclusion of the PDCS consultation exercise, the JCS Authorities continued to work with PBA to progress the preparation of the Draft Charging Schedule (DCS) and to undertake a review of JCS site viability and the relationship between CIL delivery and affordable housing provision. PBA's report of these viability issues was completed at the end of January and the findings of this report have been used to inform the preparation of the Cheltenham CIL DCS. A copy is available via link in background documents; all members were emailed a copy for review.
- 2.4** Officers were anticipating quicker progression on the analysis of CIL and the bringing forward of this report, however resources and time implications of the examination of the JCS led to prioritising of work streams. However, viability has been an ongoing discussion of the JCS examination and issues arising have been consistently fed back to consultants and helped inform the evidence base supporting CIL.

3. Defining Infrastructure

3.1 Before considering the detail of the DCS, it is worth noting the legal definition of “infrastructure”, which can be split into 3 broad categories.

- Physical infrastructure, e.g. highways, transport links, cycleways, energy supply, water, flood alleviation and waste management.
- Social infrastructure, e.g. education, health, social care, emergency services, art and culture, sport halls, community and faith halls, crematoria.
- Green infrastructure e.g. parks, woodlands, play areas and public open space.

3.2 Under the legislation, affordable housing is not classed as infrastructure and therefore CIL monies generally cannot be spent by the charging authority to fund affordable housing. This puts the onus on local planning authorities to fully understand the realities of costs related to both CIL related infrastructure and affordable housing. Discussion about what is an appropriate balance between the provision of affordable housing and the provision of infrastructure is an important one which has been the subject of the review undertaken by the consultant, PBA. If CIL is set too high, this will limit the ability of the Council to effectively negotiate affordable housing which is policy compliant. However, it is worth noting that the percentage of CIL devolved to local neighbourhoods and parish councils does not have the limitations that charging authorities have. If neighbourhoods wished to spend their element on affordable housing, then they are able to do so. Further detail on this provided in section 9 of this report.

4. Requirements to set a CIL

4.1 In order to set a CIL, the Charging Authority requires an appropriate evidence base on the infrastructure funding gap and evidence in relation to the viability of development.

4.2 **Infrastructure evidence:** An Infrastructure Delivery Plan was prepared in 2014 as part of the evidence base for the JCS. It clearly shows that a funding gap exists between what is needed, around £814m, and the currently identified funding gap of around £700m. As such this procedural requirement is satisfied. The Infrastructure Delivery Plan provides the starting point in helping to identify priorities for future spending of CIL.

4.3 **Viability evidence:** PBA have carried out further viability assessment for the JCS and an initial assessment of viability for CIL. The two stages of this work cover viability assessments of:

- A range of typologies of the nature and scale of development.
- The Strategic Allocations as set out in the JCS.

The viability assessments identify the potential development value that can be generated from development within Cheltenham Borough – identifying the ‘headroom’ available across a range of development uses. The assessments identify that there is scope to introduce a CIL across some development uses. This is detailed below.

5. The proposed Draft Charging Schedule

5.1 The DCS is the document which sets out the proposals for the Cheltenham CIL, publication. The JCS authorities have continued to work with PBA as specialist consultants on development plans and CIL to assess the viability evidence and to prepare the DCS, taking into account a number of factors, including the requirement that any proposed CIL rate does not undermine the viability of proposed development. The Charging Authority is required to publish the DCS and invite representations and then submit the DCS for public examination for formal adoption.

5.2 The purpose of this report is to gain agreement to publish the DCS for comment and progress this DCS to Examination in Public. A CIL rate is proposed for development within Cheltenham

Borough and separate CIL rates are also proposed for the JCS strategic allocations and for development within Gloucester City and Tewkesbury Borough areas.

- 5.3** The PBA report concludes that whilst most sites are viable across the JCS area, when taking account of affordable housing delivery, the type and size of sites and their location likely to come forward - a one size fits all approach is not applicable for the JCS in respect of CIL. A full copy of the proposed DCS for Cheltenham is provided at appendix 2 and the section below provides a summary of the proposed charge within each use category. This will not be the same for Gloucester or Tewkesbury.
- 5.4** **Setting a CIL for residential development:** As the characteristics of residential sites are many and varied, PBA have analysed a number of 'site typologies' which provide a representative sample of the sites (types of site, sizes and mix of uses) expected to come forward within each authority's area.
- 5.5** Within Policy SD13, the JCS sets out a target of 40% affordable housing for sites accommodating in excess of 10 dwellings. Again, it is recognised that the level of affordable housing to be secured from any eligible site will be affected by the characteristics of that site. In some circumstances, the requirement for other forms of infrastructure may mean that lower levels of affordable housing would be provided due to the challenges presented by such sites. In such cases, applicants will be required to submit appropriate viability information that will allow the Council to make an informed decision on these matters.
- 5.6** Residential development would normally attract higher levels of CIL charge, due to the infrastructure needs arising from such development. The level of charge is dependent upon the characteristics of each site and many charging authorities have adopted 'differential' CIL rates that reflect these characteristics.
- 5.7** As currently drafted Policy SD13 of the Submission JCS seeks the provision of 40% affordable housing on eligible sites of more than 10 dwellings (subject to site viability) as per the requirements of the National Planning Practice Guidance. An analysis of affordable housing delivery during the last three years within Cheltenham has revealed an overall provision of 41% affordable housing across all eligible sites. It is important to note that rates of affordable delivery have varied considerably across these sites. From a total of 11 sites, 2 sites have been developed entirely for affordable housing; 4 sites have achieved 40% and the remaining 5 sites have delivered a range from 12 – 28%. In all of these instances, the Council has sought to deliver an appropriate housing mix that reflects the viability of each site. As part of the JCS examination, and in light of the evidence on CIL now available, the JCS officer team are now working with the Inspector on revisions to the affordable housing policy of the JCS – for CIL to be successful it needs to work within a compatible policy framework. Recommendations from consultants PBA in the context of the viability evidence is as follows:
- Cheltenham and Tewkesbury can suitably continue to work within a policy context of 40% on sites of 10+ dwellings with 0% below 10 dwellings,
 - Gloucester does not have the viability to support 40% and 20% is recommended on sites of 10+ dwellings.
 - 35% recommended on all strategic JCS sites, in recognition of significant on site infrastructure and recommendation for CIL charge to be levied (see below).
 - To continue a blanket approach of 40% across all sites within the JCS is likely to be at the expense of seeking infrastructure contributions
- 5.8** In Cheltenham, the recommendations arising from the PDCS consultation responses and the subsequent reappraisal of JCS site viability indicates that a CIL rate of **£200 per sqm** is levied on residential sites of more than 10 dwellings, and **£148 per sqm** is applied to sites of up to 10

dwelling. The PBA report states that there are areas of the Borough that could support a higher value charge, but this would add greater complexity to the administration of CIL for the Council and would not be capturing the majority of development. Application of CIL across all sites will capture contributions, particularly on small sites, which will not have been captured via S106.

- 5.9 Setting a CIL for strategic sites:** On the JCS strategic sites it is proposed that infrastructure can be best delivered through S106 and Section 278 agreements – capturing infrastructure on or near sites. However, there will still be wider strategic infrastructure requirements across the JCS area as a result of strategic development brought forward by the strategic allocations. The recommendation is therefore that a **£35 per sqm** is levied, with the exception of strategic allocation A8 (Ashchurch – MOD element only) where the rate should be zero due to high remediation costs.
- 5.10 Setting a CIL for other forms of development:** In addition to residential uses a number of other land uses were tested. A summary of each is set out below
- 5.11 Retirement and extra care:** Across the JCS area only Cheltenham is considered to have scope for a CIL charge. In regards to retirement homes it is recommended that a charge reflecting that recommended for regular open market units is levied – a rate of **£200 per sqm**. The viability evidence concludes that there is lesser scope for a charge relating to extra care, however, scope does exist tested against the provision of 40% affordable housing. A rate of **£100 per sqm** is recommended.
- 5.12 Retail:** Viability appraisal demonstrates that there is scope for a CIL charge to be levied to varying degrees. For Cheltenham town centre, whilst there is limited scope for CIL, it is negligible therefore a zero rate (£0) is proposed. Out of centre retail however clearly demonstrates that there is scope for a charge and a rate across the JCS area of **£100 per sqm** is recommended.
- 5.13 Other uses:** All other uses tested (B –class development (employment), hotels, student accommodation, public service and community facilities) were found to have insufficient financial 'headroom' to levy a charge – although this may change should the economy improve. The DCS therefore proposes a zero rate (£0) for other development uses.

6. Relationship of the Joint Core Strategy to CIL

- 6.1** In delivering a joint development plan, it is hoped that, if the three JCS authorities each adopt a Charging Schedule, these will be aligned to deliver the best contribution toward infrastructure to support new development.

7. Publication of Draft Charging Schedule

- 7.1** If all three JCS Councils agree to move forward with publication on a DCS for their area, it is proposed that the three separate Charging Schedules with accompanying documentation would be co-ordinated. The JCS Councils are working together to align the dates of publication. The CIL Regulations sets a minimum of 4 weeks, but a six week period of publication is proposed which will be confirmed shortly.

8. Infrastructure List

- 8.1** The infrastructure list is a list of infrastructure projects or types of infrastructure that the charging authority, by publishing on its website, intends will be, or may be wholly or partly funded by CIL. Once a charging authority's first Charging Schedule has taken effect the inclusion of infrastructure on the list may not constitute a reason for the granting of planning permission. CIL cannot be used as well as Section 106 to collect funds for the same piece of infrastructure.
- 8.2** Therefore, in order to preserve an ability to provide for specific infrastructure to continue to be

dealt with by planning obligation after the adoption of a Charging Schedule, the Charging Authority will also need to prepare a list prior to the examination of a Charging Schedule, setting out the types of infrastructure that it intends will be, or may be, funded wholly or partly by CIL. A draft infrastructure list has been prepared to indicate how CIL monies could be used to cater for the anticipated level of growth in the area. This is intended to ensure that developers are not asked to fund the same infrastructure via both Section 106 and CIL.

- 8.3** The inclusion on the list of an infrastructure project or type of infrastructure does not represent a commitment by the charging Authority to provide that project or type of infrastructure either with or without funding from CIL. The only function of the list is in relation to the future use of S106 agreements and to avoid any perception of double charging to developers. The list can be reviewed on a regular basis, for example annually, to ensure that it remains up to date. A draft Regulation 123 List is provided at Appendix 2 - included in the DCS.

9. Neighbourhood Funds

- 9.1** In accordance with the CIL Regulations a specific proportion of CIL receipts would be passed to 'neighbourhood funds'. Therefore, in locations with an adopted Neighbourhood Plan, 25% of CIL receipts would be passed to such communities/forums to help fund local infrastructure in their areas. In all other locations (where no Neighbourhood Plan has been approved), 15% of CIL receipts would be passed to local communities, subject to annual total limits as defined within the CIL Regulations. In parished areas, the relevant proportion of CIL will be passed to Parish Councils. In non-parished areas, the Borough Council will engage with the relevant communities to determine how CIL is spent. Discussions have been initiated with the council's Strategy and Engagement Team to consider the best way of initiating a way forward with these communities.

- 9.2** Within the context of the CIL Regulations neighbourhoods have a wider definition of what CIL receipts can be spent on, whereas the Charging Authority is restricted to investing CIL receipts on infrastructure to support the development of the area. These wider spending powers allow the local community to decide what they need to help mitigate the impacts of development. The Regulations state that this proportion of funds must be used "*to support the development of the local area by funding;*

(a) The provision, improvement, replacement, operation or maintenance of infrastructure; or

(b) Anything else that is concerned with addressing the demands that development places on an area."

- 9.3** If a parish council has failed to spend CIL funds passed to it within 5 years of receipt, or has applied the funds not in accordance with the CIL Regulations, then the Charging Authority can serve a notice on the parish council requiring it to repay some or all of the receipts passed. Any recovered funds must be spent by the Charging Authority in the parish council's area.

10. Costs associated with CIL

- 10.1** Costs arising in respect of CIL to date have arisen broadly through the following:

- Viability assessment – DVS
- Consultants support – PBA
- CIL manager (contract post)

- 10.2** The costs arising have been funded through 3 sources; JCS budget, Large Scale Infrastructure Fund and specific CIL contribution of £25,000 per authority agreed by Cheltenham, Tewkesbury and Gloucester (agreed by Cheltenham Cabinet 14 April 2015). Costs incurred and projected cover the period 2014/15 – 2016/17 and will facilitate CIL through to its examination.

10.3 Resource is needed to successfully deliver the implementation of CIL, including infrastructure and procedures for billing and governance. As a Charging and a Collecting Authority the Council will need to have a robust system in place for the day to day administration of CIL. Although the liability for CIL is determined through the planning process, there are also legal and financial dimensions and the Council will need to determine how these respective responsibilities are to be integrated and administered. The JCS Operations Board is currently considering options for this. Any further requests for funding will be reported to Cabinet. It should be noted that within the CIL legislation provision has been made for 5% of CIL income to be utilised for management fees as well as enabling local authorities to 'claim back' set-up costs.

11. Reasons for recommendations

11.1 To ensure that new development contributes proportionately to infrastructure provision in the longer term and that the Council has control over the priorities for infrastructure investment for its area.

12. Alternative options considered

12.1 At the early stages of considering CIL, an option not to implement CIL and continue to rely only on negotiations of S106 was investigated. However, the restrictions put in place as set out in paragraph 1.2 which limit the ability to pool receipts from S106 will result in loss of resource to fund identified infrastructure needs. CIL is a tool that will address the funding gap for infrastructure.

13. Consultation and feedback

13.1 Public consultation took place on a PDCS from 29th May to 10th July 2015. Comments received have fed into the DCS.

13.2 Planning and Liaison Member Working Group have fed into the analysis undertaken by consultants PBA, with discussion taking place on 15th October 2014, 12th November 2014 together with ongoing updates over 2015. Members considered the detail of this report and the recommendations of PBA at a meeting 3 March 2016.

13.3 To support the Council on the consideration of CIL a training session arranged through the Planning Advisory Service took place on 11 September 2014 – focussing on the technical details of CIL and the impacts of the CIL legislation. Prior to consideration of the PBA report a seminar for members was organised 21st March 2016 with a presentation and discussion with PBA.

13.4 There has been ongoing engagement with the development industry through the preparation of the evidence supporting the DCS.

14. Performance management – monitoring and review

14.1 Following the statutory 6 week publication period, any representations received will be passed to the Planning Inspectorate and considered through an Examination in Public (date yet to be determined). The Regulation 123 list accompanying the CIL Charging Schedule will be kept under review.

14.2 Should changes in the economy improve the potential to charge CIL on development uses previously identified as a zero charge (£0), or that potentially a higher charge on existing rates could be levied, then this would trigger a formal review of the Cheltenham CIL Charging Schedule and would be subject to statutory consultation and re-examination.

Report author	Contact officer: Director of Planning tracey.crews@cheltenham.gov.uk 01242 264168
Appendices	<ol style="list-style-type: none"> 1. Risk Assessment 2. Cheltenham – Draft Charging Schedule & Regulation List 123
Background information	<ol style="list-style-type: none"> 1. Cabinet 14 April 2015 – Community Infrastructure Levy Preliminary Draft Charging Schedule https://democracy.cheltenham.gov.uk/documents/s15235/2015_04_14_CAB_CIL_report.pdf 2. Preliminary Draft Charging Schedule Consultation Report http://www.gct-jcs.org/Documents/CIL/JCS-CIL-PDCS-consultation-report.pdf 3. Peter Brett Associates: Gloucester, Cheltenham and Tewkesbury – Plan Viability, Community Infrastructure and Affordable Housing http://www.gct-jcs.org/Documents/Examination-Document-Library-4/EXAM-176---JCS-CIL-and-Plan-Viability-Report-Final-January-2016.pdf

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
	Pooling restrictions for Section 106 came into force April 2015. If Cheltenham does not progress with the implementation of CIL it will be unable to be proactive in the delivery and co-ordination of infrastructure.	Tracey Crews	16/3/2016	5	2	10	Reduce	Progress to publication of Draft Charging Schedule, examination and adoption.	31/12/2016	Tracey Crews	To divisional risk register
	A robust system needs to be put in place for the day to day administration of CIL. There are legal and financial responsibilities which need to be administered. Failure to put in place a system will mean that the Council will not be able to effectively collect CIL receipts and fulfil its responsibilities as a Charging Authority.	Tracey Crews	16/3/2016	5	2	10	Reduce	Investigate options for governance and billing of CIL.	31/12/2016	Tracey Crews	To divisional risk register
	If CIL is implemented before the government's intentions over the use of 'Starter Homes' as an alternative to other affordable housing products is known, then CIL may no longer accurately represent the indicative viability of sites.	Tracey Crews	21/3/2016	2	5	10	Reduce	Keep under review progress of Housing and Planning Bill and ensure latest position is taken into account at future CIL examination, should starter homes be introduced. Should starter homes initiative be implemented CIL viability evidence to be reviewed.	31/12/2016	Tracey Crews	To divisional risk register

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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

**Cheltenham Borough Council
Community Infrastructure Levy
Draft Charging Schedule (DCS)**

1.1 Introduction

- 1.1.1 Cheltenham Borough Council has published this Community Infrastructure Levy (CIL) Draft Charging Schedule (DCS) as the Local Planning Authority under powers provided by Section 206 of the Planning Act 2008. The context of CIL is set out at paragraphs 1.4 – 1.6 of this report.
- 1.1.2 Cheltenham Borough Council, along with Gloucester and Tewkesbury councils are preparing a Joint Core Strategy (JCS). The JCS has a common evidence base including testing viability and infrastructure needs.
- 1.1.3 Viability and infrastructure evidence has been prepared on a joint basis to support the plan, therefore the sections in this report that deal with evidence are written for all three authorities. The aim is to prepare the three DCS on a co-ordinated basis in order to appropriately address cross boundary infrastructure issues. Although this joint evidence base has informed the DCS preparation, each of the JCS councils are CIL charging authorities in their own right and are required, by legislation, to prepare separate CIL Charging Schedules.
- 1.1.4 All relevant evidence can be accessed via the JCS website www.gct-jcs.org. This DCS is being consulted upon alongside the DCS for Tewkesbury and Gloucester.
- 1.1.5 This DCS is published for public consultation as a further step in setting a CIL charge for Cheltenham and has been prepared in accordance with Regulation 16 of the CIL Regulations 2010 (as amended). Any comments made on this document will be submitted to the Inspectorate for examination as per the regulations.
- 1.1.6 The purpose of this consultation document is to set out Cheltenham Borough Council’s CIL DCS. In addition to the charging schedule, the document explains the general principles of CIL and summarises the methodology and evidence base used in calculating the levels of the charge. Further information can be viewed on the Council's website and a hard copy of the DCS will be available at the following locations during the consultation period:

Council Offices
Gloucester City Council
Cheltenham Borough Council
Tewkesbury Borough Council
Gloucestershire County Council
Libraries
Gloucester Central
Cheltenham Central
Tewkesbury Town
Bishops Cleeve
Brockworth
Churchdown
Winchcombe Library and Children’s Centre

Hucclecote
Longlevens
Matson
Quedgeley
Tuffley
Charlton Kings
Hesters Way
Prestbury
Up Hatherley
Other Locations
Gloucester Tourist Information Centre
Hesters Way Neighbourhood Project
Cheltenham West End Partnership
Brockworth Advice Centre
Churchdown Advice Centre
Winchcombe Advice Centre
Bishops Cleeve Advice Centre

1.2 Procedure for representations

- 1.2.1 Comments on this document are welcome during the consultation period of 6 weeks from **xxxxxxx to xxxxxx** (dates to be confirmed). The consultation period has been extended beyond the minimum requirement of 4 weeks as set out in the CIL regulations. Consultation will be open for 6 weeks.
- 1.2.2 Should you wish to comment on this document, please could you contact the following:
- By email to cil@gct-jcs.org
 - By post to: JCS Community Infrastructure Levy Team, Municipal Offices, Cheltenham, Gloucestershire, GL50 9SA.
- 1.2.3 The closing date for comments is **5pm xxxxxx**. Any comments received after this date will not be submitted to the Inspectorate as duly made.
- 1.2.4 Please note that the preferred method of receiving consultation responses is via the DCS questionnaire which can be downloaded from www.gct-jcs.org

1.3 Timetable

- 1.3.1 The anticipated stages of preparation and consultation are set out in the following table:

1.3.2 **Table 1.1: Anticipated timetable**

Stage		Description	Date
1	Preliminary Draft Charging Schedule	Consultation on the initial rates proposed within the Preliminary Draft Charging Schedule	Complete
2	Draft Charging Schedule	Consultation on the Draft Charging Schedule CIL rates informed by the consultation responses on the Preliminary Draft Charging Schedule.	Summer 2016
3	Submission to Independent Examiner	The Council can submit the proposed Draft Charging Schedule for examination.	Autumn 2016
4	Examination in public	The Draft Charging Schedule is examined by an independent examiner through a public hearing.	Winter 2016
5	Adoption and Implementation	The Charging Schedule is published online and will take effect on the date stated in the Charging Schedule.	Winter 2016

1.4 Context

- 1.4.1 The Community Infrastructure Levy (CIL) is a locally set planning charge, introduced by the Planning Act 2008 (as amended) as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area.
- 1.4.2 CIL allows local authorities to generate funding from development for the provision of infrastructure in and around their location or strategic cross boundary infrastructure projects where several local authorities contribute. Importantly, CIL is not intended to fund the entire infrastructure required for Cheltenham and that required to support cross boundary development as this would result in unviable development, but instead is intended to supplement other funding streams. Work undertaken to inform the JCS (the Infrastructure Delivery Plan) assists in providing the infrastructure needs arising – see links in section 1.8 of this report.
- 1.4.3 The level of CIL to be charged can only be set on the basis of evidence based viability. An appropriate balance must be struck between the desirability of funding from CIL required to support the development of its area; and the potential effects of the imposition of CIL on the economic viability of its area.

1.5 Legislative background

- 1.5.1 CIL is governed by legislation that came into force on 6th April 2010. Guidance and Regulations are prepared by the Department for Communities and Local Government (DCLG) as set out in:
- The Planning Act 2008 as amended by the Localism Act 2011
<http://www.legislation.gov.uk/ukpga/2008/29/contents>
<http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted>
 - The CIL Regulations 2010, as amended in 2011, 2012, 2013 and 2014

<http://www.legislation.gov.uk/ukdsi/2010/9780111492390/contents>
<http://www.legislation.gov.uk/ukdsi/2011/987/contents/made>
<http://www.legislation.gov.uk/ukdsi/2012/9780111529270>
http://www.legislation.gov.uk/ukdsi/2013/982/pdfs/ukdsi_20130982_en.pdf
<http://www.legislation.gov.uk/ukdsi/2014/9780111106761/contents>

- National Planning Policy Framework: Planning Practice Guidance on CIL.
<https://www.gov.uk/government/publications/national-planning-policy-framework--2>
<http://planningguidance.planningportal.gov.uk/blog/guidance/communityinfrastructure-levy/>

- 1.5.2 Authorities cannot charge for the same items through both CIL and planning obligations. Local Authorities who intend to adopt a CIL should publish a “Regulation 123 List” to identify the infrastructure that it is intended will be, or may be, wholly or partly funded by the levy. A Regulation 123 list is appended to this report. The main purpose of this list is to provide transparency to ensure that there is no duplication in the use of both CIL and planning obligations for the same project.

1.6 Why introduce CIL?

- 1.6.1 Central to the rationale for introducing CIL is the widely held belief that most development has some impact on the need for infrastructure and services, or benefits from them. Therefore it is considered appropriate that such development pays a share of the cost, particularly given the potential financial benefits that planning permission can bring to developments. Under the current regime of Section 106 agreements (another form of planning agreement used to provide funding for certain infrastructure projects) this cannot be achieved as obligations must be directly related to the development. In addition smaller sites tend to fall outside negotiation of obligations. Additionally, contributions from CIL can be pooled and used to lever investment or loans from other sources (for example Gloucestershire Infrastructure Investment Fund, Pinchpoint funding etc.).
- 1.6.2 Unlike Section 106 agreements, once adopted, a CIL charging liability is non-negotiable. The levy is a standard fixed charge which provides developers with much more certainty about how much money they will be expected to contribute, which can be factored into their development calculations, including land deals. This provides clarity to the developer and transparency to the landowner.
- 1.6.3 Importantly, from April 2015, the local authorities are restricted on the pooling of Section 106 planning obligations which changes the way infrastructure is delivered across Cheltenham. The regulations allow for a maximum of five Section 106 planning agreements to be pooled for specific infrastructure projects. Therefore, the implementation of CIL will provide that flexibility in the pooling and spending of monies from developments and can be spent on any identified infrastructure need (unlike Section 106 agreements which require a direct link between the development and any infrastructure project).
- 1.6.4 Nevertheless, it will still be possible for specific infrastructure projects to be funded through Section 106 planning agreements, but only where these are **directly** related to a proposed development and are needed to make individual planning applications acceptable in planning terms. The statutory tests for Section 106 agreements as set out in the Community Infrastructure Levy Regulations 2010 and as policy tests in the National Planning Policy Framework will still need to be applied. These tests being that
- they are necessary to make the development acceptable in planning terms,
 - directly related to the development, and
 - fairly and reasonably related in scale and kind.

- 1.6.5 It is intended that CIL sits alongside the current Section 106 regime rather than directly replacing it with regulations in place to ensure that there is a distinction between the two systems and that they do not overlap.

1.7 Chargeable development

- 1.7.1 CIL is levied on the development of virtually all buildings that people 'normally go into'. The following development types will be liable for CIL:

- Developments of more than 100m² new floorspace;
- Development of less than 100m² which result in the creation of one or more new dwellings;
- The conversion of a building that is no longer in lawful use.

Exemptions

- 1.7.2 The CIL Regulations provide for certain types of development to be exempt from CIL, which include:

- Development by registered charities for the delivery of their charitable purposes;
- Those parts of a development which are to be used as social (affordable) housing;
- The conversion of any building previously used as a dwelling house to two or more dwellings;
- Development of less than 100m² of new build floorspace, provided that it does not result in the creation of a new dwelling;
- The conversion of, or works to, a building in lawful use that affects only the interior of the building;
- Development of buildings and structures into which people do not normally go (e.g. pylons, wind turbines and electricity sub stations);
- Residential annexes and extensions (where the person who would normally be liable for the charge owns a material interest in the main dwelling and occupies the main dwelling as the sole or main residence);
- Self-build housing where a dwelling is built by the person who would normally be liable for the charge (including where built following a commission by that person) and occupied by that person as their sole or main residence.

Setting the levy

- 1.7.3 The rate of CIL is determined by the charging authority. It is scrutinised by an independent examiner to assess whether the charge has regard to the evidence base and that the level of charge is reasonable and will not impact negatively on the economic viability of development taken as a whole across the Authority's area.
- 1.7.4 Under Regulation 13 of the Community Infrastructure Regulations 2010 (as amended) a CIL charge can either be set as a single rate which covers all types of development across the whole of an area or as differential rates which cover different development types and/or different areas. Whilst guidance also denotes that it is also possible for some types of development to have a zero rating this can **only** be based on viability and cannot be used to encourage certain types of development within an area as this could be considered as state aid and would therefore be deemed unlawful. A CIL charging schedule can be reviewed, but this would then be subject to re-consultation and re-examination.

1.8 Evidence base used

1.8.1 To support the DCS an update of the plan viability was completed (noted as item e. below) and this in conjunction with previous documents used for the PDCS informed the schedule. These documents can all be viewed on the JCS website www.gct-jcs.org and include:

- a. Stage 1 and Stage 3 Viability assessments of local development typologies/representative development schemes
<http://www.gctjcs.org/PublicConsultation/EINF-Evidence-Infrastructure.aspx>
- b. Stage 2 Viability Testing of Notional Development Schemes, Allocated in the Pre Submission Joint Core Strategy
<http://www.gct-jcs.org/PublicConsultation/EINFEvidence-Infrastructure.aspx>
- c. Joint Core Strategy, Submission version November 2014
<http://www.gctjcs.org/Documents/Publications/Submission/JCS-Submission-Version-November-2014acorrected.pdf>
- d. Gloucester City Council, Cheltenham Borough Council & Tewkesbury Borough Council, Infrastructure Delivery Plan.
<http://www.gct-jcs.org/PublicConsultation/EINF-Evidence-Infrastructure.aspx>
- e. Viability Evidence – Plan Viability, Community Infrastructure Levy and affordable housing study, Peter Brett Associates LLP, January 2016.
<http://www.gct-jcs.org/Documents/Examination-Document-Library-4/EXAM-176---JCS-CIL-and-Plan-Viability-Report-Final-January-2016.pdf>
- f. JCS CIL Preliminary Draft Charging Schedule Consultation Report, February 2016
<http://www.gct-jcs.org/Documents/CIL/JCS-CIL-PDCS-consultation-report.pdf>
- g. JCS Viability Workshop Note October 2014
<http://www.gct-jcs.org/Documents/Examination-Document-Library/DVS-CIL-Viability-Consultation-Workshop-Note~October-2014.pdf>
- h. JCS Viability Roundtable June 2015
<http://www.gct-jcs.org/Documents/Examination-Document-Library/EXAM-83---JCS-Viability-Note-Following-Round-Table-Session.pdf>

1.8.2 Subsequent to the initial viability work completed by the District Valuer Services (referred to as DVS henceforth), Peter Brett Associates (referred to PBA henceforth) were jointly commissioned by Cheltenham Borough, Gloucester City and Tewkesbury Borough to undertake a further viability assessment taking into consideration the updated JCS development plan, comments made on the PDCS (included within the PDCS Consultation report, listed above), discussions at the JCS examination as well as a roundtable session with developers held June 2015 and the subsequent various meetings with the relevant developers and stakeholders on infrastructure needs of the strategic allocations. This built upon previous engagement with the development industry by DVS (a workshop was held in October 2014) and consultants ARUP who prepared the JCS Infrastructure Delivery Plan and work of the JCS councils. Specific focus was given to developers operating within the JCS strategic allocations.

1.8.3 The main purpose of a plan viability (or PV) assessment is to provide evidence to show that the requirements of the National Planning Policy Framework (NPPF) are met. That is, the policy requirements in the Plan should not threaten the delivery of the plan as a whole. The objective of this study is to inform policy decisions relating to the trade-offs between the

policy aspirations of achieving sustainable development and the realities of economic viability. A key outcome of this is to establish the surplus residual land value (referred to as the “headroom”) left over once other build and policy costs are taken into account. This analysis then provides the scope for setting a CIL rate.

- 1.8.4 The latest plan viability assessment (item e. above), further reviewed the types of developments most likely to come forward in the JCS area. It is intended that the DCS is read in conjunction with this viability assessment, particularly for further details regarding the methodology and assumptions.
- 1.8.5 The viability work raises ‘viability pressures’ between the delivery of infrastructure via CIL and the balance with continued Section 106 obligations for site specific infrastructure and affordable housing. The council, in implementing CIL, needs to achieve a realistic balance which does not undermine the viability of development.

1.9 Proposed CIL rates

- 1.9.1 The viability work conducted by PBA (in the report ‘Community Infrastructure Levy and affordable housing study, Peter Brett Associates LLP, January 2016’) provides the following recommendations for CIL within Cheltenham. The following amounts are represented as a £ per square metre value.

Residential development

- 1.9.2 For the residential sites in Cheltenham the recommended CIL rate is in table 1.2 below.
- 1.9.3 Table 1.2 also sets out the CIL rates for strategic sites that are located within Cheltenham’s administrative area.

Table 1.2: Proposed residential CIL rates

		Recommended CIL £ sq. m	Recommended Affordable Housing (AH)
Generic sites	Cheltenham 10 dwellings and under	£148	0%
	Cheltenham 11 dwellings and over	£200	40%
Strategic sites	A5 Northwest Cheltenham	£35	35%
	A6 Leckhampton	£35	35%

Other forms of development

- 1.9.4 The viability assessment also considered housing for older persons, table 1.3 below sets out the recommended rates

Table 1.3: Proposed older persons residential CIL rates

	Recommended CIL £ sq. m
Retirement Homes	£200
Extra Care Homes	£100

- 1.9.5 In addition to residential uses a number of other uses have been tested. With the exception of retail uses located outside out of the town centre, all other uses were found to have insufficient headroom to levy a charge.

Table 1.4: Proposed Non residential CIL rates

	Recommended CIL £ sq. m
Retail development outside town centre	£100
Retail development within town centre	£0
Any Office uses	£0
Any Industrial uses	£0
Student Accommodation	£0
Hotels	£0
All other forms of development not previously listed	£0

1.10 Spending of CIL

- 1.10.1 Under Regulation 123 of the Community Infrastructure Levy Regulations 2010 (as amended), henceforth referred to as 'CIL Regulations', the charging authority will publish on its website their intention for how revenues raised from the levy will be spent. This will make clear what items will in future fall under the CIL rather than Section 106, but also show contributors and other interested parties what types of infrastructure the CIL could be spent on. In formulating the Regulation 123 list the Council will continue to work closely with other bodies to address strategic infrastructure and that delivered by other public authorities, for example, Gloucestershire County Council. The Regulation 123 list is attached to this document under Appendix B.
- 1.10.2 The CIL regime allows authorities to respond to changing local circumstances, by spending revenue from the CIL on different projects from those identified during the rate setting process. Therefore the Regulation 123 list will be continually reviewed and updated accordingly. Changes to the Regulation 123 list will be updated via the council website.

1.11 Duty to pass CIL to local councils

- 1.11.1 CIL regulations outline provision for receipts to be redistributed to local parish councils, or to be spent on behalf of designated neighbourhood forums. Government established this principle in legislation as a reward to communities for receiving new development. The proportion allocated to the local council, or spent on behalf, is dependent on the adoption of a neighbourhood plan. Where a neighbourhood plan is in place, 25% of the CIL is passed to the local council. Where a neighbourhood plan is not made, 15% is passed to local councils, subject to a cap equivalent to £100 for every existing dwelling in that area.

1.12 Optional exemptions and discretionary matter

- 1.12.1 The CIL Regulations allow Local Authorities to make certain choices about how to implement the CIL and the Council would like your views on the following options:

Payment by instalments (Regulation 69b)

- 1.12.2 Payment of a CIL charge is due from the date at which a chargeable development commences. The Council can offer the payment of CIL by instalments to provide flexibility and support for more complicated and phased developments. An 'instalment policy' stating the parameters of this process would be published alongside the adopted Charging Schedule.

Social housing relief (Regulation 49)

- 1.12.3 The Council can allow, at its discretion, relief from liability to pay a CIL charge to new market houses that are to be sold at no more than 80 per cent of their market value.

Land and infrastructure in-kind (Regulations 73&73A)

- 1.12.4 The Council can allow, at its discretion, the value of land transferred to the Council and infrastructure provided or constructed by a developer to be offset against the CIL charge. This would enable developers to provide the infrastructure needed to support new development directly, rather than paying for it indirectly through the CIL. The value of land and infrastructure in kind would be determined by 'a suitably qualified independent person' (for example the District Valuer).

Discretionary relief for exceptional circumstances (Regulation 55)

- 1.12.5 Liability to pay a CIL charge on chargeable development is a statutory obligation and is non-negotiable. The Council can, however, in exceptional circumstances offer discretionary relief from liability to pay a CIL charge. Offering this relief would provide the Council with some flexibility to deal with complex sites which are proved to have exceptional costs or other requirements which make them unviable.
- 1.12.6 Justification for this relief would have to be demonstrated through (independently verified) appropriate evidence of viability and is entirely at the discretion of the Council. This relief can be activated and deactivated at any time subject to a notice of intention to be published by the Council.

Discretionary charitable relief: investment activities (Regulation 44)

- 1.12.7 The Council can allow, at its discretion, relief from CIL liability to charity landowners where the greater part of a development is held as an investment from which the profits are applied for charitable purposes.

1.13 Your View

We would like your view on the Draft Charging Schedule by the closing date **xxxxxxxxxx**. Any responses will be submitted to the Planning Inspectorate as part of the formal submission information provided by the Council under Regulation 19.

Appendix A: DCS rates proposed for Gloucester and Tewkesbury including the Strategic Allocations.

1.13.1 The table and explanations below summarise the proposed DCS CIL rates for Gloucester and Tewkesbury as well the Strategic Allocations.

Table A1: Gloucester and Tewkesbury Proposed DCS rates – Generic Sites

		Recommended CIL £ sq. m	Recommended Affordable Housing (AH)
Generic sites	Gloucester 10 dwellings and under	£0	0%
	Tewkesbury 10 dwellings and under	£104	0%
	Gloucester 11 dwellings and over	£45	20%
	Tewkesbury 11 dwellings and over	£200	40%

1.13.2 For completeness the proposal for the JCS strategic allocations is different whereby due to many factors including the complexity of the sites, it is proposed to remain with Section 106 agreement for all site associated infrastructure, but for the sites to have a CIL rate of **£35 per sq m** to contribute to the wider strategic infrastructure needs. This will apply to all sites apart from the portion of SA8 currently the MOD section which due to its brownfield nature, it is proposed to have a **£0 rate**. To support this ‘strategic infrastructure’ CIL contribution, it is also proposed that the affordable housing contribution will be 35% on all strategic allocations.

1.13.3 For commercial units, PBA’s testing indicates that all out of centre and convenience typologies were viable. To ensure a simple and consistent approach, a CIL rate of **£100 per sq. m** for these types of units is proposed across the JCS authority areas. Whilst viability of town centre retail across the JCS area varied, it was recommended that this type of development could not support a significant charge in any of the JCS authorities.

Appendix B: Regulation 123 list for DCS

In accordance with the Planning Act (2008) as amended by the Localism Act (2011) and the Community Infrastructure Levy Regulations (2010) as amended.

The infrastructure that may be funded by CIL will be set out in lists to be published from time to time by the Charging Authority - known as the Regulation 123 list.

The Regulation 123 list is a supporting document for the Cheltenham CIL Charging Schedule and the table below gives an indication of the types and categories of infrastructure and/or specific infrastructure projects to which CIL receipts raised by the Council as the Charging Authority could be applied.

In general it is proposed that site specific or direct mitigation measures, including providing a safe and acceptable means of access to a public highway, or roads providing access to a development, will be secured through planning conditions and obligations.

Other more strategic infrastructure may be supported in whole or in part through CIL.

The inclusion on the list of an infrastructure project or type of infrastructure does not represent a commitment by the Council to provide that project or type of infrastructure either with or without funding from CIL. The only function of the list is in relation to the future use of Section 106 agreements and to avoid any perception of double charging to developers. The Infrastructure List gives an indication of the categories of infrastructure currently intended to be funded by CIL or other means. The list can be reviewed on a regular basis, for example annually, to ensure that it remains up to date. The order of the list does not imply any preference or priority.

It is anticipated that CIL receipts will be limited in the early years of CIL implementation and the Council will need to consider priorities for infrastructure delivery. Work is progressing in developing options for discussion on governance.

Reg. 123 List – Cheltenham (including Strategic Allocations if applicable)

Infrastructure to be funded, or part funded, through CIL	Infrastructure and other items to be funded through S106 Obligations; S278 of the Highways Act; other legislation or through Planning Condition
Section A: All Non-Strategic Allocations	
Transportation Transportation infrastructure, improvements and access for walking, cycling, public transport and highways.	Development of on-site facilities or infrastructure and specific mitigation works on or directly related to a development site.
Education Provision for which the Local Education Authority has a statutory responsibility including early years, primary and secondary (covering ages 2 – 19)	
Flood and Water Management Flood risk mitigation to support development across the area.	Development specific mitigation works on or directly related to a site.
Social and Community Infrastructure Including provision of social and community facilities and other meeting places, sports, recreational, play infrastructure and youth	Development of on-site facilities or infrastructure and specific mitigation works on or directly related to a development site.

Infrastructure to be funded, or part funded, through CIL	Infrastructure and other items to be funded through S106 Obligations; S278 of the Highways Act; other legislation or through Planning Condition
provision, health/healthcare.	
Green infrastructure Including enhancement and management of green spaces and biodiversity, strategic green corridors, wider open spaces and amenity spaces, allotments and community gardens	Development specific mitigation works on or directly related to a site.
Historic Environment Conservation and enhancement of the historic environment, heritage assets and their setting.	Development specific mitigation works on or directly related to a site.
Public Realm, Art and Culture Off-site provision, enhancements and management including tree planting, wider environmental enhancements, street furniture and signage. Interpretation of arts and culture in line with Cheltenham public arts strategy and tourism strategy.	Development of on-site facilities or infrastructure and specific mitigation works on or directly related to a development site.
Emergency Services (Police, Fire and Ambulance) Including infrastructure to support the capacity of local services in areas of major growth.	Provision of fire hydrants.
Economic Development Infrastructure Including off-site starter/incubator business units, information and communications technology, supporting other employment initiatives and delivery of Cheltenham economic and tourism strategy.	On-site infrastructure and non-infrastructure initiatives such as skills training and local employment initiatives.
Waste Recycling Provision of household waste recycling and waste management facilities	On site collection facilities and waste reduction initiatives.
Renewable Energy Infrastructure Renewable Energy infrastructure	
Section B: Strategic Allocations	
Strategic Infrastructure Infrastructure not directly linked to the development site of strategic nature	All site specific infrastructure needs.

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