

## Cabinet

**Tuesday, 11th October, 2016**  
**6.00 - 6.55 pm**

<b>Attendees</b>	
<b>Councillors:</b>	Steve Jordan (Leader of the Council), Flo Clucas (Cabinet Member Healthy Lifestyles), Chris Coleman (Cabinet Member Clean and Green Environment), Rowena Hay (Cabinet Member Finance), Peter Jeffries (Cabinet Member Housing), Andrew McKinlay (Cabinet Member Development and Safety) and Roger Whyborn (Cabinet Member Corporate Services)

## Minutes

**1. APOLOGIES**

There were none.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest

**3. MINUTES OF THE LAST MEETING**

The minutes of the meeting held on 13 September 2016 were approved and signed as a correct record.

**4. PUBLIC AND MEMBER QUESTIONS AND PETITIONS**

There were none.

**5. ADVICE & INCLUSION CONTRACT**

The Cabinet Member Housing introduced the report and explained that the council's Advice and Inclusion Contract with County Community Projects (CCP) expired on 31 March 2017. This therefore provided the council with an opportunity to review the outcomes and service specification to ensure that it was best placed to meet the needs of Cheltenham residents most affected by the ongoing changes being brought about by the welfare reforms, particularly with regard to the implementation of Universal Credit.

The new Advice and Inclusion Contract would seek to mitigate against the risk of households falling into debt, thereby preventing homelessness. The Cabinet Member emphasised that the contract was not a statutory requirement but it was intrinsically important to the council's housing and homelessness strategy overall. The key changes being proposed reflected the introduction of Universal Credit, as this will present significant changes to the way those on benefits would be able to claim their benefit and manage their financial affairs. The key outcomes identified included maximising incomes. The welfare reform timetable was attached as appendix 2 to the report and it was worth noting that there were still 2-3 years of changes. The Cabinet Member strongly believed that residents significantly benefited from the advice provided.

In concluding the Leader believed that the impact of the contract was considerable and reiterated the fact that this was a discretionary service that the council was providing in difficult financial circumstances.

## **RESOLVED THAT**

- 1. The Advice and Inclusion Contract be retendered for a term of 3 years from April 1<sup>st</sup> 2017, with the option of extending the term for a further 2 years, subject to satisfactory performance and available finance.**
- 2. The Managing Director of Place and Economic Development be authorised, in consultation with Cabinet Member Housing, to award the contract to the successful tenderer, following evaluation of bids.**
- 3. the Managing Director of Place and Economic Development be authorised, in consultation with Cabinet Member Housing, to extend the contract for a further 2 years following the end of the first 3 years of the service contract, subject to satisfactory performance and available finance.**

## **6. CHELTENHAM BOROUGH COUNCIL TRAVEL PLAN**

The Cabinet Member Corporate Services introduced the report which presented a Travel Plan for the Municipal Offices. He explained that it had been developed in discussion with the Joint Liaison Forum. The Staff Parking Levy reserve stood at £33k. It was intended to be used to encourage modal shift in favour of sustainable and active travel and to reduce the need to travel associated with the Council's operations, in order to reduce environmental impacts and encourage healthy lifestyles.

He explained that various initiatives were being explored highlighting the contract with Stagecoach to offer discount bus tickets to staff and over time reducing the need to travel by promoting home working and exploring the potential for staff to work some of the time at an office local to them.

The Leader welcomed the positive initiatives in the report and stated that via the Business Improvement District (BID) in which the Municipal Offices was located, staff would be offered a 20% discount on bus travel.

A question was raised as to whether electric cars and electric bikes had been considered. The Cabinet Member Corporate Services invited the Townscape Manager to address Cabinet. He explained that electric vehicle charging points had been installed in Town Centre East car park funded by the LSTF and the staff levy. This was available to the public outside of the normal working day. He emphasised that the list of initiatives was not exhaustive. The Cabinet Member Corporate Services highlighted his intention to investigate the car pool system and undertook to look into electric bicycles. One Member suggested that the council look into seeing whether there could be a requirement within planning permissions for new properties/developments to be equipped with electric car charging points.

The Townscape Manager undertook to look at the suggestions in more detail.

**RESOLVED THAT**

- 1. the Travel Plan at appendix 2 be approved as a statement of strategic intent up to September 2019; and the Action Plan appended to it as a series of projects to be investigated and implemented where appropriate; and**
- 2. authority be delegated to the Managing Director Place and Economic Development, in consultation with the Cabinet Member Corporate Services and the Joint Liaison Forum, to deliver the strategy and consider additional actions in support of the strategy where appropriate.**

**7. PLACE STRATEGY-SCOPING**

The Leader introduced the report and explained that the Place Strategy would deliver against the identified priority action of the Cheltenham Corporate Strategy (2016-17).

This was a new document picking up the economic issues which were important to the town and area and as identified in the Athey report. He gave the example of the identification within the JCS of an area in the West of Cheltenham to be developed as a Cyberzone which would be very important going forward.

Cabinet's approval was sought on asking officers to engage in consultation with key stakeholders and communities of the Borough to inform the preparation of the draft Place Strategy and supporting action plan to be considered by Council in March 2017.

**RESOLVED THAT**

- 1. the scope and purpose of the Place Strategy as set out at section 2 be agreed, and**
- 2. the officer team be actioned to engage with key stakeholders and communities of the Borough to inform the preparation of the draft Place Strategy and supporting Action plan, to be considered by Council March 2017.**

**8. CHELTENHAM DEVELOPMENT TASK FORCE BUSINESS PLAN**

The Cabinet Member Development and Safety introduced the report and explained how the Cheltenham Development Task Force Business Plan had been approved by the Task Force in July 2016. He referred to section 6 of the report which outlined the specific projects, targets and activities for the next three years which included :

- maintaining liaison and co-ordination with developers and active sites**
- concluding Brewery II**
- Beechwood Shopping Centre conversion to JLP store**

- **delivering a revised solution for North Place and Portland Street**
- **Royal Well/Municipal Offices**
- **Chapel Walk and Synagogue Lane**
- **Lower High Street**
- **St Marys**
- **Bath Square transformation project**
- **Transport changes**
- **Walking**
- **Car/highway projects**
- **Public realm works**
- **Taking a pro-active role with employers in the locality including cyber/innovation hub potential**
- **Future ambitions to include Tewkesbury Road and the Quadrangle**

The Cabinet Member highlighted that the business plan encompassed a great amount of the economic drive in the town at this time with every major scheme being included in the list. A whole range of people were brought together via the Task Force such as the County Council and the Local Economic Partnership. He made reference to the appendix which provided a list of actions and outputs achieved over the last six years and as a result of which economic investment in Cheltenham amounted to more than £200 million.

Members welcomed the business plan. A Member commented that the CDTF, whilst independent, should talk about its achievements in its own right.

The Leader praised the work of the CDTF saying that its key components collectively represented contributions to the economy of the town. Its work related to the draft Place Strategy which had been considered earlier on in the agenda. He said that the CDTF had an important role going forward and it must continue to ensure that it appointed people who were leading in each area.

#### **RESOLVED THAT**

- 1. the Task Force Business Plan 2016-2019 be endorsed, and**
- 2. it be noted that a review of governance and direction of the Task Force has been initiated by the MD Place & Economic Development and that a report on that review be received later in 2016 and the Task Force Business Plan be updated as necessary**

#### **9. 2020 PARTNERSHIP LOCAL AUTHORITY COMPANY**

The Cabinet Member Corporate Services introduced the report and reminded Members that in October 2015 Council approved the creation of the 2020 Partnership Joint Committee, the delegation of GO Shared Service and ICT from the date of its creation and, following Cabinet decisions on 9 February, the

subsequent delegation to the joint committee, of revenues, benefits and customer services. In October 2015 Council also delegated to the joint committee employment matters for all partner council staff including HR policies and procedures, pay and grading policy and total reward policy. Along with other partner councils CBC requested a further report during 2016 on the business case for a local authority company. A company structure and governance proposals was approved by the joint committee on 30 September 2016 which included proposals for CBC to become a member of a support services company from which it would receive GOSS and ICT.

Cabinet had reviewed the position regarding the inclusion of revenues, benefits and customer services and had determined to withdraw those services and to return them to the direct management of CBC rather than commit them to the company.

The Cabinet Member stated that Cheltenham Borough Council had positive experience with shared services. It was now a question of tailoring an all embracing project in its initial concept to something what would be appropriate for Cheltenham. Transferring the existing partly shared services to a company would provide resilience and the Cabinet Member gave the example of the positive experience with UBICO.

The following comments were made by Members :

- Austerity had driven the council to pursue shared services. However it was important to protect those front line services which Cheltenham were providing uniquely.
- There was a fear among some Members that as the partnership model moved towards a company model openness and transparency could be compromised. Decision-making would move further away from each authority and therefore individual Members. It was essential for Members to be able to scrutinise decisions of the company and that they had all the necessary and relevant information available to them in order that they could uphold their duty to residents.
- The decision to keep customer services and revenues and benefits in house should be kept under strict review but it provided CBC with the opportunity to shape these front facing services with a different view in conjunction with other partners. There was a strong belief among some Members that keeping these services in house was in the very best interests of the council and its residents.
- A Member made particular reference to the £159k savings target identified in the Medium Term Financial strategy from including customer services and revenues and benefits in the proposals. He highlighted that CBC's current collection rate was 98 % compared to the national average of 97% and questioned whether this rate could be maintained within a company model. Based on £45 million received by the council a year, a 1% decrease represented £450k which in his view illustrated the scale of the risk of potential loss. He strongly believed that it was in the best interests of Cheltenham to keep those services in house as it provided the council with more flexibility compared to other potential joint arrangements. It also protected the unique provision of service in Cheltenham compared to other rural authorities within the joint partnership.

The Leader emphasised that the driver for pursuing joint arrangements was to ensure that services in Cheltenham were not cut which was particularly challenging faced with the dramatic reduction in Government funding over recent years. He highlighted CBC's conscious ability to provide discretionary

services and gave the example of the new advice contract which Cabinet had approved earlier on the agenda. It was vital that the company was transparent and accessible to all members on a cross party basis. Scrutiny of the company was important and how the company was operating should be kept under constant review.

The Cabinet Member Corporate Services reiterated that the rationale behind withdrawing revenues and benefits and customer services from the company model was in order to have "local services locally managed". He recognised the role of scrutiny which had been built into the model.

#### **RESOLVED THAT**

- 1. the updated 2020 Partnership Business Case at Appendix 2 be approved in so far as it relates to Cheltenham Borough Council for the delivery of GOSS and ICT functions.**
- 2. the transfer of GOSS and ICT functions as outlined in Schedule 2 of the Inter Authority Agreement dated 11 February 2016 to a local authority support services company owned by Cheltenham Borough Council, Cotswold District Council, Forest of Dean District Council and West Oxfordshire District Council be approved.**
- 3. it be agreed that this authority's revenues (including council tax), benefits and customer services be withdrawn from the 2020 Partnership Joint Committee with effect from 14 November 2016.**
- 4. the Head of Paid Service be authorised, in consultation with the Leader, Cabinet Member for Corporate Services, the s151 Officer and the Borough Solicitor to work with the Partnership MD to finalise and complete the Articles of Association, Members Agreement, Contract for Services and documents and to take all necessary steps to enable the support service local authority company formation.**
- 5. the Democratic Services Manager, in consultation with the Borough Solicitor, be authorised to make such changes to the Constitution as are necessary to reflect and facilitate the implementation of the recommendations in this report.**

#### **10. BUDGET STRATEGY AND PROCESS 2017/18**

The Cabinet Member Finance, introduced the report on the budget process, which proposed a broad strategy and outlined a process for setting the budget and council tax for 2017/18.

She referred to the fact that between 2009 and the present Government core funding had been reduced from £8.8 million to £3.1 million a year. The proposed settlement for 17/18 was indicating a further reduction of 17.5 % or £0.677 million in cash terms. She explained that radical changes in the way services were organised had already been embraced to cope with these reductions. 2017/18 thus represented a further challenge.

The Cabinet Member explained that in February the Government had announced proposals for councils including retaining 100% business rates, permission to spend capital receipts on cost saving reforms, increasing council tax and the offer of a guaranteed 4 year budget. Details were awaited however as to how the 100% business rates would be divided up, or the full implications of the proposed changes to New Homes Bonus.

She informed that the new budget strategy focussed on two major areas of work :

- Driving business growth in order to increase the income received from business rates. The Government's decision to allow councils to retain a share of the business rates they collect has given the council a direct financial interest in promoting business growth and development. The Cabinet Member explained that the longer term approach to finding growth and efficiencies to close the funding gap was fundamentally through economic growth and investment. She informed Members that a report would be brought to Council in December to consider approving a substantial sum for the purchase of a property investment portfolio in December 2016. In addition, resources would be geared towards supporting and delivering the growth agenda including major developments in North West and West Cheltenham.

She explained that promoting economic growth was a key function of the Cheltenham Development Taskforce, and she gave the example of the Brewery development and proposed new John Lewis store at the Beechwood Arcade. She added that working with the business community, local employers and other public bodies in the town, the focus should be on encouraging the growth of existing businesses and the establishment of new ones. This would not only support the council's finances but, even more importantly, jobs and career opportunities in the town.

- Closing the financial gap as set out in the Medium Term Financial Strategy (MTFS) (Appendix 3 of the report) which includes savings targets, the accommodation strategy, sharing management and staff costs, asset rationalisation which includes the depot, future waste initiatives and savings targets for commissioning reviews.

The Cabinet Member concluded by saying that Cabinet would ensure that Government funding cuts did not feed through into big council tax increases and rises in charges. It represented a huge challenge, but was one to be embraced if Cheltenham was to be a town with good services and a strong economy.

The Leader recognised the significant amount of work which had been involved in developing the MTFS and paid tribute to all involved.

## **RESOLVED THAT**

- 1. the budget setting timetable at Appendix 2 be approved.**
- 2. the budget strategy and MTFS outlined in section 5 and Appendix 3 be approved.**
- 3. the reserve realignments outlined in section 8 and the level of reserves projected at Appendix 4 be approved.**
- 4. the expected cut in government baseline funding of £677k for 2017/18, the estimated funding gap of £1.721m and the large amount of work done so far to close this gap be noted.**
- 5. the Section 151 Officer be authorised to submit a Four Year Efficiency Plan to the DCLG using the approved MTFS as the basis for that submission as outlined in section 6.**
- 6. the intention for this Council to remain in the Gloucestershire Business Rates Pool in 2017/18 as outlined in section 7 be noted.**
- 7. the Section 151 Officer and the Cabinet Member for Finance be requested to consider suggestions from the Budget Scrutiny Working Group in preparing the interim budget proposals for 2017/18 as outlined in section 9.**

## **11. BRIEFING FROM CABINET MEMBERS**

The Cabinet Member Healthy Lifestyles reported the following :

- the Heads Up campaign had been recently launched. The focus was on removing the stigma of mental illness and to provide those suffering from mental illness with the opportunity to make friends, talk and combat isolation. 60 organisations had attended the launch comprising partnerships and the voluntary and community sector.
- Interviews for the writer of the Public Art Strategy had taken place that morning
- the Culture Board had now met. Each organisation would be submitting their own ideas regarding place marking. The purpose was to come together to mutually support what was common among the relevant parties.
- She had met with the Strategy and Engagement Manager and the Director Resources to discuss the potential for the Trust in terms of capital investment.

The Leader informed that a press briefing would be issued the following week with regard to the domestic homicide review.



The Leader also informed Members that there was likely to be a special Cabinet meeting convened shortly on a property matter.

**12. CABINET MEMBER DECISIONS TAKEN SINCE THE LAST MEETING**

The following decisions were reported to Cabinet :

<b>Cabinet Member Finance</b>	Disposal of 455 High Street
<b>Cabinet Member Housing</b>	Joint Commissioning of a County-wide Assertive Outreach Service
<b>Cabinet Member Housing</b>	Older people's housing related support service provision under Cheltenham Borough Homes

**Chairman**