



## Notice of a meeting of Cabinet

**Tuesday, 5 March 2019**

**6.00 pm**

**Municipal Offices, Promenade, Cheltenham, GL50 9SA**

<b>Membership</b>	
<b>Councillors:</b>	Steve Jordan, Flo Clucas, Chris Coleman, Rowena Hay, Alex Hegenbarth, Peter Jeffries and Andrew McKinlay

## Agenda

		<b>SECTION 1 : PROCEDURAL MATTERS</b>	
<b>1.</b>		<b>APOLOGIES</b>	
<b>2.</b>		<b>DECLARATIONS OF INTEREST</b>	
<b>3.</b>		<b>MINUTES OF THE LAST MEETING</b> Minutes of the meeting held on 12 February 2019	(Pages 3 - 12)
<b>4.</b>		<b>PUBLIC AND MEMBER QUESTIONS AND PETITIONS</b> These must be received no later than 12 noon on the fourth working day before the date of the meeting	
		<b>SECTION 2 :THE COUNCIL</b> <i>There are no matters referred to the Cabinet by the Council on this occasion</i>	
		<b>SECTION 3 : OVERVIEW AND SCRUTINY COMMITTEE</b> <i>There are no matters referred to the Cabinet by the Overview and Scrutiny Committee on this occasion</i>	
		<b>SECTION 4 : OTHER COMMITTEES</b> <i>There are no matters referred to the Cabinet by other Committees on this occasion</i>	
		<b>SECTION 5 : REPORTS FROM CABINET MEMBERS AND/OR OFFICERS</b>	
<b>5.</b>		<b>SETTING UP A CHELTENHAM LOTTERY</b> Report of the Cabinet Member Healthy Lifestyles	(Pages 13 - 34)

6.		<b>DRAFT CORPORATE STRATEGY 2019-2023</b> Report of the Leader	(Pages 35 - 56)
7.		<b>URBAN GULLS STRATEGY</b> Report of the Cabinet Member Development and Safety	(Pages 57 - 84)
8.		<b>MODERNISATION CASE FOR CHANGE</b> Report of the Cabinet Member Corporate Services	(Pages 85 - 140)
		<b>SECTION 6 : BRIEFING SESSION</b> • Leader and Cabinet Members	
9.		<b>BRIEFING FROM CABINET MEMBERS</b>	
		<b>SECTION 7 : DECISIONS OF CABINET MEMBERS</b> Member decisions taken since the last Cabinet meeting	
		<b>SECTION 8 : ANY OTHER ITEM(S) THAT THE LEADER DETERMINES TO BE URGENT AND REQUIRES A DECISION</b>	
10.		<b>SECTION 9: BRIEFING NOTES</b> Preparations for the impact of Brexit on CBC	(Pages 141 - 142)

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## Cabinet

**Tuesday, 12th February, 2019**  
**6.00 - 6.40 pm**

Attendees	
<b>Councillors:</b>	Steve Jordan (Leader of the Council), Chris Coleman (Cabinet Member Clean and Green Environment), Rowena Hay (Cabinet Member Finance), Peter Jeffries (Cabinet Member Housing) and Andrew McKinlay (Cabinet Member Development and Safety)
<b>Also in attendance:</b>	Councillor Matt Babbage

## Minutes

### 1. APOLOGIES

Apologies were received from Councillors Clucas and Hegenbarth.

### 2. DECLARATIONS OF INTEREST

There were no declarations of interest.

### 3. MINUTES OF THE LAST MEETING

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

### 4. PUBLIC AND MEMBER QUESTIONS AND PETITIONS

There were none.

### 5. REVIEW OF HACKNEY CARRIAGE FARES

The Cabinet Member Development and Safety introduced the report and explained that Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 permitted the council to set the maximum fares for hackney carriage vehicles licensed by it. He explained that the last hackney carriage fare review was undertaken in 2017 when Cabinet approved a 6% increase based on the council's adopted fare formula.

The Cabinet Member reported that a further review of hackney carriage fares had been undertaken and this report sought approval from Cabinet to revise the current fare table for hackney carriage vehicles as outlined in Appendix 2. He highlighted that the trade had informally requested that the proposed increase be reflected in the initial "flag fall" rather than adjusting the time and/or distance calculations. This would in effect discourage shorter journeys. In November 2018, the council consulted with the public hire trade on proposed revised methodologies for calculating hackney carriage fares in Cheltenham. The council received no responses to this consultation.

## RESOLVED THAT

**1. the revised methodology and proposed maximum fare increase for hackney carriages be approved; and**

**2. authority be delegated to the Licensing Team Leader to carry out the necessary advertising requirements to comply with section 65 of the Local Government (Miscellaneous Provisions) Act 1976; and**

**3. Subject to there being no substantive amendments being made following consultation, authority be delegated to the Director of Environment to adopt the proposed fares.**

**6. HOUSING OPTIONS: FLEXIBLE HOMELESSNESS SUPPORT GRANT AND NEW BURDENS FUNDING**

The Cabinet Member Housing introduced the report which set out the spending proposals for Cheltenham Borough Homes' Housing Options Service, using additional funding provided by the Ministry of Housing and Local Government (MHCLG). This funding comprised New Burdens Funding (to take account of the additional responsibilities placed on councils as a result of the introduction of the Homelessness Reduction Act in 2018) and a Flexible Homelessness Support Grant.

The Cabinet Member explained that a lot of work on benefit and debt support had been undertaken over the last 4-5 years. Appendix 2 provided details of the proposed spending plans which were in summary to continue funding the current additional Housing Options Officer post, along with the Housing Solutions Officer post, (both of which were being funded from the existing allocation of New Burdens and Flexible Homelessness Support grant funding).

The Leader welcomed the work being undertaken to date and believed the proposal was a sensible way to use the available funding in the best possible way.

**RESOLVED THAT**

- 1. the transfer to Cheltenham Borough Homes' Housing Options Service the sum of £196,577 be approved; this being part of the MHCLG's New Burdens Funding and Flexible Homelessness Support Grant funding allocation to the council for 2019/20.**
- 2. It be noted that the indicative expenditures detailed within Appendix 2 of the report may need to be flexible, depending upon demands of the service. The authority to make any changes to these spending plans is delegated to the Lead Commissioner – Housing Services, in consultation with Cabinet Member – Housing.**

**7. BUDGET MONITORING REPORT 2018/19-POSITION AS AT DECEMBER 2018**

The Cabinet Member Finance introduced the report, the purpose of which was to notify Members of any known significant variations to budgets for 2018/19 and highlight any key issues.

She explained that the table at 2.1 summarised the net revenue impact position of the variances identified at this stage in the financial year, of anything over 50K and areas with volatile income trends. In brief they showed an increase in income of off street car parking, recycling credits, green waste subscription, property investment income, together with additional section 31 grant, and shortfalls of targets as reported in September 2018.

The Cabinet Member Finance explained that a detailed exercise was carried out to ensure that capital schemes were being delivered as planned within allocated capital budgets, some of which were timetabled to straddle two or more financial years. She reported the following variances to capital budgets :

- The capital scheme for the provision of a new sports & play hub, including a new splashpad and changing rooms at Leisure@ had been completed within the build timescales. There was an underspend of £26k against the total scheme budget of £2.5 million which reduced the funding requirement for the scheme.
- There was an expected net surplus for the year of £222k, generated from new rental income streams of £960k arising from the purchase of 4 commercial properties during the year, net of one off costs of £120k and short term and long borrowing costs of £618k.
- Housing Revenue Account (HRA) -the operating surplus was currently forecast at £2,273,000 against a budget of £2,180,000 an increase of £93K.
- HRA capital of the existing stock showed the current forecast for capital expenditure on existing stock at £7,373,000, a reduction of £689,000 in comparison to budget (£8,062,000). Within that figure there had been the following significant project variations:-
  - External Works (£329,000 reduction from budget of £543,000).
  - Windows & Doors (£118,000 reduction from budget of £2,425,000)
  - Door Entry Systems (£95,000 reduction from budget of £130,000)
  - The HRA capital on new builds or acquisitions - good progress on development sites in both 2017/18 and the current year had reduced the pressure to identify potential acquisitions this year. It was proposed that any unspent budget would be rolled forward as required into 2019/20.

The monitoring report for the collection of council tax and business rates income at end of December 2018 and the projected outturn for 2018/19 was shown at Appendix 2.

The Cabinet Member explained that the aged debt report showed the total debt at 31st December, being £1.6m, which had reduced from the position of £1.8m at the end of November. The Accounts Receivable Team worked hard to recover outstanding debts and it was pleasing to note that there was only £9,000 of aged debt over 1 year for the general fund and £148,000 for the HRA,

mainly for tenants rechargeable works. The level of aged debt was reviewed at the end of each year as part of the statement of accounts to ensure an adequate level of provision was available to fund any irrecoverable debt.

She reported that the impact on the general fund of the variances reported above was that there was a forecast net underspend against the budget of £43,100 for 2018/19. This would be transferred to the Budget Strategy (Support) Reserve, under the delegated authority of the Chief Finance Officer.

Finally the Cabinet Member explained that it would be for Cabinet and Council to decide in July 2019, when outturn was finalised, how to apply any potential savings, although highlighted that the strategy recommended was that this should go to the budget strategy reserve.

The Leader commended the surplus on the overall budget.

**RESOLVED THAT**

**the contents of this report including the key projected variances to the 2018/19 budget and the expected delivery of services within budget be noted/**

**Council be recommended to approve the budget virements to the 2018/19 budget, as part of the revised budget 2018/19, as detailed in Appendix 4.**

**8. LOCAL DISCRETIONARY BUSINESS RATES RELIEF SCHEMES**

The Cabinet Member Finance introduced the report and explained that the Local Revaluation Support had been available since 2017/18 to help businesses facing large increases in rates bills due to the 2017 revaluation. The Government allocated a specific reducing sum of money to billing authorities for each of the four years up to 2020/21 to fund a locally designed relief scheme.

She explained that of the £271k available, £268,000 had been allocated in respect of 2017/18. Legislation allowed the relief to be awarded up to 6 months after the end of the relevant financial year so no further relief could be awarded in respect of 2017/18.

Of the £132k allocated for 18/19, £122,000 was initially awarded in this financial year but due to businesses vacating their premises and rateable value changes this had reduced to £111,000. So far relief this year had been awarded to 250 businesses

The Cabinet Member reported that Local Revaluation Support Relief would continue to be available in 2019/20 with the funding available at £54,000 with an estimated 235 businesses benefitting. In 2020/21 the final year the amount would reduce to £8,000.

As the revaluation support scheme was intended to provide relief to businesses that faced increased bills due to the revaluation, relief would only be available to businesses that have qualified continually since 2017/18.

Approval was sought to award the relief in both years in line with the funding available and the scheme conditions in appendix 2. So that the total relief awarded to businesses in both years was as close as possible to the funding available, authority was being sought for the Executive Director Finance and Assets, in consultation with the Cabinet Member for Finance, to determine the actual percentage to be applied. Which would be made prior to the annual bills being issued in March each year and the rate would be reset if required to ensure the funding was distributed.

Relief for businesses losing the small business rate relief was still available to help those ratepayers who as a result of the 2017 revaluation lost all or some of their small business rate relief and faced large increases in bills.

The relief limited the increase in 2017/18 to the greater of 5% or £600. It then reduced each year, for up to five years, until the full rate bill was met. This relief would be funded by the Government and awarded in line with the detailed guidance using the Council's discretionary powers. Sections 3 and 4 on State Aid and Administration in Appendix 2 would also apply to this relief.

In terms of new retail discounts these would be available for occupied properties being used for retail purposes with a rateable value of less than £51,000. The value of the discount was one third of the bill, to be applied after other reliefs. As these were a temporary measure, the government expected billing authorities to use their discretionary relief powers in accordance with the guidance in appendix 3. This also outlined the types of retail covered. As the discounts were subject to state aid rules larger businesses with multiple outlets would not qualify. The business rates team had so far identified over 300 businesses that would qualify for this relief and it would be applied to the 2019/20 bills when they were issued in March.

The Leader wished to thank officers for their hard work involved in facilitating the schemes. Whilst these schemes represented a "sticking plaster" to some degree he would welcome a review of business rates as a whole in order to more fairly assess high street and online retailers.

### **RESOLVED THAT**

- 1. a business rates retail discount scheme for 2019/20 and 2020/21 be approved in line with Government funding, detailed guidance in appendix 3**
- 2. the local discretionary revaluation support scheme for 2019/20 and 2020/21 be approved in accordance with section 3 of this report and appendix 2**
- 3. the Executive Director Finance and Assets, in consultation with the Cabinet Member Finance, be authorised to set the percentage relief level for local revaluation support in respect of 2019/20 and 2020/21 as detailed in section 3.5 of this report.**
- 4. the continuation of the Supporting Small Businesses Relief Scheme be approved until the scheme is ended in accordance with the Government guidance and appendix 2**

5. **Due to the volume of cases, decisions relating to the application of these reliefs be delegated to the Head of Revenues and Benefits and officers in the Business Rates team. In the case of a dispute reconsideration is to be made by the Executive Director Finance and Assets.**

**9. FINAL GENERAL FUND REVENUE AND CAPITAL BUDGET PROPOSALS 2019/20 (INCLUDING SECTION 25)**

The Cabinet Member Finance introduced the report and reminded Members that in February 2018 the council set itself a challenge to become an enterprising and commercially focused Council which people were proud to work for and which others wanted to work with, working towards the objective of being financially sustainable by the financial year 2021/22.

In response to the difficult national funding situation, the overriding financial strategy had been, and remained, to drive down the council's costs. The aim was to hold down council tax as far as possible, now and in the longer term, whilst also protecting frontline services from cuts – an immensely challenging task in the present climate.

The council's commercial strategy aligned closely with other key strategies including place-making, economic growth, digital transformation, workforce and skills development, investment and asset management which had a combined message that Cheltenham had entered a new era of business enterprise, growth and innovation. The council wished to work with partners who shared its ambition and values and would continue to put the best interests of Cheltenham residents at the heart of everything.

The commercial strategy sought to bring service costs in line with available funding and seek additional forms of funding. The development of a new crematoria, and the acquisition of 4 new commercial investment properties (Ellenborough House, Sainsbury's, Café Nero and 53-57 Rodney Road) had already resulted in the over-achievement of the new revenue income target. In addition, Public Realm investment across the Town had enabled the council to attract major new businesses which, has had a positive effect on both business rates income and the vibrancy across the Town.

The Cabinet Member Finance stated that the starting point for the 2019/20 budget was a projected funding gap of £2.019m. The final assessment of the budget gap for 2019/20, based on the detailed budget preparation and the final local government financial settlement was £1.934m. Closing a gap of this size represented a huge challenge for the council, but the challenge had been met by a proactive approach which had identified efficiencies and additional income of £1.678m, leaving the shortfall balance to be funded from the budget strategy reserve.

As in previous years, the budget for the coming year was the result of a great deal of activity and hard work throughout the year, and the Cabinet Member wished to thank all involved. She believed that this budget would deliver for the residents of the town and therefore sought Cabinet's approval of the recommendations to Council on 18 February.

**RESOLVED THAT it be recommended to Council to :**

- 1. Approve the revised budget for 2018/19.**
- 2. Consider the budget assessment by the Section 151 Officer at Appendix 2 in agreeing the following recommendations.**
- 3. Approve the final budget proposals including a proposed council tax for the services provided by Cheltenham Borough Council of £209.08 for the year 2019/20 (an increase of 2.99% or £6.07 a year for a Band D property), as detailed in paragraphs 4.18 to 4.23.**
- 4. Approve the growth proposals, including one off initiatives at Appendix 4.**
- 5. Approve the savings / additional income totalling £1,677,600 and the budget strategy at Appendix 5.**
- 6. Approve the use of reserves and general balances and note the projected level of reserves, as detailed at Appendix 6.**
- 7. Note that the Council will remain in the Gloucestershire business rates pool for 2019/20 (paragraphs 4.5 to 4.17).**
- 8. Approve the recommendations made by the Independent Remuneration Panel (IRP), as detailed in paragraph 5.14.**
- 9. Approve the Pay Policy Statement for 2019/20, including the continued payment of a living wage supplement at Appendix 9.**
- 10. Approve the Medium Term Financial Strategy (MTFS) detailed in Section 5 and Appendix 10.**
- 11. Approve a level of supplementary estimate of £100,000 for 2019/20 as outlined in Section 13.**

**10. FINAL HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS 2019/20**

The Cabinet Member Finance introduced the report and explained that there had been significant changes in Government Housing Policy during the year, most notably the abolition of the HRA debt cap. This, together with the certainty on rent policy until 2025, would have a positive impact on HRA resources enabling the Council to increase investment in new build and stock improvements.

She reported that rents would again be reduced by 1% in April 2019 being the final year of the four year policy that commenced in April 2016 and would finish in March 2020. Rent policy would then revert back to the previous guidelines of allowing annual increases of up to CPI + 1% per annum for the following 5 years before a further review.

The 30 year HRA Business Plan had been updated to reflect:-

- Anticipated revenue outturn for 2018/19.
- The current development programme for the period from April 2019 to March 2022 which would deliver 105 new build units at a total cost of £14.83m.
- Contingency budgets for market acquisitions and the purchase of new affordable units on sites where Section 106 planning agreements were in place.
- A refreshed assessment of the 30 year “need to spend” on existing stock for both capital and revenue expenditure. This included a new showers programme which had been identified as one of the most popular improvements requested during both the 2017 survey of tenants and residents and the voids review undertaken by the tenant services improvement panel..

By taking a balanced approach CBH were still able to maintain existing service levels, retain the decent homes standard, continue delivery of the major windows and doors replacement, complete the new build programme, and deliver the new showers programme.

The Cabinet Member wished to put on record her thanks to all of CBH's finance team.

The Cabinet Member Housing also wished to thank CBH for their extraordinary achievements. He made reference to paragraph 8.1 of the report which outlined the key work streams that were driving plans to modernise and transform the housing management and maintenance services delivered to tenants.

**RESOLVED THAT it be recommended to Council to :**

- 1. Note the revised HRA forecast for 2018/19.**
- 2. Approve the HRA budget proposals for 2019/20 (shown at Appendix 2) including a proposed rent decrease of 1% and changes to other rents and charges as detailed within the report.**
- 3. Approve the proposed HRA capital programme for 2019/20 as shown at Appendix 3.**

**11. BRIEFING FROM CABINET MEMBERS**

The Cabinet Member Clean and Green Environment reported a waiver to a contract for the provision of bedding plants, planters and baskets.

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

Cabinet Member	Decision	Link
Finance	Provision of legal	<a href="https://democracy.cheltenham.gov.uk/ieDecisionDetails.aspx?ID=1">https://democracy.cheltenham.gov.uk/ieDecisionDetails.aspx?ID=1</a>

	services by OneLegal	186
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**Chairman**

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## Cheltenham Borough Council Cabinet – 5 March 2019 Setting up a Cheltenham Lottery

<b>Accountable member</b>	<b>Cllr. Flo Clucas, Cabinet Member Healthy Lifestyles</b>
<b>Accountable officer</b>	<b>Paul Jones, Executive Director Finance and Assets</b>
<b>Ward(s) affected</b>	<b>All</b>
<b>Key/Significant Decision</b>	<b>No</b>
<b>Executive summary</b>	<p>The Cheltenham place vision sets out a vision where Cheltenham is a place where all our people and the communities they live in thrive.</p> <p>Given the continuing financial pressure that this council and its voluntary and community sector partners are under, there continues to be a need to explore new ways of generating income to support the delivery of this vision.</p> <p>Existing methods that the council uses to generate additional income include:</p> <ul style="list-style-type: none"> <li>• Applying for government funding;</li> <li>• Applying for funding from public sector partners such as the Police and Crime Commissioner / Gloucestershire County Council / Clinical Commissioning Group;</li> <li>• Applying for national lottery funding;</li> <li>• Selling space at community events to catering providers.</li> </ul> <p>However, these methods do not create long-term funding and instead create a risk that projects become dependent on short-term funding.</p> <p>There are now over 60 Councils operating or in the process of setting up a local Community Lottery as a means of accessing a new funding stream to support local good causes.</p> <p>This council now wishes to establish a Cheltenham Lottery to create a longer-term sustainable source of funds that will support our people, good causes and communities to thrive.</p>
<b>Recommendations</b>	<p><b>That Cabinet:</b></p> <p><b>a) Agree to establish a Cheltenham Lottery to create a longer-term sustainable source of funds that will support our people and communities to thrive.</b></p> <p><b>b) Agrees that the Council submits an application to the Gambling Commission to be the licence holder and that the Executive Director Finance and Assets and the Strategy and Engagement Manager are appointed to be responsible for holding the licence and submit the necessary application to the Gambling Commission.</b></p>

	<p>c) Agrees to the proposed allocation of proceeds as set out in paras 3.2 to 3.5 and that the beneficiary of the central fund is the No Child Left Behind year of action until at such point that Cabinet agrees a replacement good cause.</p> <p>d) Agrees the proposed eligibility criteria as set out in appendix 2.</p> <p>e) Agrees that the lottery is managed by an external lottery manager.</p> <p>f) Agrees that Gatherwell Ltd is appointed as the external lottery manager. This to be for a period of 3 years from 1 April 2019 to 31 March 2022.</p> <p>g) Agrees to a waiver to expedite this contract a set out in para 4.9.</p> <p>h) Delegates responsibility to the Strategy and Engagement Manager, in consultation with the Cabinet Member Healthy Lifestyles to agree the supporting policy framework prior to the submission of the application to the Gambling Commission.</p>
<p><b>Financial implications</b></p>	<p>The set-up of the lottery requires an initial investment of circa £1,000 licensing costs, £5,000 for the Gatherwell operating platform and some marketing costs. This will be found within existing budgets.</p> <p>Ongoing costs to run the lottery would be the cost of the licence renewal and some level of marketing and promotions; estimated up to £3,000 per annum.</p> <p>The business case estimates a net return to good causes of £90,324 per annum if taken up by 3% of the player population of the borough.</p> <p>The lottery will then deliver an income stream direct to the good causes or to the council for distribution with grants, relative to the number of ticket sales.</p> <p><b>Contact officer: Paul.Jones@cheltenham.gov.uk, 01242 264365</b></p>

<p><b>Legal implications</b></p>	<p>The power to set up a lottery is within the general power of competence conferred by Section 1 of the Localism Act 2011.</p> <p>The Gambling Act 2005 (the 'Act') creates eight categories of permitted lottery, one of which is a local authority lottery.</p> <p>The Act requires the Council to apply for an operating licence and it must comply with specific licence conditions and relevant codes of practice which are published by the Gambling Commission.</p> <p>The Council can appoint an External Lottery Manager (ELM) to run all or part of its lottery under S257 of the Act. However the Council would be responsible for ensuring the lottery operates lawfully if an ELM is appointed, and this report recommends the Executive Director Finance and Assets and the Strategy and Engagement Manager be appointed as responsible officers/licence holders for this purpose.</p> <p>Gatherwell Limited is the operator of nearly 60 established or planned local authority lotteries, and is the preferred partner for the CBC lottery scheme. Given the specialist nature of this scheme and that there is no satisfactory alternative, a waiver to Contract Rules should be agreed by the budget holder in consultation with the Section 151 Officer and the Council's solicitor and documented accordingly.</p> <p><b>Contact officer:</b>  <b>Peter Lewis</b>  <b>Borough Solicitor</b>  <b>One Legal</b>  <a href="mailto:peter.lewis@tewkesbury.gov.uk">peter.lewis@tewkesbury.gov.uk</a>  <b>01684 272067</b></p>
<p><b>HR implications (including learning and organisational development)</b></p>	<p>The two licence holders will be required to undertake a rigorous application to the Gambling Commission and will receive training from the ELM.</p> <p>Staff and Members would all be eligible to play the lottery. The only exclusions recommended would be the two licence holders.</p> <p><b>Contact officer</b>  <b>Carmel Togher</b>  <b>HR Business Partner</b>  <b>Business Support Services</b>  <a href="mailto:carmel.togher@publicagroup.uk">carmel.togher@publicagroup.uk</a>  <b>01242 264391</b></p>
<p><b>Key risks</b></p>	<p>If the council is seen as promoting gambling this could impact on the reputation of the council</p> <p>If the lottery is seen as promoting unhealthy gambling behaviour then this may impact on the reputation of the council</p> <p>If the lottery is not as popular as predicted, then there will be lower than predicted sums of funding being made available to support good causes or to cover the annual costs of running the lottery.</p> <p>If an organisation gets accepted as beneficiary and then uses the funds fraudulently.</p>

<b>Corporate and community plan Implications</b>	Financial sustainability is a key issue in the Council's Corporate Plan. Whilst the development of a Community Lottery is not specified, this project clearly supports the themes of People and Communities thrive and Culture and Creativity thrive.
<b>Environmental and climate change implications</b>	The delivery of the Community Lottery is an online activity hosted by and External Licensed Management company. There will be no impact on the Council's operating environment.
<b>Property/Asset Implications</b>	<p>The Delivery of the Community Lottery will not impact on Property and the Council will not be developing any physical assets.</p> <p><b>Contact officer: <a href="mailto:Dominic.Stead@cheltenham.gov.uk">Dominic.Stead@cheltenham.gov.uk</a></b></p>

DRAFT

## **1. Background**

- 1.1** The Cheltenham Place Vision sets out a vision where Cheltenham is a place where all our people and the communities they live in thrive.
- 1.2** Given the continuing financial pressure that this council and its voluntary and community sector partners are under, there continues to be a need to explore new ways of generating income to support the delivery of this vision.
- 1.3** Existing methods that the council uses to generate additional income include:
  - Applying for government funding;
  - Applying for funding from public sector partners such as the Police and Crime Commissioner / Gloucestershire County Council / Clinical Commissioning Group;
  - Applying for national lottery funding;
  - Selling space at community events to catering providers.
- 1.4** However, these methods do not create long-term funding and instead create a risk that projects become dependent on short-term funding.
- 1.5** There are now over 60 Councils operating or in the process of setting up a local Community Lottery as a means of accessing a new funding stream to support local good causes.
- 1.6** This council now wishes to establish a Cheltenham Lottery to create a longer-term sustainable source of funds that will support our people, good causes and communities to thrive.

## **2. About lotteries**

- 2.1** Lotteries have long been a way for smaller organisations to raise income. They are regulated by the Gambling Act 2005. There are different types of lotteries available; the proposal for a Cheltenham Lottery falls within the category of 'society lotteries'. Society lotteries are promoted for the benefit of a non-commercial society.
- 2.2** There are two variants of society lotteries, the main difference being who issues the licence – local authorities permit small lotteries and the Gambling Commission permits large lotteries. As the proposed Cheltenham Lottery has a potential top prize of £25,000 it would be considered as a large society lottery and hence an application would have to be made to the Gambling Commission.
- 2.3** The Council would be the overall licence holder with two responsible officers named to administer it. The licence is renewable annually and the licence holders will be required to provide monthly returns to the commission.
- 2.4** Gatherwell provide Legal Compliance training for the licence holders and will continue to act as consultant experts under their contract with CBC.

## **3. The allocation of proceeds**

- 3.1** Whatever the type of lottery, they have to deliver a minimum of 20% of proceeds to good causes. It is proposed that 60% of the proceeds of the Cheltenham Lottery are allocated to good causes. This will be on the following model:

- 3.2** Specific Good Causes – It is proposed that 50% of the proceeds are allocated to groups that 'sign-up' to take part in the lottery for their good cause. By signing up they would have their own web page for the lottery helping them in engaging players and raising income. This option removes a number of hurdles for groups who might struggle to take part in their own lotteries (eg holding own license and setting up infrastructure to enable the lottery to run).
- 3.3** As the Licenced Operator the Council would manage the good causes joining the scheme to ensure that they comply with the specific eligibility criteria set out in appendix 2. Players buying tickets through specific web pages would know that the profits are for that specific good cause. This in turn motivates the group to gain more players to support their specific cause. This option in effect operates as an 'umbrella' scheme within the main Cheltenham Lottery.
- 3.4** Central Fund – It is proposed that 10% of the proceeds are held by the Borough Council and are applied to a chosen good cause. It is proposed that this good cause is the No Child Left Behind year of action. A motion for the Council to support the year of action gained unanimous political support at full council on 10 December. The lottery funds would be used to directly support projects that will benefit local children and will therefore be charitable in purpose. The funding will not be used to support the statutory spending by the council, nor any of the council's running costs associated with the year of action.
- 3.5** In addition, if a player chooses not to name a specific good cause, 60% (50% + 10%) of their proceeds would go by default to the No Child Left Behind year of action.

## **4. Options for the management of the lottery**

- 4.1** The options for delivery of a lottery are either in house or through an External Lottery Manager (ELM).
- 4.2** In-house - This option would see the setting up of the necessary posts and systems to run a lottery in-house. This has not been fully costed, but it is considered somewhere in the region of a £80-100k for set-up costs alone. This would include a lottery manager and the necessary development of software systems to enable the lottery to run.
- 4.3** External Lottery Manager (ELM)- This option would see a partnership with an existing deliverer of lotteries in the market place. This in effect means 'buying in' the skills and expertise of an existing provider and sharing the risk with them to deliver the lottery. The ELM will deliver all aspects of running the lottery, from ticket payments, prize management and licensing, and share with CBC and the good causes the role of marketing.
- 4.4** Balancing the set up costs, unknown player numbers and the skills base needed to run a lottery effectively the preferred option is to use an ELM.
- 4.5** In addition, the lottery will only be available online. All sales for the lottery would operate via a dedicated website (specific good causes would have their own landing pages), and be funded via an online direct debit or payment card for tickets. This minimises the costs of distribution and sales associated with over the counter methods.
- 4.6** Gatherwell Ltd. developed the proposed model in partnership with Aylesbury Vale District Council. It is a purely online scheme and Gatherwell provide the digital platform as well as manage the overall scheme providing the council with expert support and running day to day contact with both players and good cause.
- 4.7** It is currently the only online only model to operate such that the players choose the causes to support with comprehensive methods of payment.
- 4.8** The Council will hold a contract with Gatherwell and there is a one off set up fee of £5,000 to customise the platform to the Cheltenham brand. Ongoing costs are taken from ticket sales which

includes for them insuring the jackpot prize fund.

- 4.9** There are other ELMs in the market-place, but Gatherwell are the only ELM to provide specialist support for local councils with the ability for players to choose from a range of different good causes. It is therefore recommended that a contract waiver is entered into in-line with contract rule 6.1 that states that a waiver is possible where the goods, materials, works or services are of a unique or specialised nature or are identical or similar to or compatible with an existing provision so as to render only one or two sources of supply appropriate.

## **5. Gambling Responsibility**

- 5.1** Lotteries are the most common type of gambling activity across the world, and considered to be a 'low risk' form with respect to the emergence of problem gambling. This is due to its relatively controlled form. The Cheltenham Lottery will help mitigate against many of the issues related to addictive gambling by:

- The lottery only being only playable via direct debit and by pre-arranged sign up
- There is no 'instant' gratification or 'instant reward' to taking part
- There will be no 'high profile' activity surrounding the draw
- It is possible to put a maximum cap on the number of tickets that an individual can purchase

- 5.2** In addition, the Cheltenham Lottery website will contain a section providing links to gambling support organisations.

- 5.3** In this way the Cheltenham Lottery will not significantly increase problem gambling; and the benefits to good causes in the Borough from the proceeds of the lottery balances against possible negative issues.

- 5.4** A number of supporting policy statements have been drafted to be included with the submission to the Gambling Commission:

- Children and vulnerable persons
- Proceeds of crime
- Fair and open gambling
- Social responsibility

- 5.5** This report requests delegated authority for the Strategy and Engagement Manager, in consultation with the Cabinet Member Healthy Lifestyles to agree these policies prior to the submission of the application to the Gambling Commission.

## **6. Reasons for recommendations**

- 6.1** To enable Cheltenham Borough Council to bring the associated benefits of lottery funding to support local community groups with their fundraising challenges. The benefits of this approach are:

- 6.2** Delivering proceeds locally - a Cheltenham Lottery would deliver benefits only to local good causes, unlike any other model, players can be assured that the proceeds will stay in the Borough and go directly to their chosen cause.

- 6.3** Maximising benefits to the community – Lotteries have to deliver a minimum of 20 per cent of proceeds to good causes. The proposed Cheltenham Lottery would make 60 per cent of proceeds

available to local good causes with none of the proceeds generated being taken by Cheltenham Borough Council.

- 6.4** Minimising costs – through the appointment of a recognised ELM there are minimal set-up costs, meaning the lottery is largely self-financing meaning the lottery is, based on the business case, self-financing.
- 6.5** Delivering winners locally – whilst anyone can play, it is likely that players will be locally-based and hence it will be easier to maximise the value from winners' stories and encourage more participation.
- 6.6** Facilitating a wider benefit – the lottery will not only deliver specific financial benefits for local good causes, but by promoting their merits, the lottery will also enable them to develop new relationships with potential donors.

## 7. Alternative options considered

- 7.1** In essence the options for delivery of a lottery are either in house or through an External Lottery Manager (ELM).
- 7.2** Balancing the set up costs, unknown player numbers and the skills base needed to run a lottery effectively the preferred option is to use an ELM.

## 8. Performance management –monitoring and review

- 8.1** The Lottery platform will provide the Council with a transparent operator dashboard from which live operator reports can be generated at the touch of a button. This can be shared with members on a regular basis to inform them of the number of groups, how long they have been signed up and how many tickets sales are associated in support of them.
- 8.2** The licence holders are required to submit monthly gambling returns to the Gambling Commission which are prepared by the ELM.

<b>Report author</b>	<b>Contact officer: Richard.gibson@cheltenham.gov.uk, 01242 264280</b>
<b>Appendices</b>	1. Risk Assessment 2. Proposed Eligibility Criteria
<b>Background information</b>	

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
	Reputational – If the council is seen as promoting gambling this could impact on the reputation of the council	Paul Jones	14.2.19	2	3	6	accept	The community lottery is a well-recognised model operating in over 60 local authority areas. The experience of other community lotteries shows that it appeals more to those who want to donate rather than gamble as 60p goes to good causes.	Ongoing	Richard Gibson	
	Reputational – if the lottery is seen as promoting unhealthy gambling behaviour then this may impact on the reputation of the council	Paul Jones	14.2.19	2	3	6	accept	<ul style="list-style-type: none"> <li>It will be marketed with the promotion of good causes as its focus appealing more to people who are motivated to donate rather than gamble</li> <li>It is delivered remotely and requires people to go through the process of setting up an account.</li> <li>There is no instant gratification element.</li> <li>The top prize is capped at £25k and there are no roll overs, so the prizes are not life changing amounts.</li> <li>CBC can limit the number of tickets people can buy</li> <li>There is the ability for players to self-exclude, and have the ability to place blocks or caps on players</li> <li>Because the lottery is run online CBC will be able to spot any unhealthy patterns.</li> <li>As part of the Gambling Commission license application we will also produced a safeguarding policy to protect vulnerable people.</li> </ul>	Ongoing	Richard Gibson	

	Financial - If the lottery is not as popular as predicted, then there will be lower than predicted sums of funding being made available to support good causes		14.2.19	2	3	6	reduce	CBC Comms will be active in promoting the Cheltenham Lottery.  In addition as good causes will benefit from an increased profile, they can be encouraged to use their own promotional activities to raise awareness of the lottery	Ongoing	Richard Gibson	
	Legal risks – if an organisation gets accepted as beneficiary and then uses the funds fraudulently.	Paul Jones	14.2.19	3	3	9	reduce	CBC will carefully scrutinise each application that wishes to be a registered good cause.	Ongoing	Richard Gibson	

#### 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

## **Appendix 2 - Guidance for good causes wishing to join the Cheltenham Lottery (eligibility criteria)**

We want to enable appropriate organisations to join the Cheltenham Lottery as good causes. As you will be joining under our overall gambling license (Gambling Act 2005) we have to ensure that member organisations meet certain criteria. There is no application fee.

### **Your organisation must:**

- Provide community activities or services within Cheltenham Borough
- Be able to demonstrate that its activities contribute to Cheltenham's place vision. The vision is that Cheltenham is a place:
  - Where all our people and the communities they live in thrive;
  - Where culture and creativity thrives, celebrated and enjoyed throughout the year;
  - Where businesses and their workforces thrive; and
  - Where everyone thrives.
- Have a formal constitution or set of rules.
- Have a bank account requiring at least 2 unrelated signatories.
- Operate with no undue restrictions on membership.
- Have a detailed plan as to how the lottery will be promoted.

### **And be either:**

- A constituted group with a volunteer management committee, with a minimum of three unrelated members, that meets on a regular basis (at least 3 times per year).
- A registered charity, with a board of trustees.

### **Or:**

- A registered Community Interest Company, and provide copies of your Community Interest Statement, details of the Asset Lock included in your Memorandum and Articles of Association, and a copy of your latest annual community interest report.

### **We will not permit applications to join the Lottery:**

- from groups promoting or lobbying for particular religious or political beliefs or campaigns.
- from organisations that do not do work within the boundaries of Cheltenham Borough.
- from individuals.
- from organisations which aim to distribute a profit.
- from organisations with no established management committee/board of trustees (unless a CIC).
- that are incomplete.

The Council reserves the right to reject any application for any reason.

The Council reserves the right to cease to license any organisation with a minimum of 7 days notice for any reason. If fraudulent or illegal activity is suspected cessation will be immediate.

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# **Cheltenham Lottery Draft Business Plan**



**CHELTENHAM**  
BOROUGH COUNCIL

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## Introduction & Background

### Strategic Context

The Cheltenham place vision sets out a vision where Cheltenham is a place where all our people and the communities they live in thrive.

Given the continuing financial pressure that this council and its voluntary and community sector partners are under, there continues to be a need to explore new ways of generating income to support the delivery of this vision.

Existing methods that the council uses to generate additional income include:

- Applying for government funding;
- Applying for funding from public sector partners such as the Police and Crime Commissioner / Gloucestershire County Council / Clinical Commissioning Group;
- Applying for lottery funding;
- Selling space at community events to catering providers.

However, these methods do not create long-term funding and instead create a risk that projects become dependent on short-term funding.

Many councils (estimated to be in the region of 48) have set up local lotteries as a means of bringing in additional income to support local good causes.

This council now wishes to establish a Cheltenham Lottery to create a longer-term sustainable source of funds that will support our people and communities to thrive.

This business plan formulates how the lottery will operate including financial forecasts.

## Purpose and rationale of the Cheltenham Lottery

The idea of a local community lottery seeks to promote inward investment to these groups and causes, with funds raised by the community for the local community.

The Council is very committed to supporting local voluntary and community sector organisations. It provides £30k per annum that is allocated via its community pride grants. It provides a range of rent support grants and subsidies that are estimated to be worth £270k to local organisations. The council also provides recurring grants to smaller cultural organisations such as the Holst Museum, the Festival of Performing Arts and Cheltenham Arts Council which are worth collectively a further £35K per annum.

A local community lottery will enable good causes to access this new funding stream for themselves.

Any organisation that meets the eligibility criteria will be able to apply to be part of the Cheltenham Lottery.

## Customer Insight

In developing the Cheltenham Lottery we have explored the delivery of other schemes including the Vale Lottery run by Aylesbury Vale District Council. Their experience has demonstrated considerable support with over 200 good causes signed up to the scheme including schemes which are operated by the local authority itself

In turn this has informed the USP (unique selling point) for the lottery as being:

- **Delivering the proceeds locally** – Cheltenham Lottery would deliver benefits only to local causes, unlike any other provider (the National Lottery).
- **Delivering winners locally** – whilst anyone could play, it is likely that players will be locally based and hence it will be easier to maximise PR value from winners' stories and encourage more participation.
- **Facilitating a wider benefit** – the lottery will support our corporate priorities and the targeted actions for Cheltenham Borough Council in circumstances where the Council is not able to do so.
- **Helping to improve residents' perceptions** – that Cheltenham Borough Council has an enabling role in support of good causes.

This business plan recognises that players will fall into one of two camps - those who are attracted by the possible prizes and those who are more altruistically motivated. This lottery proposal focuses on the latter of these groups, but has elements that still should appeal to the more prized focused player.

## Form of the Cheltenham Lottery

In supporting the outcomes of the lottery the focus is on providing a lottery scheme that delivers a high level of funds to the good causes as they are key to ensuring ongoing ticket sales in the long term. It is proposed that an External Lottery Management (ELM) operator, Gatherwell Ltd, is appointed. Their proposed approach delivers the following benefits:

- Reduced overhead costs - maximising benefits to the good causes.
- Is simple and easy to understand for the player.
- Is simple and easy to adopt for the good causes.
- Promotes repeated but controlled repurchasing - hence providing a steady funding stream for good causes.
- Emphasises the good cause element of the lottery overall.

The form of the Cheltenham Lottery therefore is:

- £1 ticket per week with a weekly draw.
- Only playable online.
- Funded only via Direct Debit, rolling monthly card payment, or block ticket purchase with single payment for 1, 3, 6 or 12 months.
- 6 number self-selected ticket.
- Delivered via an ELM - Gatherwell Ltd.

The prize structure and odds for the draws are set out in the table below:

Prize Structure		
	Winning Odds	£ Prize
6 numbers	1,000,000:1	£25,000
5 numbers	55,556:1	£2,000
4 numbers	5,556:1	£250
3 numbers	556:1	£25
2 numbers	56:1	3 free tickets

Distribution of proceeds from each ticket sold is shown below:

Proceeds Apportionment		
	% Allocation	£ Allocation per ticket
Good Causes	60	£0.60
Prizes	20	£0.20
ELM	17	£0.17
VAT	3	£0.03
<b>Totals</b>	<b>100</b>	<b>£1.00</b>

## Method of Delivery

Whilst Cheltenham Borough Council is a licensing authority in its own right and hence well aware of the restrictions and technical aspects of lottery management, it doesn't have experience of running lotteries directly. As such it is proposed that this scheme will be delivered through the use of an External Lottery Manager (ELM) Gatherwell Ltd.

The relationship between Cheltenham Borough Council and Gatherwell is summarised as:

### Cheltenham Borough Council

- Will be responsible for all license related, overall structure, form and control of the Cheltenham Lottery (note the Gambling Commission are the licensing authority for lotteries).
- Will manage the selection of good causes that will be assessed against the proposed eligibility criteria.
- Will appoint two members of staff who will be personally licensed to manage the lottery.

### Gatherwell Limited

- Will be responsible for all development and day to day running of the Cheltenham Lottery on behalf of Cheltenham Borough Council
- This will include player management, financial management (including player funds & prizes and good cause funds), website management and ticket sales.

Gatherwell is licenced by the gambling commission as an external lottery manager running numerous society lotteries in the UK (Licence Number 000-036893-R-317859-004).

In summary, Cheltenham Borough Council sets the strategic approach, and exercises control of the license, and Gatherwell fulfils the day to day delivery of this.

The relationship between Cheltenham Borough Council and Gatherwell is subject to a contract for the delivery of these services. The one off payment for the Gatherwell platform to be bespoke to Cheltenham Lottery is £5k, and all costs then going forward are recovered via the players.

## Player Population & Financial Management & Modelling

There are an estimated 96,000 possible players in the Borough (i.e. over 16 and resident). Technically the player population is much wider than this as there is no restriction on player location, however for simplicity this population is assumed to represent the vast majority of players.

Whilst it is difficult to assess the actual take up rates of players for the lottery, this will in part reflect the desire to play, the types and spread of the good causes involved, and the marketing and support given to promote the lottery. The table below sets out a breakdown of possible player levels and the resulting financial split that these would produce.

Year	Ticket Price £	% of CBC Player Pop.	Number of Players	Tickets bought per week	Number of weeks	Gross Return	CBC share (10%)	Good Causes (50%)	Prizes (20%)	ELM (17%)	VAT (3%)
1	1	1.00%	965	1	52	50180	5018	25090	10036	8531	1505
2	1	1.50%	1448	1	52	75270	7527	37635	15054	12796	2258
3	1	2.00%	1930	1	52	100360	10036	50180	20072	17061	3011
4	1	2.50%	2413	1	52	125450	12545	62725	25090	21327	3764
5	1	3.00%	2895	1	52	150540	15054	75270	30108	25592	4516

## Financial management

Gatherwell Limited will deliver all financial management elements of the Cheltenham Borough lottery.

All funds are held by Gatherwell in a separate client deposit account.

Payments are collected monthly for direct debit and rolling card payments, or upfront in the case of block purchase of tickets (1, 3, 6 or 12 months) only. All funds will be in a financially cleared form prior to any prize draw.

Prize winners are notified by the ELM via email immediately after a draw if they have won. If prizes are not claimed, weekly reminders are sent to players.

The jackpot prize of £25,000 is an insured prize with Emirat (underwritten by Lloyds Banking Group). This avoids the need to accumulate this level of funding in advance. For initial draws prior to the prize pot being built, insurance will also be in place to ensure that any prize payment can be made.

Good Cause funds are held in a separate client deposit account. The good cause donations are distributed to the causes on a monthly basis direct to their bank accounts.

Any disputes will be managed through the Independent Betting Adjudication Service (IBAS). Membership of the Lotteries Council will automatically give access to this service.

## Financial Forecast

The following 5 year forecast illustrates the allocation of income and expenditure for the Lottery. All costs and income are contained with the project.

%age take up of possible Cheltenham Player population	Year 1	Year 2	Year 3	Year 4	Year 5	
	965	1448	1930	2413	2895	
<b>INCOME</b>						
Start up costs (includes platform costs to Gatherwell and licences/LC membership)	£5,350	£0	£0	£0	£0	
Annual Cheltenham support	£0	£1,150.00	£1,450.00	£1,750.00	£2,050.00	Licence, lotteries Council membership and marketing
Ticket Sales	£50,180	£75,270	£100,360	£125,450	£150,540	
<b>Sub total</b>	£55,530	£76,420	£101,810	£127,200	£152,590	
<b>EXPENDITURE</b>						
Prize fund	£10,036	£15,054	£20,072	£25,090	£30,108	
Initial Licence application fees	£1,000	£0	£0	£0	£0	
Annual licence fees	£0	£500	£500	£500	£500	
Lotteries Council Membership	£350	£350	£350	£350	£350	
External Lottery Manager	£8,531	£12,796	£17,061	£21,326	£25,592	
Initial Lottery Platform costs	£3,000	£0	£0	£0	£0	
Launch marketing costs	£1,000	£0	£0	£0	£0	Annual Marketing covered by ELM funds.
Annual Cheltenham funding distribution costs	£0	£300	£600	£900	£1,200	
VAT	£1,505	£2,258	£3,011	£3,764	£4,516	
<b>Sub total</b>	£25,422	£31,258	£41,594	£51,930	£62,266	
Expenditure - distribution to good causes						
60% to good causes Lottery pot	£30,108	£45,162	£60,216	£75,270	£90,324	
<b>Sub total</b>	£30,108	£45,162	£60,216	£75,270	£90,324	
<b>Income less all expenditure</b>	£0	£0	£0	£0	£0	

## Future developments and marketing

The lottery has been developed to be flexible in form in order to offer 'bolt on' activities to the main lottery to raise player and good cause interest.

An example of this may be the run up period to the first draw, when players signing up to the lottery may be also entered into an additional prize draw to win an item prize such e.g. an iPad. This is to assist with the overall launch and marketing of the lottery.

Other marketing activity may include:

- Including reference on email sign off attachments to all council emails.
- Advertising on the side of council vehicles.
- Social Media channels and potential social media advertising.
- General promotion of prize winners and good cause benefactors.

(in all of the above the regulations around age related marketing and advertising will be adhered to).

## Problem Gambling

As part of the Council's approach to the lottery we are of course aware of the issues around problem gambling. As set out in the policies submitted to the gambling commission we take this issue seriously, and will be making a donation to support organisations. We do not believe that the form of the Cheltenham Lottery is particularly attractive to those with a gambling addiction as :

- It is being marketed always with the promotion of good causes as its focus.
- It is delivered remotely, non-cash based, and takes effort to subscribe to.
- There is no instant gratification element.
- We provide the ability for players to self-exclude, and have the ability to place blocks or caps on players.

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**Cheltenham Borough Council**  
**Cabinet – 5<sup>th</sup> March 2019**  
**Draft Corporate Strategy 2019-2023**  
**Report of the Leader of the Council**

<b>Accountable member</b>	Leader of the Council, Cllr. Steve Jordan
<b>Accountable officer</b>	Strategy and Engagement Manager, Richard Gibson
<b>Accountable scrutiny committee</b>	All
<b>Ward(s) affected</b>	All
<b>Key Decision</b>	No
<b>Executive summary</b>	The corporate strategy 2019-23 is being prepared and is due to go to full council for approval on 25 March 2019. The draft plan is attached as appendix A.
<b>Recommendations</b>	<b>To endorse the draft corporate strategy 2019-23 ahead of it going to full council for final approval (appendix 2.)</b>
<b>Financial implications</b>	<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. In addition, the corporate plan will be reviewed on an annual basis to take into account our changing budgetary position.</p> <p><b>Contact officer: Paul Jones, Executive Director Finance and Assets</b>  <b>E-mail: paul.jones@cheltenham.gov.uk</b>  <b>Tel no: 01242 775154</b></p>
<b>Legal implications</b>	<p>The corporate strategy 2019-23 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><b>Contact officer: Peter Lewis</b>  <b>E-mail: Peter.Lewis@teWKesbury.gov.uk</b>  <b>Tel no: 01684 272012</b></p>
<b>HR implications (including learning and organisational development)</b>	<p>Capacity to deliver the strategy will remain a key focus for the Executive 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><b>Contact officer: Julie McCarthy</b>  <b>HR Manager – Operations</b>  <b>Publica</b>  <b>E-mail: Julie.McCarthy@publicagroup.uk</b>  <b>Tel no: 01242 264355</b></p>

<b>Key risks</b>	<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 Executive 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 draft corporate strategy and specific risk assessments are carried out as part of our programme and project management arrangements.</p>
<b>Corporate and community plan Implications</b>	The corporate strategy sets out the framework for our corporate priorities.
<b>Environmental and climate change implications</b>	The corporate strategy sets out the council's commitment to reducing carbon emissions and adapting to the impacts of climate change.

## 1. Background – the LGA Peer Challenge

- 1.1** The Local Government Association (LGA) undertook a peer challenge review of the council in November 2018. The review took place between 13 and 16 November. The Peer Challenge Team spent 4 days on-site and spoke to more than 100 people including a range of council staff together with councillors and external stakeholders. The team gathered information and views from more than 50 meetings, focus groups and phone calls, plus additional research and reading. They collectively spent more than 260 hours to determine their findings – the equivalent of one person spending nearly 7 weeks in CBC. Their recommendations are below:
- Be clear what you want and prioritise.
  - Strengthen contract management arrangements.
  - Devise a coherent programme around regeneration and deprivation with nominated leads.
  - Strengthen governance and project management arrangements for the Cyber Park.
  - Continue to invest in and further improve the relationship with Gloucestershire County Council.
  - Sustain the momentum that has been generated by the modernisation programme.
  - Housing delivery will need focus and capacity.
  - Review inherent financial risks and build levels of reserves to withstand future uncertainty.
  - Develop an economic growth / skills strategy; engaging in this with local businesses and linking with business marketing.
  - Strengthen the role of members.
  - Strengthen Place Governance.

- 1.2** The peer challenge report has now been circulated to participants and is also now available on the council's website.

## 2. Draft Corporate Plan 2019-2023

- 2.1** Following on from the Peer Challenge feedback, this year we are proposing a new look for our plan that reflects the intentions to be clearer about what we are going to focus on and the reasons why.

- 2.2** The starting point for the new plan is Cheltenham's Place Vision; this is the collective commitment to ensure that Cheltenham is a place where everyone thrives supporting by a thriving economy, a thriving cultural offer and thriving communities. We have made sure that the commitments in this plan support this vision.
- 2.3** We have taken stock of our organisation and involved a wide range of staff, elected members and external partners in discussions about the purpose of our organisation and how we want the organisation to look and feel.
- 2.4** As part of this, we have taken time to consider our strengths, weaknesses, opportunities and threats whilst also reflecting on our external environment.
- 2.5** With our better understanding of the council, we have been able to develop a new corporate plan that will guide us over the next three years through defining what we are trying to achieve - our purpose, how we will go about our work – our principles, and what we are going to focus on over the next three years – our priorities.

### **3. Proposed purpose**

We want to make Cheltenham an even greater place for all; a place that is celebrated for its strong economy, its vibrant cultural offer and a place where our communities benefit from inclusive growth.

### **4. Proposed Principles**

- We will achieve inclusive growth so all our communities can benefit and prosper from investments made in the borough
- We will be commercially focused where needed and become financially self-sufficient to ensure we can continue to achieve value for money for the taxpayer
- We will use data and technology, including insight from our customers, residents, businesses and visitors to help us make the right business decisions
- We will provide strategic co-ordination across Cheltenham's agencies, partnerships and networks to drive the delivery of the Place Vision
- We will work in ways that encourage equal collaboration at all levels and we will take time to listen, understand and respect each other to ensure what we do is appropriate and empowering
- We will invest in and develop our people so they can continue to provide excellent services to residents and are prepared to meet the opportunities and challenges ahead

### **5. Proposed priorities**

- Making Cheltenham the Cyber-Capital of the UK.
  - Continuing the revitalisation and improvement of our vibrant town centre and public spaces.
  - Achieving a cleaner and greener sustainable environment for residents and visitors.
  - Increasing the supply of housing and investing to build resilient communities.
  - Delivering services to meet the needs of our residents and communities.
- 5.1** We will also supplement the 3 year longer-term plan with a specific 1 year plan that will set out the details of the projects that will contribute to the delivery of the priorities and their supporting performance indicators.

## 6. Consultation and feedback

- 6.1 The draft action plan was considered by the Overview and Scrutiny committee on 11 February 2019. The following observations were made.

Observation	Response
Cllr. Parsons would like to a more explicit link in the plan to the need for Cheltenham to retain and attract young people	The plan contains many commitments that the council will that will help retain and attract young people: <ul style="list-style-type: none"> <li>• A priority on becoming the cyber-capital of the UK</li> <li>• More affordable housing</li> <li>• The ongoing revitalisation of the town centre</li> <li>• Developing a cultural strategy</li> <li>• A focus on cycling and walking</li> <li>• A focus on modernising the council and embracing new technology solutions.</li> </ul>
Cllr. Parsons would like to see more reference to council's role in promoting healthy lifestyles	The council has a very important role in promoting healthy lifestyles; this is delivered both strategically through its role in shaping and delivering the Gloucestershire health and wellbeing strategy, and operationally through the work of various teams including public protection, enforcement, and the strategy and engagement team. Much of the activity will be included in these team's service plans. There is now a specific reference to our work improve local air quality and health in the town.
Cllr. Willingham suggested that the council could be more ambitious about the wording of the cyber park priority and not limit our ambitions to Cheltenham just being cyber capital of the UK.	Noted, but no change proposed currently to the wording of the priority.
Cllr. Sudbury suggested that the council's approach to growth should not just be about cyber and that other parts of the economy need to be nurtured as well.	Whilst prioritising cyber investment, the council will also retain its balanced approach to the local economy and will nurture a wide range of sectors. The plan itself references the need to focus on retail and cultural sectors.
Cllr. Sudbury suggested that the plan should include a measure about our work on homelessness prevention.	Now included
Cllr. Sudbury suggested that the plan should include reference to the importance of Friends of groups	Now included

## 7. Next Steps

- 7.1 If Cabinet are happy with the updated strategy, it will go to a meeting of the Full Council on Monday 25<sup>th</sup> March for approval.

<b>Report author</b>	Richard Gibson Strategy and Engagement Manager 01242 264280 richard.gibson@cheltenham.gov.uk
<b>Appendices</b>	<ol style="list-style-type: none"><li>1. Risk assessment</li><li>2. Draft Corporate Strategy action plan 2019-23</li></ol>

## 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		4	5	20	Reduce	The risk score remains high and continues to be a focus for the Executive Leadership Team (ELT). The ELT is now at full complement following the review in 2017/18 having successfully recruited to the Exec Director People and Change post. The modernisation programme #wearecbc includes for a review of the staffing structure below the ELT level. That review will take account of the Council's key priorities, together with the skills, capacity and capability needed to deliver so as to inform the most appropriate operating model for the Council going forward. That review is timetabled to be completed by April 2020.	31.3.19	Pat Pratley

# Corporate Plan 2019-23

We want to make Cheltenham an even greater place for all; a place that is celebrated for its strong economy, its vibrant cultural offer and a place where our communities benefit from inclusive growth.



CHELTENHAM  
BOROUGH COUNCIL

**Follow our progress:**  
[www.cheltenham.gov.uk](http://www.cheltenham.gov.uk)



# ***Welcome***

Welcome to Cheltenham Borough Council's corporate plan which sets out our intentions about what we are going to focus on and the reasons why.

Our starting point for our plan is Cheltenham's place vision which is a collective commitment of the Council and its partners to ensure that Cheltenham is a place where everyone thrives, supported by a thriving economy, a thriving cultural offer and thriving communities. We have made sure that the commitments in this plan support this vision.

Our corporate plan will guide us on our journey over the next three years through defining what we are trying to achieve - our purpose, how we will go about our work – our principles, and what we are going to focus on over the next three years - our priorities.

The production of our plan has involved a wide range of staff, elected members and external partners to ensure that our key priorities are the things that will make the biggest difference to Cheltenham's communities, businesses and residents.

***WE HOPE YOU ENJOY READING ABOUT OUR PLANS FOR THE FUTURE.***





極度乾燥 (しなさい)  
**Superdry Store.**

# ***Our principles***

The delivery of this corporate plan will be guided by the following 6 principles:



We will achieve inclusive growth so all our communities can benefit and prosper from investments made in the borough.



We will provide strategic co-ordination across Cheltenham's agencies, partnerships and networks to drive the delivery of the Place Vision.



We will be commercially focused where needed and become financially self-sufficient to ensure we can continue to achieve value for money for the taxpayer.



We will work in ways that encourage equal collaboration at all levels and we will take time to listen, understand and respect each other to ensure what we do is appropriate and empowering.



We will use data and technology, including insight from our customers, residents, businesses and visitors to help us make the right business decisions.



We will invest in and develop our people so they can continue to provide excellent services and are prepared to meet the opportunities and challenges ahead.

# Key priority

## MAKING CHELTENHAM THE CYBER CAPITAL OF THE UK

We will work towards making Cheltenham the cyber capital of the UK; a national first, which will deliver investment in homes, jobs, infrastructure and enable the Council to deliver inclusive growth for our communities.



Working with others we will attract cyber related businesses and secure Cheltenham's position as a cyber and digital innovation hub for the UK.



We will secure the investment needed to ensure successful delivery of the Cyber Park and supporting infrastructure, investing today to create the jobs for tomorrow.



We will ensure that all our communities benefit from future investments by working with them to regenerate their neighbourhoods and improve their living, working, education and leisure facilities.

### HOW SUCCESS WILL BE MEASURED

- Securing the investment and approval to create a Cyber capital for the UK
- Through measuring the social value of investments made.

# Cyber Central Vision



- / A new cyber capital for the UK
- / A catalyst for growth and change in Gloucestershire
- / A pioneering new community for Cheltenham



# Key priority

## CONTINUING THE REVITALISATION AND IMPROVEMENT OF OUR VIBRANT TOWN CENTRE AND PUBLIC SPACES

Deliver a number of Town Centre and wider public enhancements that will continue the revitalisation of the town ensuring its longer-term viability as a retail and cultural destination.



We will continue to invest in our high street and public spaces for the benefit of people living, working and visiting Cheltenham.



We will work with partners to develop a cultural strategy that will build on what is best about our current offer and make the most of future opportunities, national and international, to ensure a wider social benefit.



Work collaboratively to develop and gain approval for a new Cheltenham transport plan including support for cycling and walking projects that will also improve local air quality and health in the town.

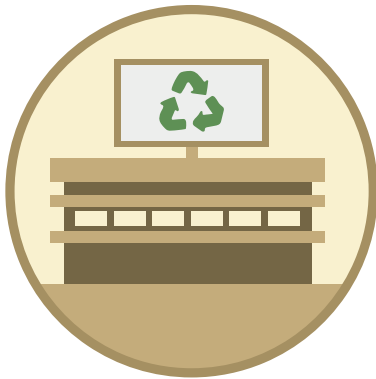
### HOW SUCCESS WILL BE MEASURED

- Work with partners to produce a cultural strategy for Cheltenham to maximise opportunities.
- Increases in the visitor economy
- Higher retail occupancy rates

# Key priority

## ACHIEVING A CLEANER AND GREENER SUSTAINABLE ENVIRONMENT FOR RESIDENTS, BUSINESSES AND VISITORS

Deliver enhancements to our waste, recycling, street cleaning and grounds maintenance services and improve the way we commission these services.



Deliver a modern, fit for purpose strategic waste facility and an improved recycling centre to support more efficient and environmentally friendly management of waste and recycling services that also supports economic regeneration.



Implement improvements to the recycling service available to residents, businesses and visitors by reviewing existing services and generate additional income through commercial opportunities to reinvest in waste and recycling services.



Review street cleansing and grounds maintenance, and implement innovative service improvements to support the revitalisation of the town centre whilst also working with local amenity and friends of groups to enhance our public spaces, parks and gardens.

### HOW SUCCESS WILL BE MEASURED

- Increase in public satisfaction
- Number of our parks that have Green Flag status
- Increase in recycling rates





# Key priority

## INCREASING THE SUPPLY OF HOUSING AND INVESTING TO BUILD RESILIENT COMMUNITIES

We will be seeking new opportunities to bring in additional resources e.g. introduction of Cheltenham lottery as well as leveraging more value from our assets and commissioned providers to deliver our £100m housing investment plan.



We will continue to work with our partners to proactively tackle homelessness and rough sleeping.



We will work with partners and Cheltenham Borough Homes to increase the supply of affordable homes across the borough and enable more private rented homes to be let on a long term basis. We will develop plans for the delivery of new homes and sustainable improvements to the west of Cheltenham.



With our partners we will develop a community-based approach that achieves inclusive growth and tackles inequality to ensure all our communities benefit from the improvements and investments we make.

### HOW SUCCESS WILL BE MEASURED

- Work with partners to increase the supply of new homes in the Borough
- Measure social value of community investments made
- Number of successful homelessness preventions

# Key priority

## ***DELIVERING SERVICES TO MEET THE NEEDS OF OUR RESIDENTS AND COMMUNITIES***

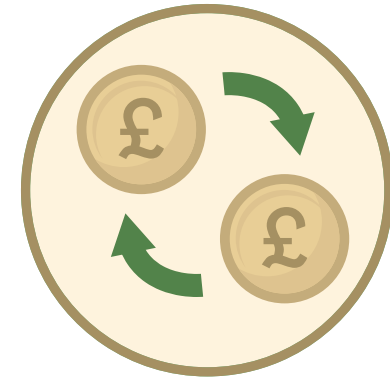
Improve the way services and information are accessed by residents and businesses by maximising new technology opportunities and different ways of working. The outcome of which will contribute towards our financial self-sufficiency.



Increased self-service options to allow customers to do business with the Council 24/7 enabling quick and efficient transactions.



Streamlined customer journeys increasing customer satisfaction and creating efficiencies.



The Council to become financially self-sufficient to help ensure sustainable investment in high quality front-line services

### ***HOW SUCCESS WILL BE MEASURED***

- The Council has become financially self-sufficient
- More residents transacting with the Council through self-service channels
- Improved resident satisfaction with services





## Cheltenham Borough Council Cabinet– 5<sup>th</sup> March 2019 Urban Gulls Strategy

**Accountable member : Andrew McKinlay, Cabinet Member Development and Safety**

**Accountable officer: Mark Nelson, Enforcement Manager**

**Ward(s) affected: All**

**Key/Significant Decision**                      **Yes**

### Executive summary

A review of Urban Gulls was initiated by the Overview and Scrutiny Committee in June 2018, following dissatisfaction with the Council's response to controlling the urban gull population in residential areas.

The subsequent O&S working group considered the key problems caused by urban gulls, including noise nuisance, potential health risk and damage to buildings from gull droppings, as well as the challenges to finding and treating their nests.

The group concluded that key to addressing the issues was denying habitat, making successful nesting in Cheltenham less easy through treating more gulls eggs each year and encouraging businesses and residents to gull-proof their own properties. In addition, reducing access to food sources, including food waste and litter, with the need for Cheltenham Borough Council to take a strategic lead, working alongside partners, residents and businesses to tackle the problem.

The Urban Gulls Scrutiny Task Group report, attached as appendix 2, was taken to Cabinet on 4<sup>th</sup> December 2018 with a recommendation that Cabinet endorse the task group recommendations, as set out in the task group report, including an increase of £10k in the available budget for this area.

Cabinet welcomed the report and requested officers to look at the details and come back to Cabinet with an officer view of the proposals.

The importance of a costed action plan, to ensure that the extra funding is spent in the most effective and timely way, was recognised. This costing exercise is currently in the process of being completed by officers, but the wide and cross cutting nature of the scrutiny report proposals has meant that this has taken longer than was originally envisaged. While the recommended way forward acknowledges that, it allows any urgent issues to be tackled where appropriate.

### Recommendations:

**Cabinet is recommended to:**

- 1) Agree a £10k additional budget allocation for 2019-20, funded from additional income generated in 2018-19; and**

- 2) Instruct the Enforcement Manager to develop and implement a costed action plan, within identified resources, in consultation with the Cabinet Member.

<b>Financial implications</b>	<p>If the £10k additional budget allocation is approved for 2019/20 the Enforcement Manager, being responsible for budget spend in this area, will consult with the Cabinet Member to agree a costed action plan and prioritise actions within the available resource.</p> <p><b>Contact officer: Sarah.Didcote@publicagroup.uk, 01242 264125</b></p>
<b>Legal implications</b>	<p>All species of gull are protected under the Wildlife and Countryside Act 1981. This means it is illegal to intentionally injure or kill any gull or damage or destroy an active nest or its contents. It is recognised in law, however, that there will be circumstances where control measures are necessary, but these must be proportionate.</p> <p><b>Contact officer: donna.marks@tewkesbury.gov.uk, 01684272068</b></p>
<b>HR implications (including learning and organisational development)</b>	None
<b>Key risks</b>	<b>See appendix 1</b>
<b>Corporate and community plan Implications</b>	The report recommendations contribute positively towards the vision that Cheltenham is a place where all our people and the communities they live in thrive.
<b>Environmental and climate change implications</b>	Any actions to reduce the gull population will contribute positively to improving Cheltenham's environment.
<b>Property/Asset Implications</b>	<p>Where legal and practicable the Council will carry out necessary works on their own buildings to help control the gull population.</p> <p><b>Contact Officer: gary.angrove@cheltenham.gov.uk</b></p>

## 1. Background

1.1 See appendix 2

## 2. Reasons for recommendations

2.1 The recommendations follow the work of the Urban Gulls Scrutiny Work Group, as contained in appendix 2.

## 3. Alternative options considered

3.1 Options were considered as part of the work of the scrutiny group. See appendix 2

## 4. Consultation and feedback

4.1 The group organised a drop-in session which took place at the Municipal Offices. The drop-in session was attended by local residents, members of the Urban Gulls Forum and businesses who shared their experiences of how they are affected by nesting gulls and what they think the council should do to better control the urban gull population in Cheltenham.

## 5. Performance management –monitoring and review

5.1 The success of proposed elements of a costed action plan will be monitored to ensure best use of available resources.

<b>Report author</b>	<b>Contact officer: Mark Nelson; mark.nelson@cheltenham.gov.uk, 01242264165</b>
<b>Appendices</b>	<ul style="list-style-type: none"> <li>1. Risk Assessment</li> <li>2. The Urban Gulls Scrutiny Task Group report</li> </ul>
<b>Background information</b>	<ul style="list-style-type: none"> <li>1. The Urban Gulls Scrutiny Task Group report</li> <li>2. Scrutiny Task Group Review – Urban Gulls. Cabinet Report 4<sup>th</sup> December 2018</li> </ul>

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
	Any risks associated with equality impact										
	Any environmental risks										
	If an effective strategy / action plan to control the urban gull population in Cheltenham is not adopted and appropriately funded, then the impacts and issues associated with gulls, as highlighted in the O&S working group report, may progressively get worse if the gull population increases.	Enforcement Manager – Mark Nelson		2	4	8		Develop and agree an action plan with the aim of controlling the size of Cheltenham's gull population.			
<b>Explanatory notes</b> <b>Impact</b> – 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) <b>Likelihood</b> – 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) <b>Control</b> - Either: Reduce / Accept / Transfer to 3rd party / Close											

**CHELTENHAM BOROUGH  
COUNCIL**

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# **URBAN GULLS**

**SCRUTINY TASK GROUP  
REPORT**

November 2018



## EXECUTIVE SUMMARY

A review of Urban Gulls was initiated by the Overview and Scrutiny Committee in June 2018 following a high level of dissatisfaction about the Council's response to controlling the urban gull population in residential areas. Research suggests that the number of urban colonies of gulls has increased from 239 in 2000 to 473 in 2015 as a result of higher temperatures in towns allowing earlier breeding, street lighting allowing night time foraging, our refuse, on-street waste and landfill sites which provide an excellent food source and also buildings which provide safe nesting sites away from natural predators. The group considered the key problems caused by urban gulls including noise nuisance, potential health risk and damage to buildings from gull droppings as well as the challenges to finding and treating their nests. The group heard a range of evidence and spoke to a number of key partners, including Ubico and the Cheltenham BID as well as considered best practices from Gloucester City and Bath & North East Somerset Council. They also consulted with 64 local residents and business owners via an online survey and drop-in session to understand the extent of the problem. They concluded that key to addressing the issues was denying habitat, i.e. make successful nesting in Cheltenham less easy through treating more gulls eggs each year and encouraging businesses and residents to gull proof their own properties, reducing access to food sources, including food waste, litter etc, and the need for Cheltenham Borough Council to take a strategic lead, working alongside partners, residents and businesses to tackle the problem together.

As such, the Task Group recommends:

### ***A Strategic Approach***

- 1) Increasing the budget available to control the Urban Gull population in the 2019-20 budget by £10k
- 2) Create a written Urban Gull Strategy setting out Cheltenham Borough Council's approach to controlling the urban gull population
- 3) The Leader of Cheltenham Borough Council to write to the Government to ask them to reconsider funding national research on urban gulls
- 4) Establish what powers the council has to enforce property owners to gull proof their property or treat nests on their property and ask Alex Chalk MP to press for any legal loopholes in these powers to be addressed at national level
- 5) Use part of the increase in urban gull budget to develop a media plan that will raise awareness of the issues around gulls
- 6) Consider a community research project which engages local universities, businesses and communities in a research project, similar to Bath and North East Somerset Council to record the gull population in Cheltenham

### ***Increase the Number of Eggs Treated in Residential Areas;***

- 7) Purchase a drone to survey for nests subject to necessary regulations, any unplanned for costs associated with this to be met by the increase in overall gull budget

- 8) Explore whether or not it is possible to seek an informal arrangement with Gloucestershire County Council to get roads closed more easily to allow a more nimble approach to treating nests
- 9) Recognising that in the short time scale available it will not be possible to find and treat every nest, CBC to take a more proactive approach to treating nests on residential properties. Where CBC cannot safely access the property to treat the nest, give information to property owners about private contractors who may be able to undertake the work

### ***Effective Management of Waste:***

- 10) Conduct a review of the existing bins in Cheltenham to determine how many of Cheltenham's existing bins can be retro-fitted with gull proof flaps or changes to the aperture (opening). When litter bins are due to be replaced, they are replaced with gull proof bins and the Cabinet consider whether 'Belly Bins' might be a value for money longer term investment
- 11) Replace the food waste storage bins at the Swindon Road depot and ensure the 'spotting compound' is cleared frequently. Review if moving the food waste bins into the shed area has made a difference during the nesting season 2019

### ***Planning and Licensing***

- 12) Place a condition on planning consent for takeaways (in new buildings or change of use applications) that they must provide a gull proof bin outside of the premises
- 13) Place a condition on licensing permissions for mobile catering units that they have a gull proof bin whilst trading
- 14) Through the planning process seek to 'design out' opportunity sites for gulls to nest on new buildings, either by design of roofs or conditions seeking gull proofing
- 15) Produce a Supplementary Planning Document (as B&NES and Gloucester City Councils have) with advice on gull proofing buildings

### ***Working with the Business Community***

- 16) Work alongside the Cheltenham BID and other businesses organisations to consider the possibility of sponsorship of gull proof litter bins
- 17) Work with the BID and other business organisations to encourage traders to present their waste correctly
- 18) Receive feedback from Cheltenham BID on how effective the red and white chequer boards were
- 19) CBC produce an educational leaflet aimed at town centre and commercial businesses to be distributed via email by the BID as well as other interested business organisations around January time

## 1. INTRODUCTION

- 1.1. A review of Urban Gulls was initiated by the Overview and Scrutiny Committee in June 2018 in response to a request by Councillor, Sudbury, Harman, Seacome and Barrell. A high level of dissatisfaction about the Council's response to controlling the urban gull population in residential areas had been expressed to councillors and council officers by residents as well as members of the Urban Gulls Forum.

**“The mental torment of the screeching gulls is a nightmare. Even with windows closed we're woken every night. Having an adverse effect on tourist income as residents are warning visitors not to come to Cheltenham because of the noise and mess. Needs to be seriously addressed now”.**

- 1.2. The problems posed by gulls are no longer confined to seaside towns as large colonies of gulls have now established themselves in the urban realm. The potential health risks, noise nuisance, building damage and scavenging are some of the key challenges local authorities face. As such, it was agreed that an evidence-based review of the current approach and potential solutions was needed.
- 1.3. This report sets out the findings and recommendations arising from the scrutiny review by the scrutiny task group.

## 2. MEMBERSHIP AND TERMS OF REFERENCE

- 2.1. Membership of the task group:
- Councillor Klara Sudbury (Chair)
  - Councillor Diggory Seacome
  - Councillor Tim Harman
  - Councillor Dilys Barrell
- 2.2. Terms of reference agreed by the O&S committee:
- i. Reducing the availability of food sources – for example through public engagement and education;
  - ii. Fully understanding the barriers/challenges in treating gull nests and considering options that would overcome those barriers/challenges;
  - iii. Making properties less attractive as nesting sites; and
  - iv. Identifying the availability of funding sources/incentives to assist with gull-proofing measures.

### 3. METHOD OF APPROACH

- 3.1. The task group met on 8 occasions where they considered the various issues around controlling the urban gull population in Cheltenham, including identifying and treating nests, preventing nesting from taking place and reducing food sources.
- 3.2. The group organised a drop-in session which took place at the Municipal Offices on the 10th October. The drop-in session was attended by local residents, members of the Urban Gulls Forum and businesses who shared their experiences of how they are affected by nesting gulls and what they think the council should do to better control the urban gull population in Cheltenham.



**Members of the Urban Gulls Task Group at the drop-in session**

- 3.3. The drop-in session consisted of a mapping exercise to determine the areas most affected and a survey which attendees were asked to complete (a copy of which is included at Appendix 2 of the report). This survey was also available for interested parties to fill in online and advertised via social media.



**Attendees talking to members of the Gull Task Group at the drop-in event**

- 3.4. At the drop in session, there were displays of effective gull proofing measures that can be used on properties to prevent gulls being able to nest and two hawks were also brought along by their handlers to explain how they can be used to deter gulls from nesting. This is an option that has been used this year with success, paid for by local residents, in two roads in Park Ward, Cheltenham.
- 3.5. The group heard evidence from a range of people, namely,
- Mark Nelson, Enforcement Manager;
  - Duncan Turner, Community Protection Officer;
  - Representatives of Ubico;
  - The Cheltenham BID;
  - Alex Chalk MP;
  - The Cabinet Member Andrew McKinlay; and
  - A Cheltenham Borough Council Planning Officer.
- 3.6. The task group considered a range of evidence including:
- The approaches to controlling Urban Gull populations taken by Bath and North East Somerset Council and Gloucester City Council;
  - The Legal protection of birds and the statutory powers available to control the urban gull population;
  - Practical barriers in treating gull nests in Cheltenham;
  - Cheltenham Borough Council's current approach to egg oiling;
  - How food waste is stored and handled in Cheltenham by UBICO;
  - What legal powers were available to local councils to compel property owners to gull proof their properties or have nests treated;
  - Experience of the Borough Council's previously offered subsidised gull-proofing measures;
  - The impact on members of the public and concerns of local businesses affected by gulls.
- 3.7. Members of the task group would like to thank everyone who attended their meetings and contributed to the review and also thank those officers who provided support to the work of the group, particularly Mark Nelson and Duncan Turner.

## **4. THE EXTENT OF THE PROBLEM**

- 4.1. As identified by the scrutiny task group, there is a considerable lack of research into the life cycle and behaviours of gulls. However, studies from Brown and Grice (2005) highlight that from the period of 1976 – 1994 the growth rate of urban nesting gulls in England increased at a rate of 17% per annum. An article in the Independent, 2015 states that research suggests the number of urban colonies has increased from 239 in 2000 to 473 in 2015. Peter Rock suggests a possible trebling or even quadrupling of numbers of gulls nesting on roofs since 2000. Conservatively he suggests 25,000 in the Severn Estuary in 2015 (The Independent, 2015).
- 4.2. Studies suggest that the large influx of gulls to urban areas is a result of higher temperatures in towns allowing earlier breeding, street lighting allowing night time foraging, our refuse, on-street waste and landfill sites which provide an excellent food

source and also buildings which provide safe nesting sites away from natural predators. In 2015 the government committed £250,000 in its budget to fund new research that would help tackle the problems that gulls are causing in cities and towns; however, following reprioritisation of Government funding in 2015 this research was scrapped. Several universities, such as Middlesex University and the University of the West of England are now studying urban gull behaviour and papers about various aspects of the life of gulls are starting to appear.



- 4.3. Herring Gulls and Lesser Black-Backed Gulls nest in residential areas of Cheltenham and on industrial units in the Kingsditch area. As established by the task group, Gulls have a long lifespan and are social creatures who like to nest in colonies, once a pair gains a foothold others follow. If they breed successfully, they will return year on year and problems caused by increasing gull population can escalate rapidly. The Professional Pest Controller Magazine, September 2018, states that both Herring and Lesser black backed Gulls generally have a life span of about 30 years and reach sexual maturity at about 4 years old. However, according to Peter Rock (2005) pairs have been known to breed at 3 or even 2 years old and a breeding pair will lay 2-3 eggs per year.
- 4.4. The Pest Control Procedures Manual 2015, produced by the Chartered Institute of Environmental Health identified several key challenges faced as a result of urban gulls:
  - i. **Scavenging and Waste Spillage** – Gulls are attracted by food waste spillages.
  - ii. **Contaminated Objectionable Environment** – Gull droppings contaminate roads, pavements, street furniture, buildings and gardens.
  - iii. **Potential Health Risk** – Birds are known to carry salmonella, campylobacter and E coli spp.

- iv. **Building Damage and Additional Maintenance and Cleaning** – Buildings can be damaged by droppings and nest material sometimes block gutters and drains causing further problems.
- v. **Food Safety and Health** – Ariel droppings can contaminate food in different scenarios including when food is unloaded at manufacturing sites, also bacteria can be introduced in the food production process through contaminated internal drainage. Bacteria can be brought into the home by such things as footwear, buggies and bicycle tyres.
- vi. **Noise Nuisance** – Early morning first light awakenings (usually around 4:00am) can disrupt the sleep of residents and visitors staying in hotels. The Task Group were told about gull noise causing sleep disturbance by local residents, but found little academic research specifically about this. However in the “Summary of Adverse Effects of Noise Pollution” by Louis Hagler, MD, based on World Health Organisation Guidelines for Community Noise, it is stated that noise pollution is a major cause of sleep disturbance. Noise pollution during sleep causes increased blood pressure, increased heart rate, increased pulse amplitude, vasoconstriction, cardiac arrhythmias and increased body movement. Secondary effects are fatigue, depressed mood and well being, and decreased performance.
- vii. **Gull Attacks** – Attacks by aggressive and competing birds can take place, particularly when they are defending young and around food. The RSPB advises people to avoid areas where birds have chicks or eggs, but if this is not possible to have a hat or umbrella as birds swoop to the highest part of you!
- viii. **Reputational damage** – Because of the noise and other issues associated with large numbers of gulls, the reputation of towns and cities as nice places to live and visit can suffer. Also, the reputation of local councils can be harmed if people believe they are not doing enough to tackle the issue.

## 5. LEGAL POSITION IN RELATION TO URBAN GULLS

- 5.1. All species of gull are protected under the Wildlife and Countryside Act 1981 and the Wildlife (Northern Ireland) Order 1985. This means it is illegal to intentionally injure or kill any gull or damage or destroy an active nest or its contents. It is recognised in law, however, that there will be circumstances where control measures are necessary.
- 5.2. Simple nuisance or minor damage to property are not legally sanctioned reasons to kill gulls. The UK administrations can issue licences, which permit nests to be destroyed or even birds to be killed if there is no non-lethal solution and if it is done to prevent serious damage to agriculture, the spread of disease, to preserve public health and safety and air safety, or to conserve other wild birds (RSPB, 2018).

## 6. CURRENT SITUATION IN CHELTENHAM AND APPROACH OF THE BOROUGH COUNCIL TO CONTROLLING THE URBAN GULL POPULATION

- 6.1. In 2017/18, to introduce some sustainability into the year-on-year egg replacement programme, it was decided to introduce a small fee for egg replacement and subsidise bird proofing, if residents decided to take this up. The result was that there was a drop-off in commercial premises that were willing to participate in the egg replacement programme and no residential owners took up the option of subsidised bird proofing. Residents demonstrated an unwillingness to undertake bird-proofing at their own

expense, even at a subsidised rate and believed that these works should be funded by the Council.

- 6.2. Before the commencement of this year's gull nesting season, officers explained to the Urban Gulls Forum that, to get best use out of the available resources, commercial premises were to be targeted, which statistically had the greatest population of nesting gulls in Cheltenham. The charges, that reduced participation the previous year, were to be dropped in order that a full programme of commercial premises egg replacement could be carried-out, thereby maximising the impact on the gull population within the resources available. The anticipated reduction in gull population achieved by this approach would benefit residents, businesses and visitors alike.
- 6.3. This approach proved very successful and 408 eggs were treated in 137 nests on commercial premises. The Council was also fortunate to be able to use the resources of the fire authority, which helped with access to roofs to tackle the gull problem in the Tivoli area. The area was surveyed and 4 nests were identified, although only 2 nests were accessible containing 5 eggs, which were subsequently treated.
- 6.4. The current arrangements whereby council resource is invested mainly in business areas such as Kingsditch and the town centre are effective in reducing the overall gull population in the town, but are considered ineffective in dealing with problems in often densely populated residential areas.
- 6.5. With the assistance of Enforcement Manager Mark Nelson and Community Protection Officer Duncan Turner, the group identified a number of operational issues which create barriers to effectively treat large numbers of urban gull eggs, particularly in residential areas. These include:
  - During the nesting season there is only a short period of time (2-3 weeks) to identify the nests and deal with the eggs;
  - The cherry pickers used for access to find nests and treat the eggs require time to set up and in some cases are unsuitable for particular streets;
  - Nests can often be well hidden and it is therefore difficult to locate them;
  - The fact that road closures are often needed to set the vehicle up;
  - Phone, power lines and trees can hinder the ability to reach nests;
  - Adverse weather conditions make egg oiling difficult;
  - Nests are sometimes inaccessible to the operator of the cherry picker.

## **7. THE ROLE OF THE URBAN GULLS FORUM**

- 7.1. The Urban Gulls Forum was established some years ago to bring together residents who had raised concerns about the nuisance caused by gulls. Residents attended meetings from areas most affected by the issue including Tivoli, Lansdown, St Luke's and Pittville. The group was attended by Council Members mainly from the areas affected including Cllrs Sudbury, Seacome, Mason and Harman. Mark Nelson, Duncan Turner and other Officers also attended when relevant.
- 7.2. The group put forward ideas from residents about ways of combating the Gulls Issue including the red and white squared chequer board used by one resident successfully to deter nesting and the need to promote gull proofing. Various views were discussed to raise public awareness of the issue and seek more support from the Borough Council. Following a suggestion made at the Group, the Fire and Rescue Service responded to a

request to deploy a Fire Snorkel to assist with egg treatments in Tivoli Street and Andover Road. The Fire and Rescue service have offered to help again in the future.

- 7.3. The ideas put forward by the group formed a basis for the recent drop-in session. A number of residents who have supported the group have expressed an interest in remaining involved with helping to improve the Gulls issue and they are a useful network.

## 8. OUR FINDINGS

### *The Approach of Bath and North East Somerset*

- 8.1. Bath and North East Somerset is a unitary council which has been working with Middlesex University, the University of the West of England, schools and local residents to examine the gull issue. A written gull strategy has been produced for the period 2016-2019. The strategy includes posters on litter bins asking people not to feed the gulls, education and enforcement around correct presentation of waste, a campaign urging the use of food recycling bins, a leaflet about preventing gulls nesting, door knocking, provision of reusable rubbish bags in certain areas and annual treatment of roofs on 7 council owned buildings. The planning process is engaged to try to “design out” possible nesting sites. All these measures are intended to reduce the gull’s access to food, and to disrupt habitats. The group believe a similar urban gulls strategy should be devised for Cheltenham, outlining the councils approach and strategy for dealing with gulls.
- 8.2. There is an emphasis on creating a partnership between local people, businesses, tourist and public agencies, neighbouring councils and central government. Central government is to be urged to produce a national strategy to mitigate the problems caused by urban gulls (Bath and North East Somerset Council, 2015).

**Recommendation - Create a written Urban Gull Strategy setting out Cheltenham Borough Council’s approach to controlling the urban gull population**

**Recommendation - The Leader of Cheltenham Borough Council to write to the Government to ask them to reconsider funding national research on urban gulls**

**Recommendation - Consider a community research project which engages local universities, businesses and communities in a research project, similar to Bath and North East Somerset Council to record the gull population in Cheltenham**

### *Gloucester City Council*

- 8.3. The task group made contact with Gloucester City Council to identify what measures they were making to deal with the issue of urban gulls following a report in Gloucestershire Live which stated that Gloucester had seen a 35% reduction in the number of nests and a 50% drop in the number of eggs collected by pest controllers (Gloucestershire Live, 2017).
- 8.4. Gloucester has been treating eggs in nests on roofs since 2001. An information leaflet about “preventing nesting on your roof” was produced in November 2016 and is available on the website. It is recommended that ideally nesting sites should be “designed out” of buildings or measures taken to deny access to potential nesting sites. Encouragement is given to designers to incorporate this idea when preparing planning applications.
- 8.5. Gloucester uses a private contractor to remove eggs and nests from businesses in the city centre and along Bristol road. Measures to deter gulls are undertaken at their landfill

site and gull measures in the city are funded by income from the landfill site (Gloucester City Council, 2018).

### *Cabinet Member*

- 8.6. Members of the Task Group met with the Cabinet Member Cllr Andrew McKinley to discuss the progress of their work, outlined the key issues considered so far and possible recommendations. Cllr McKinley welcomed the holistic approach being taken by the task group and asked them to present a clear set of recommendations particularly in regard to any potential request for an increase in the budget for controlling the urban gull population. Cllr McKinley indicated that there was an additional £10,000 available to add to the existing gull budget.

**Recommendation - Increase the budget available to control the Urban Gull population in the 2019-20 budget by £10k**

### *UBICO*

- 8.7. The Task Group met with representatives from UBICO to discuss issues that had been raised about how food waste was handled at the depot. There were concerns that the lids to the bins containing the food waste were often left open and accessible to gulls between use and concerns that the 'spotting compound' (the area where the waste from litter bins is stored before it is transferred to Wingmore Farm) was a potential food source for the gulls. UBICO confirmed that the food waste bins had been moved inside the warehouse and initial indications suggested that this had reduced the numbers of gulls in the area. UBICO advised that the mechanisms for closing the bins were extremely outdated and the deteriorated seals resulted in Leachate (liquid material that drains from land or stockpiled material and contains significantly elevated concentrations of undesirable material).
- 8.8. UBICO acknowledged that there were issues with the spotting compound and this was now being emptied on a more regular basis. The task group were shown a video and series of pictures of the food waste bins being stored inside the warehouse and the mechanism by which the waste was emptied into it. Members noted that moving towards the breeding season, the management of the site to reduce easy access to food for gulls was most critical.



**Belly bins can store more waste than traditional litter bins and are gull proof**

**Recommendation - Replace the food waste storage bins at the Swindon Road depot and ensure the 'spotting compound' is cleared frequently. Review if moving the food waste bins into the shed area has made a difference during the nesting season 2019**

- 8.9. Members also considered issues around litter bins as gulls are known to pull food waste from them. The group discussed the potential for gull proof litter bins to be introduced in the town centre and outside takeaways. It was suggested a planning condition be applied to all new fast food business which states that they must have a gull proof bin outside of the premises. It was agreed that litter bins that had reached the end of their life should be replaced with gull proof bins.

**Recommendation - Place a condition on planning consent for takeaways (in new buildings or change of use applications) that they must provide a gull proof bin outside of the premises**

- 8.10. Bath, along with other towns and cities such as Worcester, has introduced Hi -Tech 'Belly Bins' to try to reduce the access gulls have to food waste. These larger bins are solar powered, compress litter, can store more waste and therefore be emptied less often. The bins open using a handle or a foot pedal, and are self-closing once litter has been deposited – making it impossible for gulls to pull any waste out of them. There are costs associated with these bins which can be bought as well as leased. There might also be savings if belly bins were considered as a replacement for existing town centre bins through costs generated because they require less frequent emptying.
- 8.11. It was also established that gull proof flaps could be installed on litter bins retrospectively although it was unclear if this was possible on the current models used in Cheltenham. Members also discussed the possibility of trialling hessian sacks for use on streets in Cheltenham which did not have space for wheelie bins, the idea being that residents would place black bags inside of the hessian sacks when refuse was put out for collection so that gulls were not able to pull them apart.

**Recommendation - Conduct a review of the existing bins in Cheltenham to determine how many of Cheltenham's existing bins can be retro-fitted with gull proof flaps or changes to the aperture (opening). When litter bins are due to be replaced, they are replaced with gull proof bins and the Cabinet consider whether 'Belly Bins' might be a value for money longer term investment**

*Cheltenham BID*

- 8.12. The BID provided feedback on behalf of local businesses. The BID had identified that the state of the bins around the town centre were poor and the option of replacing them was being discussed with CBC. It was agreed that it would make sense to replace them with gull proof bins (although there is a need to be conscious of the fact that some of the current bins include a place to stub out cigarettes). It was suggested that the bins that were most scavenged by gulls be replaced first with gull proof bins.

- 8.13. The BID reported that many of the town centre problems with gulls were caused by businesses failing to put their rubbish out on the right day or at the right time, meaning there is a potential food source for the gulls. They advised that the BID were currently trying to address this by working with businesses that do this most frequently. The intention to trial hessian sacks on commercial properties was discussed with the BID who agreed to support the initiative. The group identified Montpellier as a potential location for the trial due to the large number of food outlets located there.



- 8.14. The group also discussed the possibility of producing an educational leaflet aimed at town centre and commercial businesses. The BID agreed they would be happy to send it out to those on its distribution list around January time before the nesting season.

**Red and white chequer board made by a local resident that has so far stopped gulls nesting on their property**

- 8.15. The BID were also interested in the red and white painted chequer board, made and used at a residential property in Cheltenham to discourage gulls from nesting. The BID intended to find two businesses to trial the use of a similar red and white painted chequered board to see if it helped prevent nesting. Members of the Task Group welcomed this suggestion.

**Recommendation - Work with the BID and other business organisations to encourage traders to present their waste correctly**

**Recommendation - Receive feedback from Cheltenham BID on how effective the red and white chequer boards were**

**Recommendation - CBC produce an educational leaflet aimed at town centre and commercial businesses to be distributed via email by the BID as well as other interested business organisations around January time**

**Recommendation - Work alongside the Cheltenham BID and other businesses organisations to consider the possibility of sponsorship of gull proof litter bins**

**Recommendation - Support Cheltenham BID to find a location for businesses in Montpellier or the town centre to trial the use of hessian sacks to store bin bags for presenting at kerbside**

*Planning Officer*

- 8.16. The Chair of the Task Group met with a member of the planning team to discuss the issues around securing gull proofing to buildings or litter bins for takeaways through the planning process. This is a key issue the group wanted to consider as both Bath and Gloucester have separately identified the need to take a 'design out' approach to make it more difficult for gulls to nest. This could be by correctly installed gull proofing but also by encouraging developers' to design their buildings in a 'gull unfriendly' way. As referred to previously, Gloucester City Council has produced a booklet with really valuable advice for developers and anyone interested in gull proofing their property.

- 8.17. The Planning team advised that new food establishments tend to come about through the change of use of existing buildings, where the options to 'design in' gull proofing measures are limited. Secure waste and recycling storage facilities are always sought on these types of applications which should limit gull-activity. Buildings with large expanses of flat roof can attract nesting gulls they advised that they had attached conditions to schemes of that nature requiring gull-proofing measures. However, the planning department acknowledged that they would need to be careful that such conditions comply with the tests set out in the legislation so it would very much need to be dealt with on a case by case basis.

**Recommendation - Place a condition on licensing permissions for mobile catering units that they have a gull proof bin whilst trading**

**Recommendation - Through the planning process seek to 'design out' opportunity sites for gulls to nest on new buildings, either by design of roofs or conditions seeking gull proofing**

**Recommendation - Produce a Supplementary Planning Document (as B&NES and Gloucester City Councils have) with advice on gull proofing buildings**

*Communications*

- 8.18. The group established that a programme of education and awareness was key to addressing the problem long term. This would include offering advice on presenting waste correctly to minimise scavenging and methods to prevent gulls nesting on roofs. As such, the Chair of the task group met with members of Cheltenham Borough's communication team and discussed the potential for devising a media plan that would raise awareness of the issues around gulls. This could include, for example, 'Feed the Bins not the Gulls' posters, paid for social media campaigns and leaflets. Gull proofing would also be actively encouraged by providing suitable advice online and through educational material.

**Recommendation - Use part of the increase in urban gull budget to develop a media plan that will raise awareness of the issues around gulls**

## **9. CONSULTATION RESPONSES**

- 9.1. At the drop-in session, 20 surveys were completed by members of the public in attendance. It should be noted that some attendees at the drop-in were there as community or business representatives. The same survey was put online and advertised widely in Cheltenham through social media. In total 64 survey responses were received.

*The Task Group acknowledges that given the scale of the survey and response rate, the feedback is not scientific but rather provides a flavour of where there are issues as well as useful information on the impact that nesting gulls have on people's lives.*

**"The gull problem is a community one and has to be dealt with by communal actions for maximum effectiveness".**

- 9.2. As noted earlier in this report, finding gulls nests which are often sited in hidden locations is not easy. Reports of nests being present on a roof are not always correct, also the nest must be found before the chicks hatch. As the cherry picker takes time to set up and put away and also often requires a road closure to set up, it has proved very difficult with current resources to identify nest sites in residential areas and treat many eggs. The use of a drone, owned by Cheltenham Borough Council and used by a member of CBC staff, would mean that larger areas can be covered more quickly to find nests and identify if CBC would be able to access it via the cherry picker to treat the eggs. The Task Group was therefore particularly interested to hear if members of the public would agree with the use of a drone to identify nest sites. The group also discussed the potential for making an informal arrangement with Gloucestershire County Council to get roads closed more as the time constraints often prove exceedingly difficult.

**Recommendation - Purchase a drone to survey for nests subject to necessary regulations, any unplanned for costs associated with this to be met by the increase in overall gull budget**

**Recommendation - Explore whether or not it is possible to seek an informal arrangement with Gloucestershire County Council to get roads closed more easily to allow a more nimble approach to treating nests**

**Recommendation - Recognising that in the short time scale available it will not be possible to find and treat every nest, CBC to take a more proactive approach to treating nests on residential properties. Where CBC cannot safely access the property to treat the nest, give information to property owners about private contractors who may be able to undertake the work**

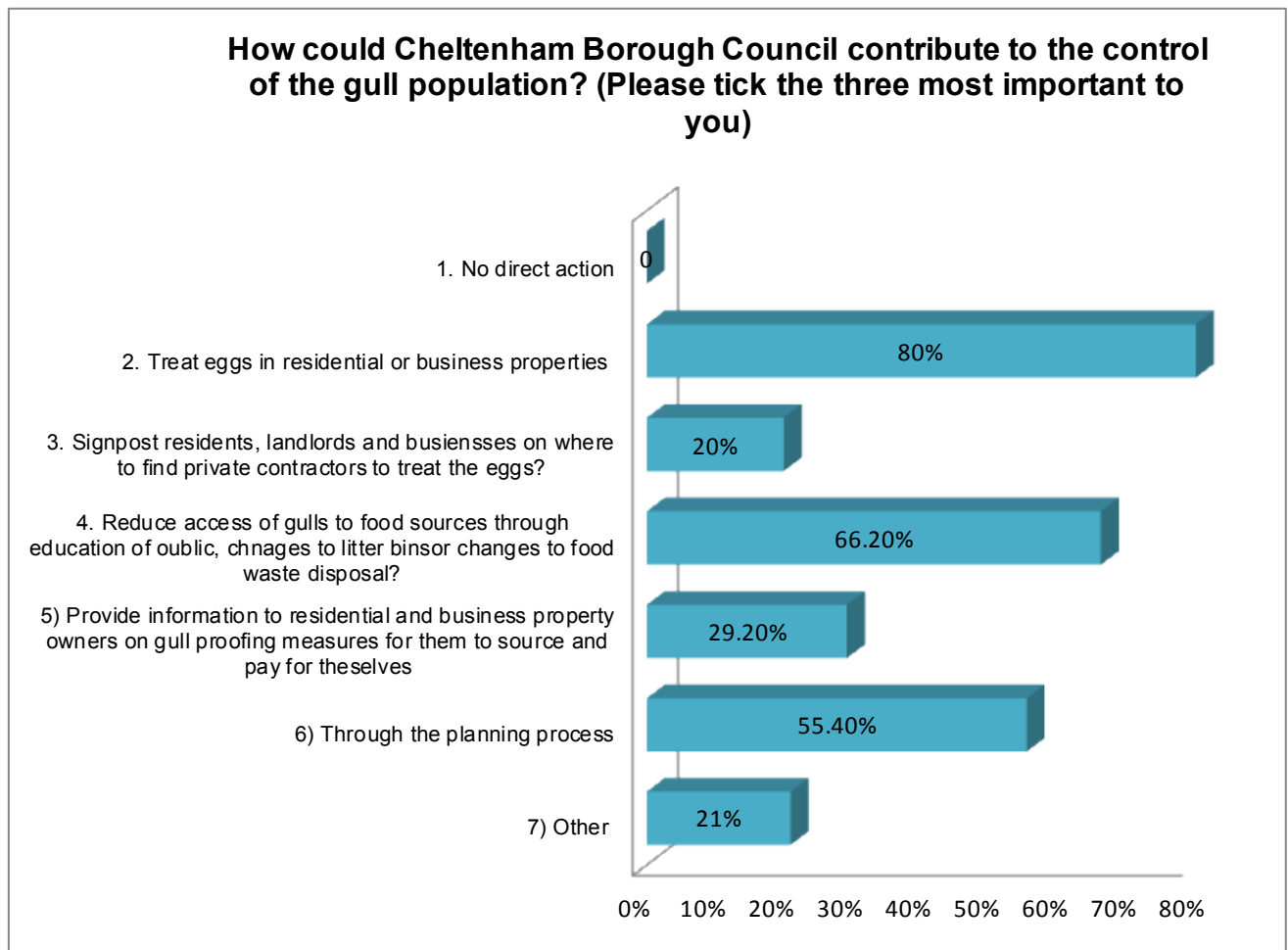


**The use of a drone could help identify nest sites more effectively**

- 9.3. Of those surveyed, 86% of respondents supported the suggested use of a drone owned and controlled by Cheltenham Borough Council to more effectively identify nests. As far as the Task Group is aware this is not an approach taken by other Local Authorities but if successful could make it far more effective to find and treat nests in residential areas. The drone would not be equipped to treat the eggs only map where there are nests are.
- 9.4. The feedback from the Task Group survey showed that 55.90% of the nests identified were located on private houses and 28.70% on a tenanted house/block of flats, 16.90% on industrial buildings, 3.40% on public buildings. Other areas were identified to have a

gull problem including schools, playing fields, and balancing ponds on new housing developments.

- 9.5. From the mapping exercise and survey responses, it was apparent that in Cheltenham there are local areas where gulls tend to nest. There is no evidence to suggest the problems caused by gulls were town wide, rather in particular areas there are nest sites which cause noise disturbance or other problems for residents and businesses. The task group noted that this was in line with research which showed that gulls are social creatures that prefer to nest in colonies.
- 9.6. In response to the question “How could Cheltenham borough council contribute to the control of the gull population?” the following were the number of responses (it should be noted that respondents were able to tick the three options most important to them):



**“The impact over the summer months in 2018 was dreadful. The noise from the gulls woke us at first light every morning (approx. 4am). We could not sit in our gardens because of the racket they made. On occasions a baby gull would fall into a garden or into the road and the parents would act aggressively towards anyone nearby i.e. swooping and squawking. There was a lot of bird mess created on pavements and cars also.”**

- 9.7. Nobody who completed the survey ticked the box suggesting that Cheltenham Borough Council should take no action. From this, it could be suggested that there is support for the council to take action to control the urban gull population, even though this is not a statutory service.
- 9.8. Further comments were made in response to this question:
- Fine people on the spot who drop food litter;
  - Target specific hotspots;
  - Fly Hawks in the areas;
  - Work on landlords to get them to engage with initiatives; and
  - Pay for hawks to deter nesting.



**A hawk used to deter gulls from nesting**

- 9.9. The Task Group have been made aware through the consultation process and elsewhere of local residents who are working together to fund gull proofing on their properties, egg treatment and the use of hawks to deter nesting. As previously mentioned, in Park Ward two streets paid for a hawk this year which was effective in preventing nesting in these streets, however, there is a suspicion that the gulls moved on and nested in streets nearby. There is another street in Park Ward where, following a very bad experience with nesting gulls this summer, residents worked together to pay for a private contractor to gull proof their homes. In the Montpelier area, residents in two streets pay a private

contractor to treat nests on properties affected. The Task Group welcomes this proactive approach from local residents but recognise not all communities would be able to do this. We have had reports of absent landlords who are unwilling to gull proof their properties or to have nests treated. The Task Group is concerned that Local Authorities may not have enough legal powers to take action.

**Recommendation - Establish what powers the council has to enforce property owners to gull proof their property or treat nests on their property and ask Alex Chalk MP to press for any legal loopholes in these powers to be addressed at national level**

- 9.10. The Task Group considered the requests for the Borough Council to use Hawks as part of the strategy to deter gulls from nesting in Cheltenham. This is not an option the Task Group felt they could support, as the cost of this would be prohibitive. Similarly, if hawks are used in areas where nesting currently takes place, the gulls could simply move to places nearby. Thus it would be a very expensive way to displace rather than solve the problem.
- 9.11. Concerns have been raised to the Task Group from inside CBC that there are residents who feed the gulls. Apart from one anecdotal report of a lady who used to feed the gulls in a park in Cheltenham, none of the evidence collected through the surveys, verbal feedback from residents and businesses at the drop-in event or discussions at meetings of the Urban Gulls Forum have identified this as an issue.

## 10. CONCLUSIONS

- 10.1. The impact on the mental well-being of people affected by the noise of the gulls during the nesting season is considerable, as expressed by people to the Task Group. There is also concern about the mess created by gulls and risk of disease spreading. As the visitor economy is significant in Cheltenham, with leisure and retail important as well as the hospitality sector there is concern that the disturbance during the nesting season may negatively impact on visitor's experience of staying in our town.
- 10.2. If nothing is done by Cheltenham Borough Council to control the urban gull population, it will grow exponentially. This is because of the long life span of gulls, the relative safety of nesting in Cheltenham, plentiful food sources, the social nature of gulls, and the fact that each breeding pair can produce up to three eggs a year. This would be detrimental to the quality of life of local residents and could impact negatively on the visitor's experience during the breeding season.
- 10.3. However, no single, proven successful method for controlling the impacts of urban gulls exists. The two common species of gull that nest in Cheltenham, the Lesser Black-backed and the Herring Gull have protected status. Therefore, any approach to controlling gulls must be both humane and approached from different angles to bring about improvements for residents, businesses and visitors. It would also be difficult to assess how successful any changes in current practice were unless there was an up to date local survey of the gull population in Cheltenham.
- 10.4. The group acknowledged that because of financial and practical constraints, the Borough Council is unlikely to be able to deal with this issue alone. Members of the Task Group therefore believe a partnership approach, with the Borough Council taking a strategic role (but not working in isolation) to control the urban gulls population in Cheltenham, is the correct approach to take.
- 10.5. As concluded by Bath and North East Somerset in their Urban Gull Strategy 2016-2019:

*“In the absence of any statutory duty to act and the presence of diminishing budgets there is a need for a partnership approach involving local people, building or business owners, tourist and public agencies, neighbouring councils and central government.”*

- 10.6. Whilst the Task Group accept that controlling the urban gull population is a very difficult problem to tackle, Members believe there are ways the Borough Council can do things differently to improve on the current situation:
- Denying habitat, i.e. make successful nesting in Cheltenham less easy through treating more gulls eggs each year and encouraging businesses and residents to gull proof their own properties;
  - Reducing access to food sources, including food waste, litter etc;
  - For Cheltenham Borough Council to take a strategic lead, working alongside partners, residents and businesses to tackle the problem together.

## **11. PROGRESSING THE SCRUTINY RECOMMENDATIONS**

- 11.1. In terms of the reference set for us by the O&S committee, we feel confident that these have been met. As a task group, we feel it is important that we continue to monitor the situation with the urban gulls and we would be happy to reconvene if the O&S committee feels it is appropriate.
- 11.2. In taking forward these recommendations, it is important to recognise that issues relating to urban gulls cannot be addressed by Cheltenham Borough Council alone. It is a national problem that requires Government intervention and a partnership approach to achieve the best outcomes for the people of Cheltenham. As such, the Borough Council will be looking to partners to take forward these recommendations where appropriate.
- 11.3. The task group expects to report its findings and recommendations to the next appropriate meeting of the Overview and Scrutiny Committee before taking the report to Cabinet. Assuming that our recommendations are accepted by Cabinet, the task group asks to be kept informed of any developments, and also believes that a review of the implementation of the recommendations should be conducted six months after being accepted by Cabinet.

## SCRUTINY REVIEW – ONE PAGE STRATEGY

FOR COMPLETION BY THE OVERVIEW AND SCRUTINY COMMITTEE	
Broad topic area	Urban Gulls
Specific topic area	Cheltenham Borough Council's approach to reducing the urban gull population.
Terms of Reference for the review	<ul style="list-style-type: none"> <li>Reducing the availability of food sources – for example through public engagement and education</li> <li>Fully understand the barriers/challenges in treating gull nests and consider options that would overcome those barriers/challenges.</li> <li>Making properties less attractive as nesting sites; and</li> <li>The availability of funding sources/incentives to assist with gull-proofing measures.</li> </ul>
Outcomes	<p>A comprehensive report on the issue, reported to O&amp;S and to Cabinet, to help councillors as well as members of the public understand more about gulls and what the council can reasonably do to control and reduce the gull population.</p> <p>Deliver an evidence-based set of findings and recommendations, to enable the more effective control of the numbers of problem urban gulls in residential areas.</p>
How long should the review take?	The report of the working group should conclude in time to allow recommendations to feed into the Borough Council's budget process for 2019-20.
Recommendations to reported to:	CBC's Overview and Scrutiny Committee and Cabinet to inform any funding request through the budget setting process for 2019-20.
Membership:	Cllrs Diggory Seacome, Klara Sudbury, Dilys Barrell, Tim Harman (?)
FOR COMPLETION BY OFFICERS	
Officers experts and witnesses	Mark Nelson – Enforcement manager Duncan Turner – Pest control officer
Sponsoring officer	Mike Redman – Director of Environment
Facilitator	Sophie McGough – Democratic Services
FOR COMPLETION BY THE SCRUTINY TASK GROUP	
Are there any current issues with performance?	<ul style="list-style-type: none"> <li>The current arrangements whereby council resource is invested mainly in business areas such as Kingsditch and the town centre are effective in reducing the overall gull population in the town, but are considered ineffective in dealing with problems in often densely populated, residential areas. The high level of dissatisfaction of many local residents has been expressed by emails to councillors and council officers in recent months, as well as feedback received about the council's response to the problem at meetings of the Urban Gulls Forum.</li> <li>There have been barriers to getting properties bird-proofed, particularly in residential areas.</li> </ul>

	<ul style="list-style-type: none"> <li>• It is difficult and costly to identify nesting sites in residential areas.</li> <li>• The management of the operation of the civic amenity site at Swindon Road has been identified as an issue, providing a food source for the gull population</li> <li>• Bins provided around the town are generally not of a design which is gull-proof</li> <li>• Discarded takeaway food can be an issue in and around the town.</li> </ul>
Other experts and witnesses	To be agreed
Other consultees	Members of the Urban Gull Forum Cheltenham BID Trader organisations Alex Chalk The Lido
Background information	Circulated
Suggested method of approach	To be agreed
How will we involve the public/media? Or at what stages	Various methods including through social media, drop in meeting etc.
Preferred timing for meetings	Fortnightly.  Initial meeting proposed on 15 <sup>th</sup> August and 29 <sup>th</sup> August at 3 pm in the Montpellier room.

## Appendix 2

**Cheltenham Urban Gulls Survey**

Thank you for completing this form. The information you provide will help members of Cheltenham Borough Council's Urban Gulls Task Group understand more about the issue in our town and how residents feel the problem can best be addressed. Please refer to the privacy statement overleaf to see how your information will be stored.

**Name:**

**Address:**

**Email Address (optional):**

**1. Where, with as much information as you can provide, is the address or addresses of where urban gulls nest (if not applicable please say N/A)**

.....  
.....  
.....  
.....

**2. On what type of building was the nest located?**

Private House ☐

Tenanted House/Block of Flats ☐

Industrial Building ☐

Public Building (e.g. Library) ☐

Office Block ☐

Other (please specify) ☐ .....

**3. Would you support the use of a drone owned and controlled by Cheltenham Borough Council to more effectively identify nest sites in the area where you live and/or work?**

Yes ☐

No ☐

Don't know ☐

**4. How could Cheltenham borough council contribute to the control of the gull population? (please tick the 3 most important to you)**

No direct action undertaken by the Council, it is not a mandatory service ☐

Treat eggs in residential or business properties where access to the nest is possible ☐

Signpost residents, landlords and businesses on where to find private contractors to treat the eggs ☐

Reduce access of gulls to food sources through education of public, changes to litter bins or changes to food waste disposal ☐

Provide information to residential and business property owners on gull proofing measures for them to source and pay for themselves ☐

Through the planning process, require developers to gull proof buildings likely to be attractive to gulls to nest on (such as industrial buildings or large blocks of flats) ☐

Any other suggestions (please specify)

.....

.....

.....

**5. Do you have any further comments that you would like the Task Group to be aware of, for example the impact nesting urban gulls has on you or anything you think the group need to be aware of?**

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The Independent. 2015. *Number of urban seagulls in Britain nearly quadrupled in last 15 years, says research*. 1<sup>st</sup> August. [Online]. Available at: <https://www.independent.co.uk/environment/nature/number-of-urban-seagulls-in-britain-nearly-quadrupled-in-last-15-years-says-research-10431771.html>

## Cheltenham Borough Council Cabinet – 12<sup>th</sup> February 2019 Modernisation Case for Change

<b>Accountable member</b>	Cllr Alex Hegenbarth
<b>Accountable officer</b>	Darren Knight, Executive Director for People & Change
<b>Ward(s) affected</b>	All
<b>Key/Significant Decision</b>	No
<b>Executive summary</b>	<p>The purpose of the modernisation programme is to deliver a positive customer experience by being a digitally enabled council whose employees have a commercial mind-set and appropriate expertise to deliver our priorities.</p> <p>The modernisation programme will help improve the way services are delivered to customers, contribute towards the Council's medium-term financial strategy and position the Council to be able to respond to future opportunities and challenges.</p>
<b>Recommendations</b>	Cabinet support and approve the Modernisation Case for Change

<b>Financial implications</b>	<p>All financial savings (cash, non-cash and any income generation) achieved from the programme will be put into the value for money dashboard to ensure financial performance of the programme is tracked, monitored and is transparent. When improvements are due to be implemented (stage 4 of the programme) they will be based on data and on an 'invest to save' basis, with each initiative having its own return on investment case.</p> <p>Contact officer: Jon Whitlock</p> <p>Email: <a href="mailto:jon.whitlock@publicagroup.uk">jon.whitlock@publicagroup.uk</a></p> <p>Tel: 01242 264354</p>
<b>Legal implications</b>	<p>No specific implications at this stage. The council will need to comply with its obligations under various legislation and the council's constitution when implementing the Modernisation programme including Data Protection legislation, the duty to consult (under the Local Government Act 1999 and the Equality Act 2010), employment legislation and the council's Contract Rules.</p> <p>Contact officer: Shirin Wotherspoon</p> <p>Email: <a href="mailto:shirin.wotherspoon@teWKesbury.gov.uk">shirin.wotherspoon@teWKesbury.gov.uk</a></p> <p>Tel: 01684 272017</p>

<b>HR implications (including learning and organisational development)</b>	<p>The Modernisation Programme will bring significant benefits for the council including the investment and development of employees to ensure they have the tools to adapt to the new ways of working in order to meet the opportunities and challenges ahead.</p> <p>HR will work closely with the council to help support the new ways of working and the accompanying cultural change. Indeed the Talent &amp; Development Team will work with the council to support employees attaining a commercial mind-set and the skills to deliver the council's priorities and changing requirements.</p> <p>The Recruitment Team will also work closely with the council to ensure it is recognised as an employer of choice. To date HR have proactively supported organisational development by way of union engagement sessions, a new online appraisal system and improvements to the recruitment processes to achieve a more modern streamlined experience for the candidate. Indeed HR has always worked in partnership with the trade unions and is committed to doing so.</p> <p>HR will continue to maintain a positive working relationship with all relevant parties to ensure the desired outcomes for the council are achieved during its modernisation journey.</p> <p>Contact officer: Carmel Togher, HR Business Partner</p> <p>Email: <a href="mailto:carmel.togher@publicagroup.uk">carmel.togher@publicagroup.uk</a></p> <p>Tel: 01242 264391</p>
<b>Key risks</b>	<p>The programme risks are summarised in the Case for Change document in section 10</p>
<b>Corporate and community plan Implications</b>	<p>None at present.</p> <p>There is a Community Impact Assessment within the case for change. This will be monitored and updated as the modernisation programme progresses.</p>
<b>Environmental and climate change implications</b>	<p>None</p>
<b>Property/Asset Implications</b>	<p>There are opportunities and efficiencies that smart working can provide the Council, which will help make best use of its assets.</p> <p>Contact officer: Simon Hodges</p> <p>Email: <a href="mailto:simon.hodges@cheltenham.gov.uk">simon.hodges@cheltenham.gov.uk</a></p> <p>Tel: 01242 264151</p>

## **1. Background:**

- 1.1** In October 2018, the People & Change Directorate was set an objective to develop a case for change for modernisation by March 2019.
- 1.2** Appendix one is the proposed modernisation case for change, which outlines the rationale, approach and benefits that a Council wide modernisation programme will deliver for residents, members, staff and partners upon successful completion.

## **2. Reasons for recommendations:**

- 2.1** The modernisation programme is one of the key priorities within the new Corporate Plan and the case for change is recommended for approval by Cabinet for the following reasons:
  - There is an opportunity to improve how services and information are accessed by customers through maximising advancements in technology by improving processes and procedures;
  - Modernisation programme will contribute towards the Council's Medium Term Financial Strategy and financial self-sufficiency;
  - Modernisation could enable additional capacity and resources to be freed up.

## **3. Alternative options considered:**

- 3.1** Not embarking on a modernisation programme was considered but was dismissed for the following reasons:
  - The Council needs to continue to make financial savings to support objectives set out in the Medium Term Financial Strategy. There is a minimum savings target identified of £300,000 from modernisation;
  - The Council has an ambitious agenda and to effectively support this, the organisation needs to be working as efficiently as possible by maximising the improvements that technology can now provide;
  - By taking an organisational wide approach will ensure that decisions are made based on a wider view of what the Council needs and what further commercial opportunities can be identified.

## **4. Consultation and feedback:**

- 4.1** The development of the case for change, has included consultation and feedback with the following stakeholders:
  - 100 members of staff took part in the corporate planning sessions;
  - Digital discovery day facilitated by a leading public sector consultancy which included the Leader of the Council and Executive Leadership Team;
  - Regular briefings and updates for the Cabinet Member with responsibility for Corporate Services;
  - Monthly meetings with the Public Transformation Team;

- Unions briefed on the modernisation programme via the Joint Liaison Committee;
- Other partner organisations such as Cheltenham Borough Homes, Ubico etc. have also been briefed on the proposed modernisation programme;
- The modernisation programme was also reviewed and supported by the recent LGA Peer Review.

## 5. Performance management – monitoring and review

- 5.1** As outlined in the case for change, there is a governance framework, which is illustrated in section 5 of the document that will oversee the modernisation programme.
- 5.2** All financial savings (cash, non-cash and any income generation) achieved from the programme will be put into the value for money dashboard to ensure financial performance of the programme is tracked, monitored and is transparent.
- 5.3** When improvements are due to be implemented (stage 4 of the programme) they will be based on data and on an 'invest to save' basis, with each initiative having its own return on investment case.
- 5.4** By combining our efforts into one programme there is a stronger financial opportunity for the Council to make savings and create greater efficiencies from a focused, organisation-wide modernisation programme rather than by a service by service approach.

## 6. Recommendations:

- 6.1** Cabinet support and approve the Modernisation Case for Change and progress of the modernisation programme will be reported via the quarter performance report
- 6.2** Any future key investment decisions resulting from the modernisation programme will be reported to Cabinet for consideration and decision, as and when they arise.

<b>Report author</b>	Darren Knight, Executive Director of People & Change Darren.knight@cheltenham.gov.uk, 01242 264387
<b>Appendices</b>	1. Modernisation Case for Change
<b>Background information</b>	None

# Modernisation Programme

## Case for Change



Version	Date	Distribution	Changes
Version 1	7 January 2019	Pat Pratley, Tim Atkins, Paul Jones, Cllr Alex Hegenbarth	
Version 1.1	11 January 2019	Cabinet Board, Pat Pratley, Tim Atkins, Paul Jones	Amendments as per ELT and Cllr Alex Hegenbarth
Version 1.2	17 January 2019		Amendments as per Cabinet Board 15-1-19
Version 1.3	28 January 2019		Amendment as per Service Managers feedback

**Author:** Darren Knight

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8. Costs, resources required and expected return on investment (ROI)
9. Critical success factors
10. Risks of not modernising
11. Programme Stakeholders
12. Community impact assessment

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- b. PESTLE
- c. TOWS
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## 1. Context – why we need to modernise

In September 2018, the Council commenced its corporate planning activities and this included using the following commonly used approaches to support this process:

- A SWOT analysis was undertaken, which is a study undertaken by the Council to identify its internal strengths and weaknesses, as well as its external opportunities and threats (appendix a).
- A PESTLE analysis was used to analyse and monitor the external environment and identify those factors that have an impact on the organisation. This identified a number of opportunities and threats, their likelihood of happening, impact and timescale (appendix b).

Over 100 employees took part in these workshops, which represents approximately 45% of the total workforce. This feedback was then incorporated into our TOWS analysis (appendix c). The TOWS analysis considers the organisational strengths and weaknesses identified alongside the external features of the market place that the organisation operates in, helping to create strategic options and possible actions.



There were a number of key themes that emerged from the sessions, which included:

1. The need for the Council to modernise the way it works internally
2. Lack of capacity and resources
3. Opportunities to improve the way the Council provides services and information to customers, as the way customers expect to interact with organisations is changing

As part of the modernisation programme discovery work, Dr Mark Thompson, Professor in Digital Economy at University of Exeter visited the Council and facilitated a session with the Executive Leadership Team and the leader to ensure we recognised the digital age we live in and how we can make the best of technology for the benefit of our customers, partners and employees. Partners also attended this discovery day.



The activities described above highlight the need for the Council to change and modernise. This case for change outlines the rationale and recommended approach for modernisation and the high level benefits this will bring to residents, councillors, employees, partners and other stakeholders.

The need for and importance of modernisation was also identified during the recent LGA Peer Review:

*“Although at an early stage the council is making good progress on modernisation. A programme office has been established; underpinned by a clear governance structure and supported by passionate staff. The arrival of the new director has added necessary impetus and pace. There have been good levels of engagement with staff and member leads and it will be important that these are maintained to ensure continued buy-in for a programme that will introduce new ways of working and some cultural change” (appendix d).*



The LGA also provide the following **wider local government perspective on modernisation**:

Councils are responsible for delivering an estimated 80 per cent of public sector transactions in their areas, they also have a particular obligation to design their services in the most accessible, economic and ‘user-friendly’ way, and a vital role to work closely with other public, private and voluntary sector partners to ensure that local services are built around the citizen rather than the needs of service deliverers.

At a time when public services face fundamental challenges, technology and digital tools and approaches are central to achieving all of this. For councils and their partners, these tools can enable:

- a deeper understanding of local patterns of need and interaction with government, allowing resources to be managed, planned and directed to where they will have the greatest impact
- more effective management of demand – for example, enabling user self-service and supporting peer-to-peer advice-giving and assistance via social media
- more reliable, speedy, and precise handling of routine, repetitive tasks – allowing costly and scarce professional expertise to be targeted at cases which need judgement or at new and unexpected situations
- faster access to, and sharing of, data between councils, customers, and partner organisations, avoiding the need to collect the same information many times over and saving time on research and information collation
- new ways of working that potentially reconcile the goals of providing a better quality of customer experience while cutting costs.

As digital technologies become ever more pervasive and increasingly form part of people’s daily lives, it is essential that councils continue to exploit their potential. At the same time, ‘digital’ – often a catch-all for any use of digital, technological, and online services – is not a panacea for all ills, and should complement other approaches such as demand management, lean and systems thinking, and collaborative procurement. This is reflected in our draft Customer and Digital Strategy (appendix e).

The needs of local citizens who are unable or unwilling to use this technology must also be addressed. In practice, local government has a long history of applying technology in innovative ways and of leading public service change.

The period since 2010 has seen enormous changes both in technology and the way in which it is used. The Office for National Statistics (ONS) figures published in February 2014, for instance, suggested that 44.3 million adults in the UK (87 per cent of the total), including 99 per cent of all 16 to 24-year-olds, had used the internet in Q4 2013, an increase of 1.2 million over the same quarter in 2012. From online banking to downloading music, to ordering groceries on-the-go, digital tools are increasingly allowing people to conduct everyday tasks how, when and where they like.

## 2. Expected benefits and desired outcomes from modernisation

The modernisation programme will bring a number of benefits to residents, the Council, its partners and stakeholders and these will include:

### Customers:

- Customers will be able to easily transact with the Council 24/7 and 365 days a year from any device (e.g. smart phone, tablet) as services will be designed around a digital by design method but not via a digital by default approach. Digital by design means that whilst other contact channels remain available, digital becomes the preferred customer choice whereas with digital by default, digital is the only option available.
- Our employees will have one view of the customer and be able to provide a more holistic service at the first point of contact including offering an assisted digital service.
- Utilise capacity created to support those customers who really need it.
- Customer satisfaction with how services are provided to residents will be 90% by the end of the modernisation programme.

### Members:

- Successful completion of the modernisation programme will enable members to have more choice in the future as the efficiencies made will create more capacity and free up resources i.e. financial and people.
- Members are able to easily access data regarding the performance of their portfolio at their own convenience by making the data available electronically

### Employees:

- More meaningful data available to help better inform decisions and priorities.
- Our employees will have been invested in and developed to equip them with new ways of working to help meet the opportunities and challenges ahead
- Successful retention of the Investor in People award in January 2020.

### Partners:

- Opportunities for improved end to end processes will be designed and developed with our partners where applicable, such as with Ubico, which will set an example for others to follow.

- Opportunities for technology alignment with partners such as Publica will be considered where solutions meet the needs of the Council and generate greater economies of scale.

## Council:

- The Council has modern working practices that enable services and information to be delivered and accessed efficiently by maximising opportunities that changes in technology can provide.
- Commercial opportunities are identified, assessed and the best ones developed to further support the Medium Term Financial Strategy.
- The Council is recognised as the employer of choice for local government in Gloucestershire.
- The Council wins a national industry award for its modernisation programme and it is recognised regionally for its progressive and innovative approach to service delivery.
- The Council makes it into the Times top 100 companies in the not-for-profit sector.

## Financial:

- Minimum cash savings of £300,000 will be achieved by the end of the modernisation programme, which will support the Medium Term Financial Strategy and financial sustainability (see section 8).
- Any additional cash and non-cash savings made will be reinvested back into the Council.
- The Council's processes and procedures will be efficient with waste and inefficiency removed through increased automation and channel shift.

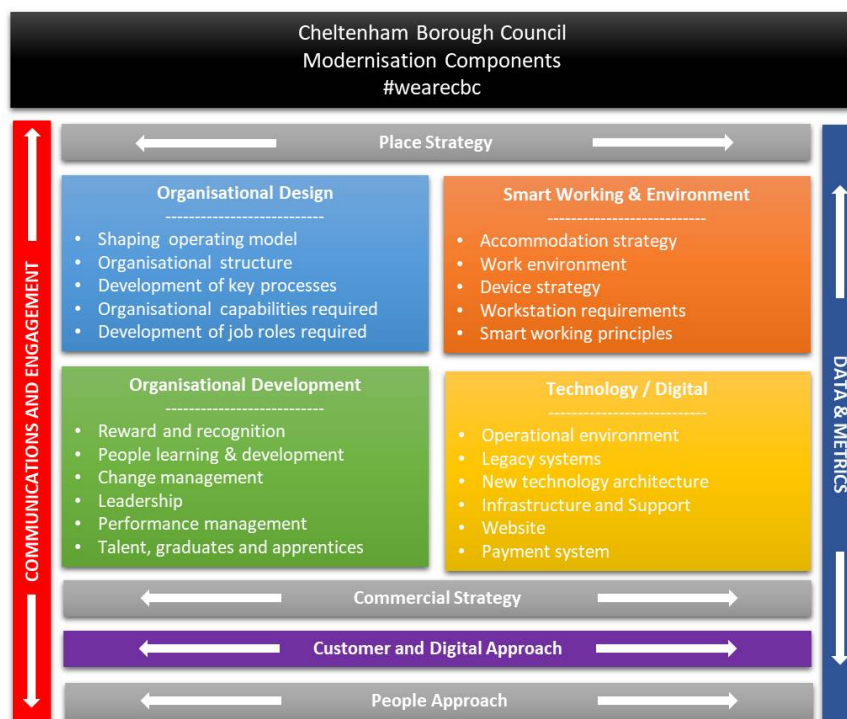
## 3. Purpose and scope of modernisation programme

### Purpose

*"The purpose of our modernisation programme is to deliver a positive customer experience by being a digitally enabled council whose employees have a commercial mind-set and appropriate expertise to deliver our priorities"*

### Scope

The scope of the modernisation programme is in four work streams, which are summarised in the diagram.



## Organisational Development

This area will focus on developing the people and organisation as a whole to be able to transition to and operate effectively in a different organisation model. A number of changes related to people are at the heart of making our modernisation programme successful.

This area of the programme will focus on the knowledge, skills and behaviours of our people and their ways of working. A shift in culture will be required encompassing empowerment, performance management, trust and respect. Employees with the right customer centric attitudes and behaviours and willingness to embrace change, empowerment and innovation are essential for modernisation.

We recognise the importance of our employees in delivering services to customers and we will invest in our people, rewarding and recognising them for their contribution in helping us achieve our ambitions and demonstrating our values and encourage a learning environment where they are supported in the development of vital skills, new mind-sets and collaboration.

## Organisational Design

A key deliverable of the organisational design work stream is to shape the future operating model for the Council. An operating model is not (just) the structure of the council, it describes the way we work from three different views as described below. Changes to all three aspects are necessary to create an effective operating model.

- Processes and systems i.e. how do we do it
- Structures and roles i.e. who does what
- Governance and measurement i.e. why do we do it and how well

The future operating model will aim to deliver excellent customer experiences at lower cost, from an organisation that is designed around the customer, by employees who are customer centric in behaviours and attitudes. The new model will require a different organisation structure and job roles to support it.

We will be identifying suitable partner/s who can work with us collaboratively to develop a fit for purpose operating model for Cheltenham.

## Smart Working and Environment

The aim of this area of work is to enable our people to embrace more flexible working practices. By equipping them with the right technology and the ability to work in different locations we will reduce the Council's total office space requirement, associated overhead costs and improve employee work/life balance by enabling them to work at home. We also aim to maximise use of the Municipal Offices as a key asset.



This aspect of our modernisation programme will also look at the utilisation of our current space to ensure it is optimised and fit for purpose. According to a report highlighted by CMI Workplace, strong office design in general can make employees up to 33 per cent happier at work which adds to individual wellbeing as well as helping us move towards being an employer of choice.

## Technology and Digital Approaches

This area of our modernisation programme will look at how we deliver services through enabling technology and how we collaborate with our partner, Publica, to achieve economies of scale by utilising, where appropriate, similar technology solutions.

To achieve our ambitions, changing the way we work and how we deliver our services, investment in new technology will be essential. Technology will reduce or eliminate manual interventions and enable the genuine integration of processes as well as increasing customers' ability to self-serve.

Developing a "single view of a customer" is crucial to the development of multi-skilled advisors who are able to deal with a broad range of enquiries at first point of contact, but also to enable genuine self-serve and the incentive for customers to shift channels. Investment in technology will enable this outcome.

## 4. What we have done so far

A number of activities and projects are already underway to build the infrastructure of a programme and include importantly, the governance structure and a team to start scoping the work and building relationships. The following activities have been completed so far:

<b>Governance</b>	Established core delivery team and programme components
	Set up and started programme governance meetings
	Developed case for change
<b>Communications and Engagement</b>	Established new communication methods
	Employee engagement sessions
	Member engagement
<b>Organisational Design</b>	Learning sessions with Ignite and Methods
	Learning sessions with Tewkesbury Borough Council and Gloucester City Council
<b>Smart Working and Environment</b>	Roll out of laptops for smart working
	Changes to office accommodation to support smart working
<b>Technology and Digital</b>	Adoption of a Technical Design Authority
	Digital Masterclass with Dr Mark Thompson, Methods
	Implementation of a collaborative working platform
<b>Organisational Development</b>	Union engagement sessions
	Publica collaboration meetings
	New online appraisal system
	Improvements to recruitment process

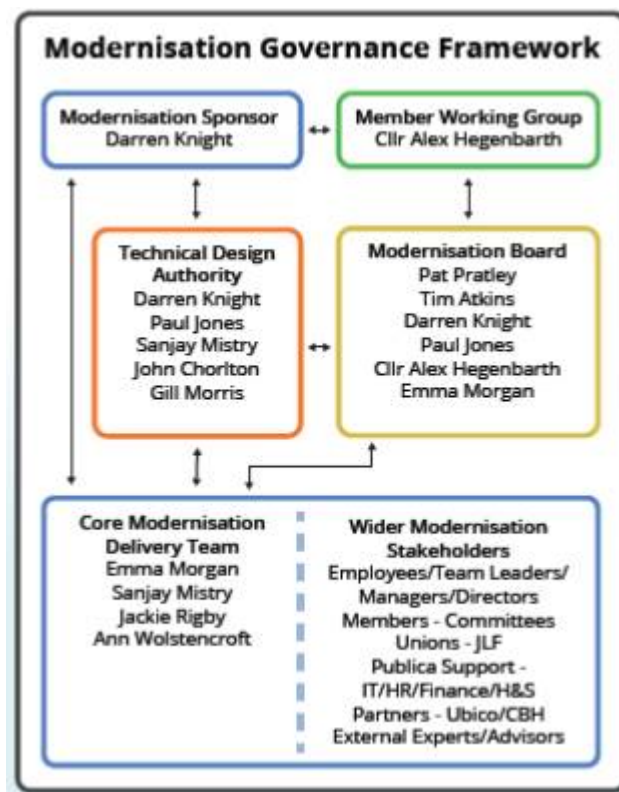
## 5. Programme governance and ways of working

The Governance arrangements of the programme are summarised in the diagram.

The Modernisation Board is made up of the Executive Leadership Team, the lead Cabinet Member and Programme Manager. The Modernisation Board is the decision making body for the programme as a whole and provides strategic oversight, leadership, evaluates progress and ensures that outcomes are delivered and benefits realised. The Board will also ensure that the introduction of change is balanced with business as usual work to ensure minimal disruption to customers.

As lead Cabinet member, Cllr Hegenbarth has been briefed as the case for change has developed.

The Technical Design Authority (TDA) has been established to develop, promote and monitor standards for IT systems and information to help reduce preventable costs by removing duplication and encouraging the development of systems that are able to work together. The TDA will ensure that change initiatives consider and then agree a technical design as the change is being defined, established, and approved and that the technical design is achievable and fit for purpose for the organisation. More information can



be found from the following film

[https://www.youtube.com/watch?v=PSEVI\\_Dtd3Q](https://www.youtube.com/watch?v=PSEVI_Dtd3Q)

The Modernisation Delivery Team is responsible for the day to day implementation of the modernisation programme, work streams, projects, change activities and initiatives.

## 6. Methodology

We have defined the first 3 stages of the modernisation programme as below. These stages are represented more visually in the '**modernisation roadmap**' we have created (appendix f).

### Stage 1 - Prepare for Change (Oct 2018 – Mar 2019)

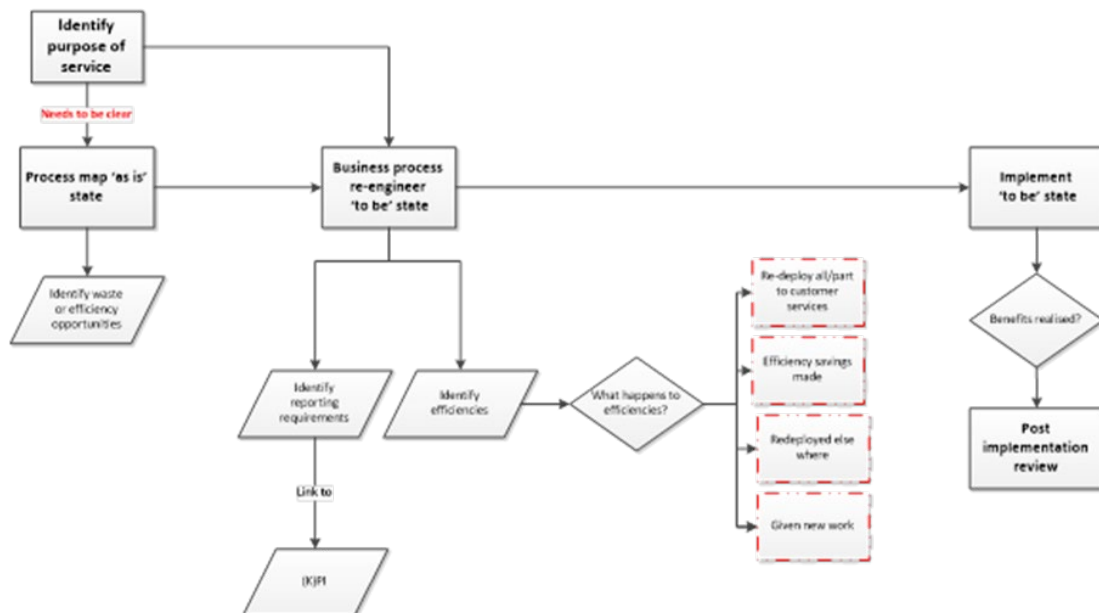
The purpose of this stage is to prepare our people for the modernisation agenda and ensure that all employees have an understanding of what is expected as we embark on the programme.

## Stage 2 – Capture the Now (April 2019 – Aug 2019)

The purpose is to clearly understand how services are currently delivered by CBC, by identifying and documenting the processes and resources required for their delivery so that we fully understand what it is like to be a CBC customer today, their journey, the opportunities and efficiencies that are available.

The diagram below outlines the approach that will be taken to business process review the 'as is' and 'to be' states of the Council's processes and procedures. All services will undergo business process reviews as part of stage 2 and 3 of the modernisation programme. The change activity will bring benefit to the organisation and our people by developing new skills.

It is acknowledged that the business process reviews will require capacity from our people to deliver the day job alongside the change activity. To mitigate the risk of overload, we will ensure that the change activity is planned in advance and in conjunction with those involved and that the methodology used also mitigates this risk.



## Stage 3 – Design the Future (later in 2019/2020)

The purpose is to develop a new operating model for the Council including a new organisational design that reflects the breadth of services, activities and functions which CBC delivers from transactional services to the delivery of strategic projects. This will also include how key processes and procedures will work and the efficiencies these changes will bring the Council and its partners.



## Stage 4 – Implementation

This stage will have a number of invest to save projects and initiatives that have been identified and scoped following the work from the previous stages. As changes are made, cash and non-cash savings will be realised from this stage and tracked through the value for money dashboard (appendix g).

The programme will be launched in April 2019 with a '**postcard from the future**' (appendix h). This illustrates what difference the modernisation programme will have achieved upon completion.

## 7. Modernisation Design Principles

In order to deliver the programme benefits, all core processes will need to be changed and improved. To ensure that the modernisation programme delivers what is important to Cheltenham, all changes will be based on our requirements outlined in our Customer and Digital Strategy and to compliment this, the following design principles have been adopted to ensure we:

- **Focus on the customer experience** e.g. design in up front advice and checks on licensing applications so that customers do not submit invalid applications and subsequently have to provide additional or corrected information.
- **Redesign processes around the ideal customer journey** so they are quick and uncomplicated and take as few steps as possible e.g. an automated land charges search that is directly accessible to customers.
- **Tell customers what to expect and keep them up to date along the way** e.g. encourage and support more customers to register for customer accounts so that they can track and receive automatic updates.
- **Make processes digital by design, but with alternative access channels where appropriate** e.g. increase the proportion of online applications and enforcement reports.
- **Address issues at first point of contact by providing employees with high quality scripts and diagnostics** e.g. train and support customer advisors to answer a far higher proportion of planning enquiries without the need to hand off to planning colleagues.
- **Collect information once, and only if we actually need it** e.g. if a customer is moving into the area and requires an environmental health related application as well as planning, building and licensing ones, this would be handled by a single case worker who would ask for information only once.
- **Only input data if we need to, and only once** e.g. as a customer reports an enforcement issue on line it automatically populates the case details ready for workflow.
- **Resolve enquiries and issues in one step wherever possible** e.g. mail could be indexed, responded to and the case closed all at once.
- **Move as much work forward into customer contact, case management and mobile locality by developing high quality process flows and process guidance.** This might mean all minor planning applications are dealt with by case workers, drawing on the expert knowledge of a specialist only when required. As part of this, all employees involved would have access to all case information.
- **Move work quickly and easily around the organisation by using workflow and automated process prompts.** This would ensure for example, that case workers pull in expert advice from specialists on more contentious applications.

- **Automate controls within processes to ensure compliance** e.g. provide automated prompts when the elapsed time for consultation responses has elapsed.
- **Measure performance as part of the process workflow to drive improvements** e.g. provide automated management information illustrating the elapsed time taken at each key stage in the planning application cycle.
- **Invest in our employees to ensure they have the skills to deliver our changing requirements.**
- **Identify commercial opportunities where appropriate to drive income generation.**

### 8. Costs, resources required and expected return on investment (ROI)

In 2017, the leading public sector consultancy Ignite completed a high level opportunity assessment for Cheltenham Borough Council. This assessment identified a number of potential savings that could be realised from modernisation of the Council. Whilst this may be the case, Cheltenham is keen that any changes reflect their own requirements and importantly the Council's Medium Term Financial Strategy which has set a savings target of £300,000 needed from modernisation (appendix i).

Where the modernisation programme achieves additional savings above the £300,000 target, these will be reinvested back into the Council.

Two initial examples of savings from modernisation are:

1. Telephony savings are estimated to save £55,000 pa
2. Changing our collaboration platform is estimated to save £9,000 pa

Another great example of how modernisation can improve services whilst achieving savings is shown in the recently published Licensing case study, where approximately £93,000 of savings has been realised from this invest to save transformation programme within Place and Growth (appendix j).

When improvements are due to be implemented (stage 4 of the programme) they will be based on data and on an 'invest to save' basis, with each initiative having its own return on investment case. The modernisation programme has created a specific value for money dashboard that will monitor and track all cash and non-cash savings made to enable financial transparency of the programme to Cabinet (appendix g).

By combining our efforts into one programme there is a stronger financial opportunity for the Council to make savings and create greater efficiencies from a focused, organisation-wide modernisation programme rather than by a service by service approach.

### 9. Critical success factors

Critical success factors are the things that need to be in place in order for the programme to be successful. If any one of these factors is not in place it will limit or diminish the success of the programme as a whole.

The critical success factors for the modernisation programme are:

- **Leadership:** we need strong aligned leadership and sponsorship to drive and embed the change in culture
- **Commitment:** we need commitment to stick with the programme and undertake reviews of end to end customer journeys
- **Resources:** we need agreement to invest in our people, their skills and the technology required to achieve the change needed
- **Accountability:** we all must be prepared to take responsibility for delivering outcomes and benefits
- **Collaboration:** we must collaborate to ensure the best experience for our customers, our employees and the Council
- **Evidence based:** we must make decisions based on data not anecdotes

### 10. Risks of not modernising

By not modernising and by not managing change activities effectively (appendix k), there are a number of risks the Council will be faced with and these include:

- Not achieving the savings target, as set out in the Medium Term Financial Strategy, will impact on the Council's progress to becoming financially sustainable.
- Sufficient capacity and resources is one of the biggest concerns from our employee sessions and has been externally validated by the LGA peer review (appendix d).
- Impact on the Council's ability to take advantage of maximising further commercial opportunities.
- Without a targeted focus and direction of travel, this will impact on the Council's ICT investment decisions, such as with the replacement of the Council's payment system and/or alignment of opportunities with Publica to create economies of scale.
- Impact on the Council's ability to attract and retain talented people.
- Limit opportunities for the Council in the future, as modernisation will make savings and create capacity which will enable the Council to have more choice in the longer-term.
- Failure to meet customer expectations with regards to a digital service.

### 11. Programme Stakeholders

The Modernisation Programme defines a stakeholder as *"a person, group or organisation that has an interest in what you are delivering"* and *"people who are affected by the organisation's actions, objectives, policies and projects"*.

An initial stakeholder analysis has been undertaken and this will be further developed as we move into the next stages of the programme. It is essential our stakeholders are involved in defining our programme and then engaged and communicated with appropriately.

		<i>Consult / Keep Satisfied</i>	<i>Actively engage</i>
INFLUENCE	HIGH	<ul style="list-style-type: none"> <li>• CBC Cabinet</li> <li>• South West Audit Partnership</li> <li>• One Legal</li> </ul>	<ul style="list-style-type: none"> <li>• CBC ELT (<i>Programme Board</i>)</li> <li>• Work stream project teams</li> <li>• Cabinet Lead (<i>Cllr AH</i>)</li> <li>• Cabinet Members</li> <li>• Partners (e.g. CBH, Ubico, TCT)</li> <li>• CBC Service Managers</li> <li>• CBC Employees</li> <li>• Unions</li> <li>• CBC Customer Services</li> <li>• <i>Appointments &amp; Remuneration Committee</i></li> </ul>
	LOW	<ul style="list-style-type: none"> <li>• Suppliers (<i>e.g. Methods, Ignite</i>)</li> <li>• Software Suppliers (<i>e.g. IDOX, Civica</i>)</li> <li>• Customers</li> </ul>	<ul style="list-style-type: none"> <li>• CBC Members</li> <li>• CBC Communications</li> <li>• CBC Property Services</li> <li>• Publica (incl ICT, HR, Procurement, Finance)</li> <li>• CBC customers</li> <li>• Cheltenham residents</li> <li>• Cheltenham BID</li> <li>• Cheltenham Chamber of Commerce</li> <li>• Cheltenham Businesses</li> <li>• Community groups</li> </ul>
		LOW	HIGH
		INTEREST	

## 12. Community impact assessment

An initial community impact assessment has been completed for the modernisation programme (appendix I). At this stage of the programme no areas of concern have been identified.

This will be kept under review through the programme's governance arrangements. As the modernisation programme develops and improvement projects are scoped the community impact assessment will be reviewed and updated.

# Corporate Planning Session

## SWOT Analysis



105 people got involved with some great thoughts

You identified  
168  
**STRENGTHS**  
and there were  
8 key themes

You identified  
285  
**WEAKNESSES**  
and there were  
10 key themes

You identified  
103  
**OPPORTUNITIES**  
and there were  
6 key themes

You identified  
160  
**THREATS**  
and there were  
6 key themes

- Our Culture
- Our People
- Our Reputation
- Our Size
- Our Benefits
- Our Commercial Approach
- Our Customer Service
- Our Partnerships



- Our Silo Working
- Our Office Environment
- Our Investment in People
- Our IT
- Our Management Style
- Our Communications
- Our Prioritisation
- Our Approach to Change
- Our Lack of Data
- Our Public Perception

- Our Technology
- Our Marketing / Brand
- Our People
- Our Customers and Communities
- Our Commercial Opportunities
- Our Partnerships



- Our Financial Environment
- Our People Leaving
- Our Approach to Change
- Our IT
- Our Competitors
- Our Customer Service

PESTLE is a mnemonic which in its expanded form denotes P for Political, E for Economic, S for Social, T for Technological, L for Legal and E for Environmental. It is a renowned management framework used to study the external factors affecting projects / brands / businesses. These factors cannot be controlled by CBC, as an organisation, but they can influence strategic decision making. It complements the SWOT analysis and joins up the Opportunities and Threats components.

A manager's workshop was held on 30<sup>th</sup> October 2018 to identify the various external factors on the horizon that might affect CBC. The key themes captured are listed below.

#### Political

- Political vacuum – no clear left or right leads to civil unrest and economic uncertainty
- Viability of 2 tier LG structure
- Reduction in revenue support grants, move to competitive funding bids leading to more partnership working – concerns over capacity for CBC to act as a lead partner
- Impact of Brexit
- Legacy of austerity measures

#### Economic

- Aging population, inadequate pension provisions, associated burden on services, demand for more social care needs, additional affordable housing, funeral poverty, government funding gaps. Uncertainty compromises future investment decisions & access to funding
- Deprivation / child poverty / high school exclusion rates leading to increased education provision, more organised crime and ASB threatening social cohesion
- Traditional high street / market & spa towns under threat from growth of internet shopping, changes in shopping habits, 'clone town' phenomenon where local character being lost in favour of big chains either dominate retail space, or space that once thrived is left to wither. Response from Planners required to regenerate town centres
- Support packages for range of business models – large multinationals / micro / pop up shops

#### Sociological

- Modern slavery
- Breakout of infectious disease due to overuse of antibiotics
- Profile of communities & workforces imbalanced due to aging population, loss of young people
- Rising inequality
- Rise in mental health trends, well-being, obesity concerns

#### Technological

- Risk of terrorist & cyber-attacks / hacking / viruses & ransom ware. Heightened since GCHQ operates in the heart of The Cotswolds (*feather in the cap of saboteurs*).
- Vulnerability of CBC legacy systems, significant investment required to secure the way we do business and to catch up with peers let alone to become a market leader
- Managing millennial expectations – 24/7 online service provision
- Artificial intelligence / robotics
- Optimising the social media agenda
- Use of [big] data
- Cyber growth

#### Legal

- Introduction of homelessness reduction act – more accommodation needs
- New animal welfare legislation
- Changes to CPO legislation (Compulsory Purchase Order) opportunity to take control of sites
- Consumer protection (relevant to commercial strategy)

#### Environmental

- Climate change driving up pressure for sustainable solutions to service provision
- Electric / driverless vehicles, air quality, plastic reduction

P	E	S	T	L	E
<ul style="list-style-type: none"> <li>- Government policy (2 tier LG structure, revenue support grant reduction)</li> <li>- Political stability</li> <li>- Brexit impact</li> <li>- Legacy austerity</li> </ul>	<ul style="list-style-type: none"> <li>- Aging population</li> <li>- Deprivation</li> <li>- Economic downturn (high street crisis)</li> <li>- Support for businesses</li> </ul>	<ul style="list-style-type: none"> <li>- Population growth rate</li> <li>- Age distribution</li> <li>- Lifestyle attitudes</li> <li>- Health consciousness</li> <li>- Modern slavery</li> <li>- Overuse of antibiotics</li> </ul>	<ul style="list-style-type: none"> <li>- Cyber security</li> <li>- Legacy systems</li> <li>- Automation</li> <li>- Innovation</li> <li>- Technological change</li> </ul>	<ul style="list-style-type: none"> <li>- Legislative changes (CPO, H&amp;S, consumer protection, employment)</li> <li>- New Acts (homeless reduction, animal welfare)</li> </ul>	<ul style="list-style-type: none"> <li>- Weather</li> <li>- Climate change</li> <li>- Policies (carbon, emissions, plastics)</li> </ul>

## Strategic Planning: TOWS analysis

### Introduction

The TOWS is a more involved process than the SWOT 'brainstorming' exercise.

It is an in depth situational analysis tool that helps to create strategic options and possible actions based upon the outcome of the SWOT exercise.

The TOWS analysis assesses the internal attributes of the organisation, principally its strengths and weaknesses, alongside the external features of the market place that the organisation operates in. Therefore, the following has been evaluated;

- The extent to which CBC can use its strengths to capitalise upon the opportunities available, and mitigate any threats posed to the organisation?
- The potential for CBC weaknesses to adversely impact upon the opportunities facing it, and how CBC can act to stop that from happening i.e. ensure that internal weaknesses do not inhibit CBCs ability to capitalise upon the opportunities identified?
- How might CBC weaknesses be exploited by the threats?

			Likelihood	Impact	Timeframe	Internal environment	
						Strength Strategy	Weakness Strategy
External environment	Opportunities	O1: Advancements in technology	Certain	Major	0-6 months	<ul style="list-style-type: none"><li>• PMO (Programme Management Office) established to investigate further, business process reviews will assess prospects for process automation</li><li>• TDA (Technical Design Authority) established to identify the potential application of emerging technology and its consistent approach</li><li>• Smart/agile working commenced</li><li>• Economies of scale where Publica / CBC transformation agenda is aligned</li><li>• Learning from partners</li></ul>	<ul style="list-style-type: none"><li>• Lack of/poor data means that CBC needs to develop metric sources</li><li>• Dated and separate systems</li><li>• Payment system(s) issue</li><li>• No CRM (Customer Relationship Management) system</li><li>• Silo working exacerbates fragmentation</li></ul>
		O2: Raised expectations in post internet era, customers demand more online 24/7/365 capability	Certain	Major	0-6 months	<ul style="list-style-type: none"><li>• Our people are committed to providing a good level of customer service</li></ul>	<ul style="list-style-type: none"><li>• On line service provision is poor</li><li>• Archaic approach leads to inefficiencies, need to manage resources more effectively</li><li>• Opening hours are restricted</li><li>• Legacy systems require investment to facilitate channel shift</li></ul>

		O3: Commercialisation	Certain	Major	0-6 months	<ul style="list-style-type: none"> <li>• Knowledge &amp; Expertise - could charge a fee for provision of professional advice and new value added services</li> <li>• Developing mind-sets, flexible workforce</li> <li>• PMO (Programme Management Office) established to investigate further</li> <li>• Project register created to provide a single view of activity leading to more informed decision making</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of awareness &amp; confidence amongst staff to promote &amp; sell</li> <li>• Lack of prioritisation – more robust approach to resource deployment required to manage portfolio of initiatives</li> <li>• Lack of capacity to deliver ambition</li> <li>• Communications need to be more proactive to promote fee income generating services</li> <li>• Need to modernisation in order to compete against private sector, poor on line service provision compared to market players</li> <li>• Lack of data, need to obtain reliable benchmarks to inform objectives</li> <li>• Slow to change threatens window(s) of opportunity</li> </ul>
	<b>Threats</b>	T1: Reduction in RSG (Revenue Support Grant) in 2019/2020	Certain	Major	0-6 months	<ul style="list-style-type: none"> <li>• Strong management of financial targets and history of underspending revenue budget</li> <li>• Funding for invest to save</li> <li>• Open to ideas and tradition of partnership working</li> </ul>	<ul style="list-style-type: none"> <li>• 2020/21 £2.6m shortfall</li> <li>• People &amp; Change £300k target savings</li> <li>• Lack of well-established metrics</li> </ul>

		T2: Supply chain / partner management	Certain	Major	0-6 months	<ul style="list-style-type: none"> <li>Commissioned services established</li> <li>Easy to do business with because small in size and all in one place</li> <li>Publica / CBC collaborating on transformation agenda</li> </ul>	<ul style="list-style-type: none"> <li>Lack of capacity within corporate support services to meet demand</li> <li>Procurement portal not optimised</li> <li>Governance needs to be improved and more embedded approach to portfolio risk management</li> </ul>
		T3: Lack of new skills jeopardises ability to deliver ambitions, recruiting firms competing for same resource at all levels	Certain	Major	0-6 months	<ul style="list-style-type: none"> <li>Wide &amp; varied employment offering that can be marketed and further developed</li> <li>Multiple exciting prospects to shape the future of Cheltenham</li> <li>Great location to work &amp; live</li> <li>Smart working commenced, provides more work life balance</li> <li>Reputation of CBC, strengthened by proven track record of community events and emerging use of social media</li> <li>Solid investment strategy provides assurance on CBCs long term stability &amp; financial viability</li> <li>Leadership of Place ambition</li> <li>Great team spirit</li> <li>Successful intern programme</li> <li>MO (Programme Management Office) established to address people needs and introduce improvements to accommodation / working environment</li> </ul>	<ul style="list-style-type: none"> <li>Negative perception of public sector</li> <li>Poor recruitment process</li> <li>Weak induction process</li> <li>Uncompetitive remuneration package fails to attract the necessary skills</li> <li>Legacy of austerity measures have led to a lack of investment in our people, too little talent development &amp; succession planning</li> <li>Perception of Cheltenham falling behind nearby towns &amp; cities impacts upon ability to attract people</li> <li>Stagnation in roles, need to encourage more sideways moves within CBC and between partners to build knowledge and resilience</li> <li>Officer morale – workload &amp; pressure, need to empower and support staff more</li> <li>Run down office building with inadequate modern facilities</li> </ul>

# Corporate Peer Challenge **Cheltenham Borough Council**

13 – 16 November 2018

## Feedback Report

## 1. Executive Summary

Cheltenham Borough Council (CBC) is an ambitious council complemented by a well-regarded political and managerial leadership. In recent years the council has supported high profile development in the town centre including the recently opened John Lewis store and a new phase of the Brewery Quarter. This has had the effect of re-establishing the town as a highly desirable visitor destination within the region.

The council has responded well to a significant reduction in government funding since 2010. Its operational style has been informed by developing commissioning arrangements, in response to financial pressures, which will have contributed an estimated £2.5m between 2011-22. At the same time funding pressures have led the council to value partnership arrangements as a means to leverage additional capacity and resources. Overall this approach has resulted in minimal impact on services provided and has enhanced partnership working arrangements.

The council recognises and values the importance of partnership working and has developed a strong model for this operating sub-regionally and locally. This also operates county-wide through Gloucestershire Leadership and Vision 2050 working with other councils and public sector partners. Sub-regionally the work of Gloucester City, Tewkesbury and Cheltenham councils have been important to deliver the Joint Core Strategy that sets out the strategic spatial vision for the area's future housing and employment growth to 2031. The council's ambitious Place Vision (adopted March 2018) represents a shared commitment by the council and partners, with local delivery of this coordinated through the Place Governance Group.

There is a need to derive more benefit from partners and contracted services by being unambiguously clear on what the council expects and what it is able to offer. A key partnership will be Gloucestershire County Council (GCC) to support the development of the Cyber Park and to work with the council on deprivation. The model of commissioning, with respective roles and responsibilities, is generally understood but it is necessary to ensure that all contract arrangements are grounded in service specifications that set out what level of service the council expects, the performance metrics for this, how and where this information will be reported. The new organisational structure would benefit from having a strengthened client core to take on this role.

The council is moving away from commissioning but the organisational structure is not yet aligned to a new model. Commissioning was proposed to take a new direction with the intention to transfer most council services to Publica.<sup>1</sup> However, in 2016 the council decided to pull back and retain most services in-house. The current organisational structure reflects previous commissioning intentions and leads to some uncertainty. The council is proposing a new structure which should ensure organisational alignment.

The current phase of development sees the council becoming defined by new approaches to: modernisation, customer access, finance and partnership working. This acknowledges the need to produce a new and longer-term looking Corporate Plan, a

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<sup>1</sup> Publica is a teckal company owned by Cheltenham, Forest of Dean, Cotswold and West Oxfordshire councils.

new performance management framework and a new structure for April 2019. This reshaping of the council will move quickly thereafter with major projects including:

- £100m housing delivery programme with Cheltenham Borough Homes
- A radical modernisation programme to reshape customer access, organisational re-design and development and office accommodation
- Working with partners to deliver the Cyber Park, with new jobs and new homes, alongside development/regeneration in West and North West Cheltenham to address high levels of deprivation.

The Cyber Park is important and the council will need to ensure that governance is set to support delivery of this complex programme. CBC has been prominent in leading on the Cyber Park, focusing on cyber security and linked to GCHQ, and the regeneration at West and North West Cheltenham. These are game changers for the town and the sub-region with the Cyber Park providing high levels of skilled employment with workers coming from Cheltenham and further afield such as Gloucester and Tewkesbury. It is expected to deliver more than 8,000 jobs and up to 3,000 new homes. The council recognises that this is a once in a generation opportunity to use the additional Gross Value Added (GVA) created to ensure the benefits are shared across all parts of the community and make significant inroads into the high levels of deprivation that exist in West and North West Cheltenham.

CBC is committed to addressing deprivation within the borough, however, activity on this is currently dispersed on initiatives undertaken by different services, managers and partners without overarching co-ordination. Similarly the political responsibility for this resides across several portfolios. Developing a single coherent strategy, with designated lead members and officers, would provide clarity of purpose and enhance partner understanding.

The council's finances are in a good position to withstand uncertainties that lie ahead. The Medium Term Financial Strategy (MTFS) proposes that the funding gap be met by a combination of: efficiency savings, such as transformation of services; additional income, such as business rates and investment income; and the use of the Budget Strategy (Support) Reserve. However, it is necessary to extend a broader and deeper understanding, across members and officers, of the level of financial risk facing the council so that this can be fully appreciated and promote collective support for the savings plan.

It will be important to have regard to the level of reserves. Given the level of uncertainty facing the council regarding future business rates and New Homes Bonus funding, and risks associated with the Savings Plan, every opportunity should be taken to build levels of reserves to act as a contingency against uncertainty.

The council is ambitious and likes to say yes to new challenges. However, it has lost a huge amount of capacity over the last 8 years which limits what it is able to do. The council is on the cusp of significant change with a number of demanding challenges facing it. Ensuring that the new Corporate Plan is clear on priorities; the alignment of resources to deliver these priorities; along with the support that partners might contribute, will be essential to negotiate and deliver on the council's ambition.

## 2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the council:

1. **Be clear what you want and prioritise.** The council is recognised as a willing and ambitious partner but capacity is not aligned to resources and clearer prioritisation of key objectives is required. Strategic capacity is particularly stretched and with major projects planned this needs to be addressed.
2. **Strengthen contract management arrangements.** The current arrangements are insufficiently robust in specifying service standards, performance metrics and performance reporting, and sanctions in relation to under-delivery.
3. **Devise a coherent programme around regeneration and deprivation with nominated leads.** The council is committed to addressing deprivation mostly located to the West and North West of the town. However, this activity is currently dispersed across initiatives undertaken by different services, managers and partners without overarching co-ordination. Similarly the political responsibility for this resides across several portfolios.
4. **Strengthen governance and project management arrangements for the Cyber Park.** This nationally significant programme is picking up momentum and it will be important that clear and inclusive governance arrangements are established with senior level representation. The peer team also suggest a single, senior level government contact be established to provide a link across different departments and who is able to relay key government messages to the governance group. This is a model that was used for Hinkley Point 'C'.
5. **Invest in and build a joined-up relationship with Gloucestershire County Council (GCC).** The council has invested time in developing a positive and productive relationship with GCC and it is important build on this to work effectively in partnership to progress issues of shared importance, for example the Cyber Park and addressing deprivation.
6. **Sustain the momentum that has been generated by the modernisation programme.** A lot of goodwill has been built up from the initial stages of the modernisation programme. The opportunity is for this to enable a radical organisational shift to: reshape customer access, digitally enable services, maximise the use of data and business intelligence, create new ways of working, drive a commercial mind set and improve office accommodation. Some early wins would add momentum - the obvious candidate for this is the office accommodation where a quick decision is needed.
7. **Housing delivery will need focus and capacity.** The council has recently made a significant investment decision of £100m to increase housing supply. However, this is at a time when housing delivery has historically under-achieved. The step

change in delivery will require skills, capacity and co-ordination around policy, development, design and construction. The council should also explore the opportunities presented by the lifting of the HRA borrowing cap.

8. **Review inherent financial risks and build levels of reserves to withstand future uncertainty.** The council's approach to the financial gap is to use the Budget Strategy (Support) Reserve to supplement the savings and additional income identified in its Savings Plan. The council's working balances stood at £1.4m at 31 March 2018 and the Budget Strategy (Support) Reserve was £1.5m. Given the level of uncertainty facing the council regarding future business rates and New Homes Bonus funding, and risks associated with the Savings Plan, then every opportunity should be taken to build levels of reserves to act as a contingency.

### 3. Summary of the Peer Challenge approach

#### The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Cheltenham Borough Council were:

- Penny James, Chief Executive of Taunton Deane Borough and West Somerset District councils
- Councillor Keith House, Leader of Eastleigh Borough Council
- Cllr. Sarah Butikofer, LGA regional peer, Group Leader at North Norfolk District Council and a member of Norfolk County Council.
- Suzanne Hemingway, Strategic Director at Cambridge City Council
- Bill Cotton, Executive Director, Environment and Economy at Bournemouth Borough Council
- Vic Allison, Deputy Managing Director at Wychavon District Council
- Matthew Hamilton, Director of the District Councils' Network
- Andrew Winfield, LGA peer challenge manager.

#### Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?

2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

In addition to these questions, you asked the peer team to consider/review/provide feedback on:

- review how the authority is positioned to deliver the aspirations and ambitions contained within the Cheltenham vision, in the context of 2050, and whether it and its partners have sufficient capacity to achieve delivery of these
- look at the council's broad range of external delivery mechanisms, including the council's commissioning, contracting and other partnering approaches and various company arrangements, to see how effectively they are delivering the outcomes the council requires from them
- consider the council's modernisation programme and reflect on how well it is being articulated, organised and driven across the organisation.

### **The peer challenge process**

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge every 4 to 5 years. Cheltenham Borough Council had a Corporate Peer Challenge in 2014. Where relevant to do so, findings from that previous peer challenge have been referenced in this report.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent 4 days onsite at Cheltenham, during which they:

- Spoke to more than 100 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 50 meetings and focus groups and additional research and reading.
- Collectively spent more than 260 hours to determine their findings – the equivalent of one person spending more than 7 weeks in Cheltenham.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit on 16 November 2018. In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

## Feedback

### 3.1 Understanding of the local place and priority setting

Cheltenham Borough Council (CBC) demonstrates a commitment to partnership working and sees this as the means by which additional resources and capacity can be levered to work for the benefit of residents and businesses in Cheltenham. It is acknowledged by external partners to be ambitious, creative, outward looking and tenacious. An example of this is the 'No Child Left Behind' year of action from January 2019 to highlight the issue of children growing up in poverty. This involves working with the Cheltenham BID, the Cheltenham Trust, The Cheltenham West End Partnership, the police, GCC and Cheltenham Borough Homes.

The new Corporate Plan, being developed for April 2019, should be used to strengthen priority setting and resource allocation. Work has begun making use of demographic, social, health, educational data obtained through the Maiden Partnership, via Gloucestershire County Council (GCC) to inform priorities. It is intended that the new plan will be looking longer-term, for 3 or 5 years, rather than the one year plan currently used and that a revised set of strategic priorities will align ambition with capacity.

Corporate planning does not currently include residents' perception data and this weakens the rounded perspective the council is trying to achieve. CBC recognises, as part of its modernisation programme, the need for a residents data to underpin and inform service planning and a survey will be undertaken in the early part of 2019. It would be beneficial to repeat this regularly to maintain resident and business input in the planning process. It also provides the opportunity to test resident satisfaction, to get views on local issues and build trend data over a period of time.

The council commitment to housing delivery shone through for the peer team. Cheltenham, like most other parts of the country, has an imbalanced housing market. The council is keenly aware of the need for affordable housing and has specified, in the Joint Core Strategy (JCS), that large sites should seek to deliver 35 per cent of affordable housing. A further example of this commitment is the council's recent decision to invest £100m in a housing programme to build around 500 homes. This involves working in association with the arm's length management organisation (ALMO) Cheltenham Borough Homes (CBH) that will not only deliver affordable housing but also a commercial return and capital appreciation.

Similarly a council bid to the government's Garden Communities programme is linking the Cyber Park development with the opportunity of building 3,000 new homes, of which it is estimated that up to 40 per cent could be affordable. The council is working closely with CBH as its principal housing partner and lead developer; assisting it to construct and acquire more than 150 homes of mixed tenure since 2010. This is a productive partnership keen to progress redevelopment sites and has innovative plans for market rent and other products.

The relaxation of the government's Housing Revenue Account (HRA) borrowing cap potentially provides an opportunity to actively develop a larger-scale programme of affordable house building. However, in doing this it will be important to consider what

housing will be required, where and when. With the extensive range of new building materials developed in recent years it will be useful to look at the range of options available for: speed of build, for example the use of modular building to meet short-term housing need; the appropriateness of Passivhaus and similar standards to address energy poverty and building in good design and build quality to provide a long lasting and welcoming environment.

The council will need to address two areas around housing. First, housing delivery at urban sites and growth areas will need capacity to address a significant uplift (in the order of 25 per cent) to meet the JCS annual target of 1,759 homes per annum - when delivery between 2001-2011 averaged 1,450 per annum. Second, the council does not currently have a 5 year housing land supply and this exposes it to the risk of speculative development and 'planning by appeal'. It will be important to address this in the Cheltenham Plan currently being prepared.

CBC recognises the challenge of inequality in the borough and is actively working with partners on this.<sup>2</sup> The council is keenly aware of the stark contrast across the population and is involved in a number of programmes to address this. For example, the council commissioned a children's needs assessment through the Maiden Partnership. This assessment was recently presented to the Communities Partnership and the Place Governance Group and estimates around 4,300 children and young people are growing up in poverty in Cheltenham. The Place Governance Group has agreed to take a leadership role in reducing child poverty and committed to a year of action 'No Child Left Behind'.

To make significant inroads into social inequality will require a more focused and coherent programme, working closely with partners. This is not currently in place as, even though the council and partners are involved in numerous initiatives, activity is dispersed and does not form a coherent programme. Making a sustained impact will require a clearer engagement framework for stakeholders to agree and align priorities and actions with the council and a dedicated partnership focus to address social, economic and physical regeneration. Clear leadership of the council's work on deprivation by named member and officer leads would help on this.

### **3.2 Leadership of Place**

CBC has a high level aspiration to lead its place and this is complemented by well-regarded political and managerial leadership. Moving through the current process of organisational change it will be important to communicate this future vision and align resource capacity to achieve priorities.

There has been solid achievement of the town centre vision. Recent high profile development includes the newly opened John Lewis, the recently completed phases of the Brewery Quarter and traffic flow management at Boots Corner. Other plans are proposed to redevelop the council owned Regent Arcade to also include a cinema. This

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<sup>2</sup> The population includes 47 per cent of residents categorised as 'wealthy achievers' (ACORN classification) against a national average of 23 per cent. At the same time the Indices of Deprivation (IMD) 2015 show more than 12,000 – out of Cheltenham population of 117,000 - are living in the 20 per cent deprivation 'band' according to national rankings, with child poverty estimated at 30 per cent in 4 wards.

is contributing to re-establishing the town as a highly desirable regional shopping and visitor destination.

Culture has a positive role in place-making and CBC brings together key players via the Cheltenham Trust. The Trust has the ability, through changes to its lease, to raise additional grant income and this is worth exploring. The ingredients for a powerful cultural coalition are in place and the council is in a unique position to facilitate this.

The peer team were impressed with the website Marketing Cheltenham [marketingcheltenham.co.uk/](http://marketingcheltenham.co.uk/), a recently launched destination marketing division. This is managed by CBC in collaboration with Cheltenham Business Improvement District (BID) and the Cheltenham Tourism Partnership, working together on a 5-year strategy to grow Cheltenham's visitor economy. This tool is also proving important to promote Cheltenham as a student destination and for inward investment purposes.

It will be important to engage positively with Gloucestershire County Council (GCC) on the town's future transport strategy. The location off the M5 motorway is hugely advantageous for business, visitors and residents. However, traffic flow to enable optimum traffic movement is important for events that attract large numbers, for example the Cheltenham Gold Cup Festival has ticket sales of over 250,000. With projected population, economic and housing growth it will be essential to work with GCC to ensure that highways infrastructure adapts to changing needs. A recent example of this is the council's brave decision to reroute traffic around Boots Corner which was highly controversial locally. Conducting these works involved close liaison with GCC.

The Cyber Park programme will require building strong and inclusive governance and management arrangements.<sup>3</sup> This nationally significant programme will be important for the sub-regional economy. Governance arrangements are in place and in the process of being revised. Effective governance will be important not just to provide rigour and confidence but also to bring in capacity from other partners, without which there is a risk to delivery. Partners have been impressed by way CBC has "gripped" this major programme and are keen to contribute to the developing leadership and governance structures. The programme will require significant strategic and programme capacity and, in some instances, partners will be better placed to contribute to this and in others it will be the council. It will be important to recognise respective roles and to anticipate the capacity that this may require from the council.

It would be advantageous to have a single liaison contact point in government to enable cross-working over several government departments for the Cyber Park programme. Looking at other nationally significant projects, such as Hinkley Point 'C', the Olympics' preparation for London 2012 and the Northern Powerhouse project – these could all provide valuable learning for the council and this is something that the LGA could assist.

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<sup>3</sup> Confirmed in 2015 by the then Chancellor of the Exchequer announcing Cheltenham as the new home for the government's Cyber Innovation Centre. In 2017 the land area was designated as a strategic development site in the JCS. The Department of International Trade (DIT) has identified this as a High Potential scheme and promoted it as an international investment opportunity at MIPIIM earlier this year. The development has been endorsed by a £22m growth deal commitment followed by a successful first round Housing Infrastructure Fund (HIF) bid for £265m to secure an all-ways M5 Junction 10.

There would be merit in building on the partnership model that delivered the JCS. The council has done well, working with Gloucester City Council and Tewkesbury Borough Council, to get the JCS adopted. With the JCS setting out the scheduled provision of housing and employment growth numbers there is an opportunity to build on this by considering a wider Cheltenham/Gloucester/Tewkesbury axis for sub-regional housing and economic growth and inward investment consistent. This would be an important alliance to lead on the Cyber Park and West and North West Cheltenham regeneration.

It will be important for CBC to develop an economic growth strategy; engaging in this with local businesses and linking with business marketing. Particularly as it recognises that, “harnessing the opportunity for growth in its wider context is ...absolutely critical for our town’s future success.” Although the council commissioned consultants to advise on an economic growth strategy (‘Cheltenham Economic Growth Strategy – Developing Cheltenham as a Business Location – Athey Consulting 2015) a council economic growth strategy has not been developed. This means that there is no clear strategic direction or prioritisation of economic growth activity with aligned resources.

Addressing skills for the future economy will be needed and at the moment is at an early stage. The Gloucestershire Local Enterprise Partnership (GLEP) led Education and Skills Board will be important to link employment growth and future skills to community need. This should plan for providing residents with the skills in cyber security and related support services required for the future economy. It will also be important to address the annual net loss of 400 young people across the county so that they can see employment prospects that may encourage them to live and work in the area. This is a theme that CBC and partners could develop as a shared piece of work; consistent with CBC’s corporate planning activity in knowing and understanding community need.

### **3.3 Organisational leadership and governance**

The Leader and Chief Executive are both well-respected within the organisation and by partners. However, the peer team were told that staff would value a more visible senior managerial leadership presence.

The recently-expanded Executive Leadership Team (ELT) has a good range of complementary skills and experience to move the council forward with fresh ideas and energy. The council is also in a strong position with a core of skilled and dedicated officers, many of whom are well-regarded by partners and in the community.

There is a culture of collaboration and partnership working with external organisations, including close working with the voluntary sector and parish councils. This, in part, is due to the council’s ethos that found value in the former Local Strategic Partnership working arrangements and intends to continue combining resources with partners to deliver on shared objectives. Most partners that the peer team met were very positive on their working relationships with the council and its commitment to work with them.

The council is ambitious to deliver on behalf of residents and businesses, and has communicated this through its Place Vision (March 2018). This been well received by partners, and now needs effective delivery

It will be necessary, through the modernisation programme, to ensure a clearer organisational structure is devised<sup>4</sup> for April 2019, a revised performance management is agreed, and a competency framework developed:

- The new structure will be informed by the priorities emerging in the new Corporate Plan (The current structure is a legacy from pre-2016 and the intention to transfer most council services to Publica.)
- It will be essential that the senior ELT structure provides clarity on respective roles and their interaction. At the moment this is far from clear.
- There is not currently a competency framework in place but this could be developed alongside the new organisational structure
- The current performance management structure is more a list of projects than key performance indicators (KPIs), with outputs rather than outcomes.

As part of the revised organisational structure it would be beneficial to review member portfolios and senior officer roles to provide dedicated political and managerial leads in relation to key priorities, for example on the Cyber Park and deprivation. Currently these leads can be dispersed, for example a number of member portfolio holders cover elements of deprivation and social inclusion. Aggregating these into one portfolio holder/lead officer would mean that coherent strategic programmes could more effectively address these complex issues with a dedicated focus.

It will be important to develop a stronger awareness of the distinctive roles and responsibilities of officers and members. The peer team felt that this understanding had become blurred in some areas. Not to address this would present risks for both members and officers who might otherwise stray into areas not appropriate.

Finally, reviewing the role of backbenchers could add political capacity. The council benefits from a strong member induction and mentoring programme with active councillors. This is important for new members to provide them with the confidence to understand and fulfil their role. However, the peer team felt that it would be advantageous to identify additional roles for more backbencher councillors. Given the current workload this would add capacity, provide more member involvement and add complementary skills and expertise.

### **3.4 Financial planning and viability**

The council has a highly respected finance team with a sound grasp of the key financial issues affecting the council. The financial controls and systems for monitoring and reporting are in place and working well. CBC has a history of meeting its financial targets and underspending its revenue budget.

The council has adopted a successful savings strategy, previously referred to as 'Bridging the Gap' and now included within the Medium Term Financial Strategy

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<sup>4</sup> Pulling back from Publica has affected the council's structural and working arrangements. Until 2016 the council had an interim head of paid service and had recruited a director to lead on the commissioning and "retained" arm of the business. The shift from Publica led the council to reinstate the position of Chief Executive with this filled in February 2018. However, the remainder of the organisational structure is imbalanced.

(MTFS). Savings, including income generated, are projected to achieve an impressive £14.2m from 2009 to 2022.

The council is using reserves to help address a projected financial gap of £3.3m in 2021/22. The latest savings strategy identifies £3.4m of savings between 2018/19 and 2021/22 although the Budget Strategy (Support) Reserve will need to be used in the earlier years, which places reserves under greater strain.

Opportunities for increasing the level of revenue reserves should not be missed. Working balances at 31 March 2018 stood at £1.4m and the Budget Strategy (Support) Reserve was £1.5m. Given the intention to use over £2m of reserves over the MTFS period, to fund the revenue budget, there is the potential to reduce reserves to even lower levels. Local government recognises that the next 5 years as being uncertain and potentially volatile and is generally seeking to ensure levels of reserves are sufficient to withstand uncertainty. The council's external auditor has also drawn attention to the continuing need to monitor high risk savings and the council's use of reserves.

Alternative delivery models and investment in property are making a significant contribution. The council has recently adopted a Commercial Strategy (February 2018) and is building up a portfolio of assets already making a sizable return on investment; with a net surplus of £199k generated - to November 2018 - returned to the revenue budget. Further investment income is central to the council achieving its savings targets over the medium term.

There are two notable features to this investment strategy. The first is that all investment is made within the borough and second, the council is keen to invest to meet local needs and the ambitions of local communities. An example of this is Ellenborough House where the council purchased a building of office accommodation projected to achieve an annual net yield of 5.47 per cent. Office accommodation has experienced sustained decline in Cheltenham – with this often converted to housing - and the council is safeguarding this through its investment.

The presentation of the MTFS could be improved to ensure that key issues are more widely understood and linkages made to corporate objectives. The current layout could not be easily followed by the peer team, which contained financial expertise within it. On this basis it seems reasonable to assume that many members and officers from a non-financial background could struggle to understand this. It is recommended that consideration is given to new ways of presenting financial information so that this is more readily understood by members and officers. At the same time it would be advantageous for the MTFS to strengthen the alignment of resource allocation to the priorities set out in the Corporate Plan.

Similarly it was not clear that all members and managers are as involved in and have ownership of the financial planning process as might be expected. Some key financial issues and risks facing the council were not fully understood by some non-finance members and officers that the peer team spoke to, although the need to save money did not come as a surprise to anyone. Given the financial challenges facing the council a fuller understanding of these issues would be desirable.

It will be important that key assumptions in the MTFS, for example business rates and New Homes Bonus (NHB) are reviewed to ensure the projected funding gap remains realistic. NHB is scheduled to come to an end after 2019-20 and it is not yet clear what funding mechanism will replace this.<sup>5</sup> Business rates can be notoriously unpredictable, even without the current fair funding review and reforms to the business rates retention system. The council should keep under review its assumptions about future income particularly and the extent to which they fund the overall revenue budget.

It will be also important to continue to monitor in an uncertain financial environment. The savings plan, to help bridge the financial gap, includes some areas that carry a degree of risk. The council has a number of options available to it should new financial pressure points emerge but keeping a watchful eye on funding uncertainties will continue to be important to anticipate sudden changes.

### **3.5 Capacity to deliver**

CBC is an ambitious council but it is also acknowledged that the council's response to austerity has stripped out a large proportion of former staff capacity. One partner told the peer team that, "CBC punches above its weight and never says no". By never saying no there is a risk of capacity being spread too thinly. The peer team found that the council needs to be focus on priorities so as to manage ballooning demands. One manager commented that "strategic capacity is a key issue for us." This issue is clearly recognised in the Corporate Risk Register with the highest joint risk score of 20.

The council has effectively strengthened capacity in a number of areas where it was recognised that this was necessary, for example the property team and the Executive Leadership Team (ELT). The peer team suggest that the ambitious future programmes around modernisation, the Cyber Park and housing will likely require additional capacity.

In other areas capacity could be created through improved working arrangements. For example, there are significant issues around contract management with a dispersed and inconsistent client function and a lack of rigour on contract specifications to provide the services the council requires. Likewise the peer team were told that access to specialised legal support was not always readily available and project management was identified by many the team met as an area of weakness. Addressing the efficiency and effectiveness of these working arrangements would add capacity.

There is an opportunity for the council to release increased strategic leadership capacity from managers. Strategic capacity can be lost with some managers being too hands-on and operational. It will be important to address this in the new structure. This could be by the council setting out the performance competencies expected and by providing management development training to support managers making the transition from service professionals to strategic managers.

Working with key partners is essential to leverage capacity. The council has recognised this by its commitment to partnership working. In the future it will be important to build on this to ensure partners are brought in early and as equal partners. Similarly, working

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<sup>5</sup> All NHB goes to the council's revenue budget. For the current financial year this amounts to £1.7m – with this declining year by year to 2020. This forms an important part of the overall net revenue budget.

with private sector partners can add significant value from joint ventures by bringing in resources, sharing risk and adding expertise.

### 3.6 Modernisation

The council's modernisation<sup>6</sup> programme is underway and will be important for potential financial savings. Recent work, conducted for the council, estimates that the efficiency benefits of modernisation could achieve annual financial saving of £1.2m. This is an important prize, along with the organisational transformation this will involve.

Although at an early stage the council is making good progress on modernisation. A programme office has been established; underpinned by a clear governance structure and supported by passionate staff. The arrival of the new director has added necessary impetus and pace. There have been good levels of engagement with staff and member leads and it will be important that these are maintained to ensure continued buy-in for a programme that will introduce new ways of working and some cultural change.

The existing municipal offices and facilities are inadequate for a modern organisation. The council is understandably reluctant to spend on the building layout and improving overall office accommodation. However, the "unloved" accommodation does sap staff morale, particularly for officers who occupy some of the more untidy office areas, and is far removed from what passes as modern office accommodation.

The council is aware that the current offices occupy a highly desirable location that lends itself to many alternative uses and could enable the council to relocate. The peer team were told that this has been an ongoing discussion for twenty years and the team view is that a decision is now needed. "We need a quick decision and we need to implement it" was one comment to the peer team. This could amount to a quick and visible win that would add momentum to the modernisation programme.

### 3.7 Commissioning, contracting and partnering to deliver council outcomes

There are good county-wide working arrangements with the council playing an active role. Partners described the council as fully committed to these fora, which provide an important platform to influence county-wide activity involving key strategic partners – for example on deprivation. Leadership Gloucestershire brings together public sector partners and has led to the bold work contained in Vision 2050, including the proposed Cyber Park. In addition there is senior representation at the Health and Wellbeing Board, the Gloucestershire Safeguarding Children's Board, Safer Gloucestershire etc.

There are good examples of partnership working to build on. Partners told the peer team of a very positive relationship with CBC – "excellent relationship" and "open to ideas" and "take their seat and punch above their weight". This is supported by CBC placing a high value on working with partners to deliver its priorities and recognising that its capacity to deliver is enhanced by partnership working. There are good examples of the council backing partners, for example the Solace funding commitment to tackle anti-

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<sup>6</sup> Modernisation is a wide-ranging programme that includes: reshaping customer access and digitalisation; organisational re-design and development; cultural change; performance management and office accommodation and agile working.

social behaviour (ASB) in the town centre over 5 years, providing dedicated new police constable and police support officer (PSO) posts to work on ASB in the town.

Although partnership working arrangements are good there are areas to strengthen. The council reviewed its partnership arrangements in March 2017 and this led to a place-making vision – “We want Cheltenham to be a place where everyone thrives”. This then led to the formation of the Place Governance Group (PGG) responsible for the delivery of the Cheltenham Place vision and for providing strategic co-ordination across Cheltenham’s agencies, partnerships, networks and fora, ensuring linkages with their strategies, plans and priorities. However, the PGG was described, “as still finding its feet”. The detailed actions set out in the Place Vision have yet to be translated into action plans that specify who leads, with what resources, what timeframe and the KPIs and monitoring mechanisms needed to review delivery against objectives. It may be necessary for the council to work with the PGG to move this work forward to ensure that the work of this partnership vehicle is not jeopardised.

The function of commissioning is changing. It has been important as a means for the council to address the financial pressures of austerity. When commissioning began in 2011 its success in gaining efficiencies “...helped to keep the ship afloat”. However, the rationale for commissioning is shifting with service providers becoming strategic enablers for CBC’s ambition rather than simply achieving savings. This shift in emphasis has not yet been widely recognised and understood.

Examples of this shift in approach to commissioning include CBC’s modernisation programme and key projects on customer access and channel shift which Publica will have a vital role in supporting through ICT platforms. Similarly there is the example of Ubico<sup>7</sup> with the potential to promote the take-up of commercial waste, green waste, commercial recycling, bin cleaning services and other revenue generating opportunities that can reduce contract costs. This shift will require the council – as client – to *incentivise* contractor providers to consider how they may provide services in the future which add value and/or save on costs.

Contracting arrangements need to be clearer and more robust. The different contracted governance structures provide a complex picture, often involving different geographies. It has been acknowledged that there, “is a sense that the arrangements to manage complex contracts are stretched...” In addition the contract management arrangements were described to the peer team, by a number of staff, as “woolly” which can lead to uncertainty on respective client/contractor roles and responsibilities. Client arrangements would benefit from increased rigour to provide: clarity on the specification of service requirements; the use of Service Level Agreements (SLAs); the use of KPIs and performance monitoring arrangements.

Finally, the council needs to be clear on what it expects Publica to provide. The history before and after 2016 means that there has been understandable uncertainty. Members and staff need clarity on respective client and contractor roles and responsibilities. Developing this clarity will enhance the relationship with increased

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<sup>7</sup> Ubico is a company wholly owned by both Cheltenham Borough and Cotswold District Councils and provides a range of environmental services - including waste collection, recycling, and street cleansing - across both areas.

certainty on respective expectations and will enable the model to begin to realise its potential to deliver community benefits and further efficiencies.

### **4. Next steps**

#### **Immediate next steps**

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Andy Bates, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). His contact details are [andy.bates@local.gov.uk](mailto:andy.bates@local.gov.uk)

In the meantime we are keen to continue the relationship we have formed with the council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

#### **Follow up visit**

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the council. Our expectation is that it will occur within the next 2 years.

#### **Next Corporate Peer Challenge**

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the Council will commission their next Peer Challenge before November 2023.

## Introduction

Cheltenham Borough Council want to provide the best possible services to customers in the most efficient way. This document sets out the principles we will follow when reviewing and transforming our services to ensure they are centred on customer needs. Our approach must recognise the digital age we live in and how we can make the best use of technology for the benefit of both our customers, partners and employees. Our purpose is to ensure services are delivered in the most suitable way investing, where appropriate, in both technology and other capabilities to support our organisational modernisation and deliver a positive customer experience.

## Principles



- We will work with customers and other stakeholders to ensure services are designed around their requirements, they are accessible and maximise convenience.
- We will work towards dealing with as many customer enquiries at first point of contact delivering a professional, consistent service resulting in a positive experience.
- We will take the opportunity to redesign and optimise services based on user research and not just automate our current processes.
- We will aim to move away from paper based transactional services to online, integrated, digital offerings that encourage a new kind of interaction with our customer.
- We understand that any new approaches to service delivery, including digital offerings, will require people to adapt behaviours and actions.
- We understand that true transformation requires redesigning and re-engineering our organisation on every level and includes people, processes and technology.
- We will invest in our leadership and people capabilities to ensure we can deliver the required improvements for our customers.
- We recognise the value of face to face services so will ensure changes focus on spending less on unnecessary activities and bureaucracy enabling us to reinvest more in essential frontline services.
- We will transform as one organisation moving away from a silo-based approach to service delivery to enhance both the customer experience and that of our employees.

## Outcomes



Customers have convenient access to the right information at the right time.

Customer journeys are effective achieving their required outcome in a convenient way.

The organisation is more effective in managing customer demand and services are more resilient.

Cost savings through improvements will mean we can invest more in our essential frontline services.

## Involving People on our Journey

120,000  
Customers



From providing information on waste and recycling to advising on technical planning matters, we need to ensure that our services are designed to meet the needs of our diverse customers. We have conversations and engage with our customers and businesses to understand what they want from our services and how they would like to access them.

Our Councillors are elected by the community to decide how we should carry out our activities. They represent public interest as well as individuals living within our communities. Through member seminars and working groups we will utilise their knowledge to ensure our services meet the needs of our wider communities.

40  
Councillors



230  
Employees



In a changing environment it is essential our people have the ability to both design and develop services that meet our customer needs. We value our people and will invest in them to ensure they have the ability to deliver for our customers. Our people strategy supports our journey ensuring we develop the key capabilities required for our our modernisation.

At Cheltenham BC we work with and commission many partners to deliver services as we recognise the opportunity that wider collaboration brings. It is important that our partners share our values and aspirations for our customers and deliver services that meet their needs. Our partners are part of modernisation programme to add value and ensure seamless services.

Multiple  
Partners



## Key Actions

- Have a consistent approach to mapping customer journeys, and map them, using this to identify where 'First Point of Contact' (FPOC) customer services are delivered across organisation.
- Establish how we will engage and consult with customers, aligned to journeys not team, to understand who they are, their varying needs and how they wish to access services (including partners e.g. CBH payments).
- Improve our collection and use of customer data to enable us to make decisions based on current, relevant and reliable information as well as giving us the ability to ensure the customer experience matches expectations.
- Establish a consistent approach to customer service delivery across organisation to ensure a consistent customer experience, including look and feel, across all touch points.
- Utilise our customer research and mapping to determine criteria for assessing what services could be delivered digitally now and in the future identifying any barriers.
- Establish priorities for services/processes transferring to a corporate team e.g. increase resilience, increased commercial opportunities.
- Through our customer research and process mapping ensure we manage customer demand through developing knowledge on our customer contact and establish whether proactive campaigns could remove or divert some this this traffic to other channels (including digital).
- Establish how we obtain a single view of the customer to ensure that our service provision maximises opportunities to deliver at FPOC as well as giving opportunities to 'market' appropriate services.

# Cheltenham Borough Council Modernisation Roadmap



#wearecbc

## Stage 1 - Prepare CBC for change

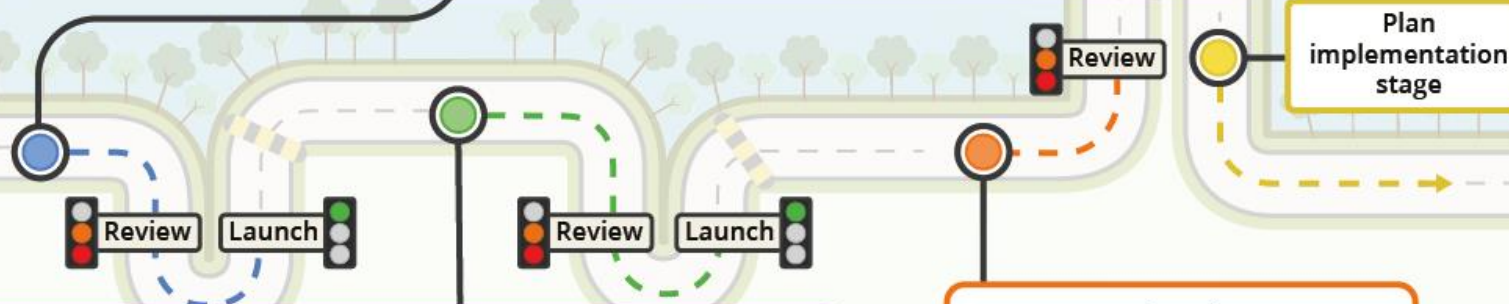
October 2018 - March 2019

### Objectives

- Understand the external and internal factors that impact on the Council
- Undertake learning and discovery activity to inform the best approaches to modernisation for CBC
- Establish the programme purpose, governance and engage key stakeholders
- Develop the case for change and establish the methodology for modernisation
- Prepare the modernisation team and wider organisation for stage 2 of the modernisation programme
- Establish data baseline (and other baseline information)

### Deliverables

- Case for change and programme methodology is supported by Cabinet and Executive Leadership Team
- Modernisation programme is launched and people understand why it is needed, what it will involve and the benefits it will bring
- All members appropriately engaged and informed
- Technical Design Authority is established to ensure ICT investment decisions are aligned
- Framework that sets out the approach to organisational design including organisational structure is agreed



## Stage 2 - Capture the now

April 2019 - August 2019

### Objectives

- Identify the current processes and procedures for all services in terms of demand, cost and technology
- Identify opportunities for improvement and commercial development incorporating learnings from Place and Growth
- Understand how our current technology partners can further support modernisation
- Support staff to embrace change and think differently to enable new ways of working in the future operating model
- Complete resident satisfaction survey

### Deliverables

- A clear understanding of CBC's current operating model including an understanding of common capabilities and end to end customer journeys
- Duplication and non-value added activities are understood and costed
- Staff are fully and actively engaged in the process review and analysis
- Customer satisfaction level baseline is established

## Stage 3 - Design the Future

Later in 2019/2020

### Objectives

- Process map the 'to be' state and identify the level of efficiencies these changes would make
- Benefits are measurable and validated
- Develop new operating model including new organisational structure

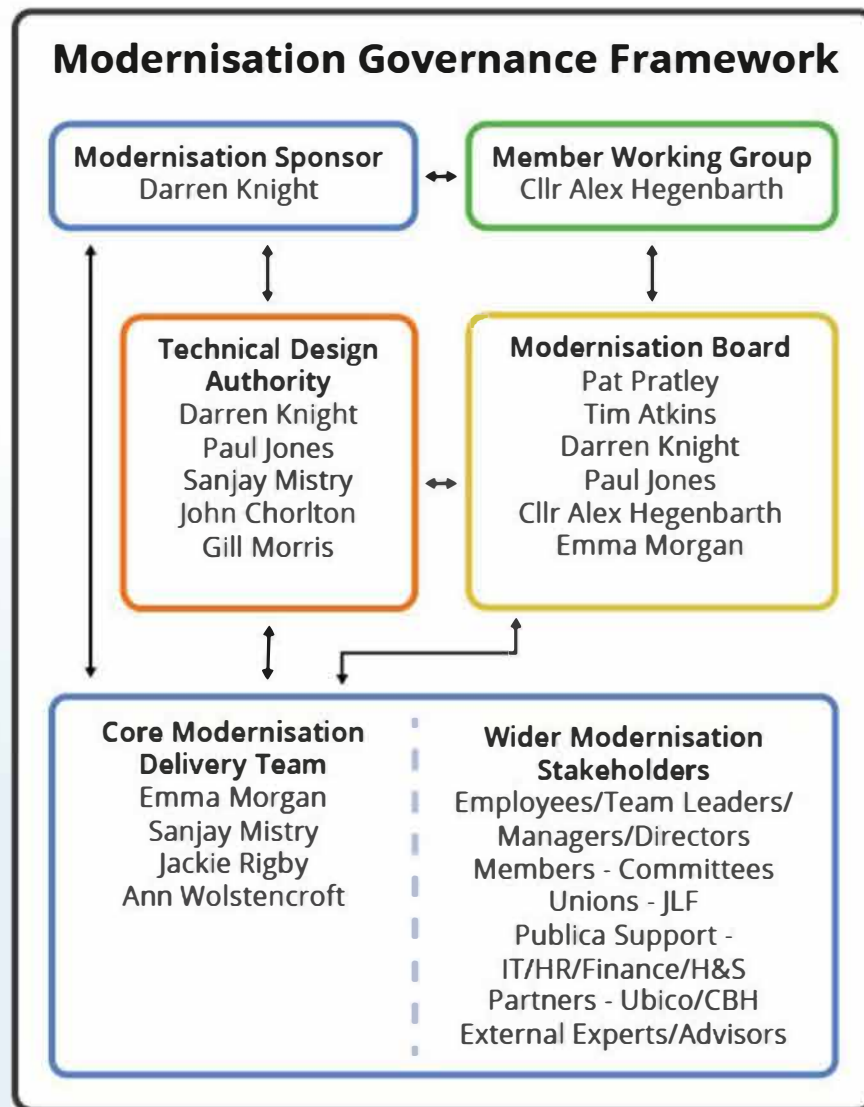
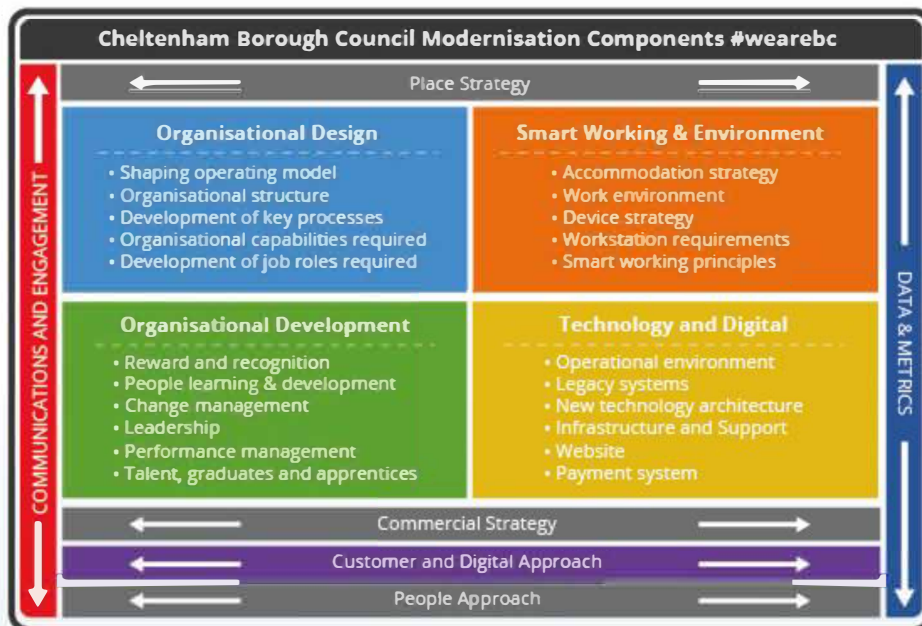
### Deliverables

- New target operating model is agreed
- Efficiency savings confirmed
- Modernisation investment priorities established ready to implement changes in stage 4

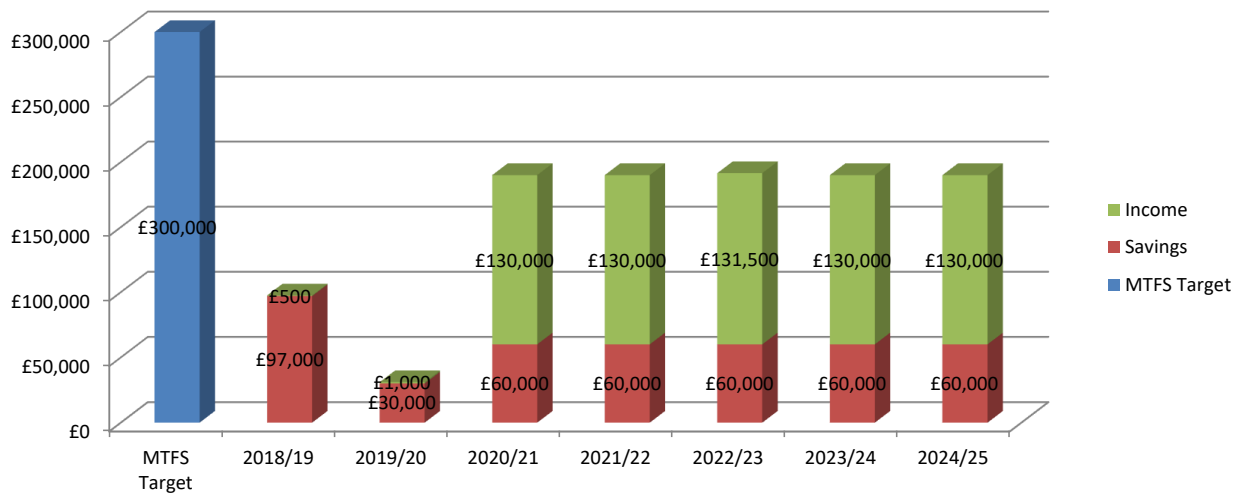
# Modernisation Programme



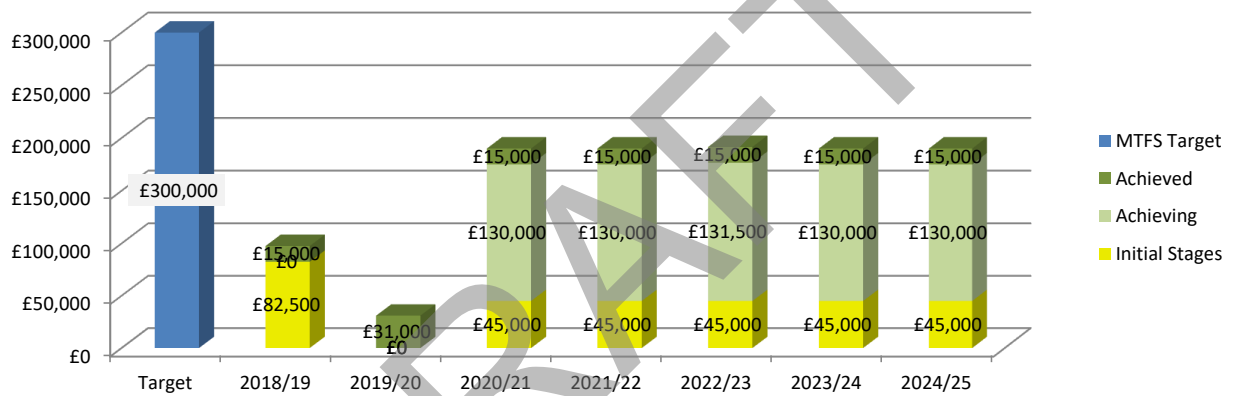
#wearecbc



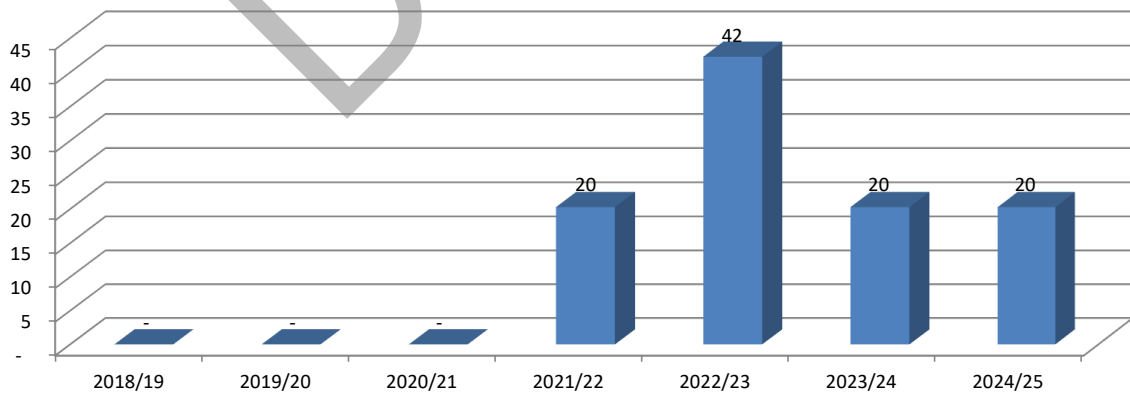
### Projection Against MTFS



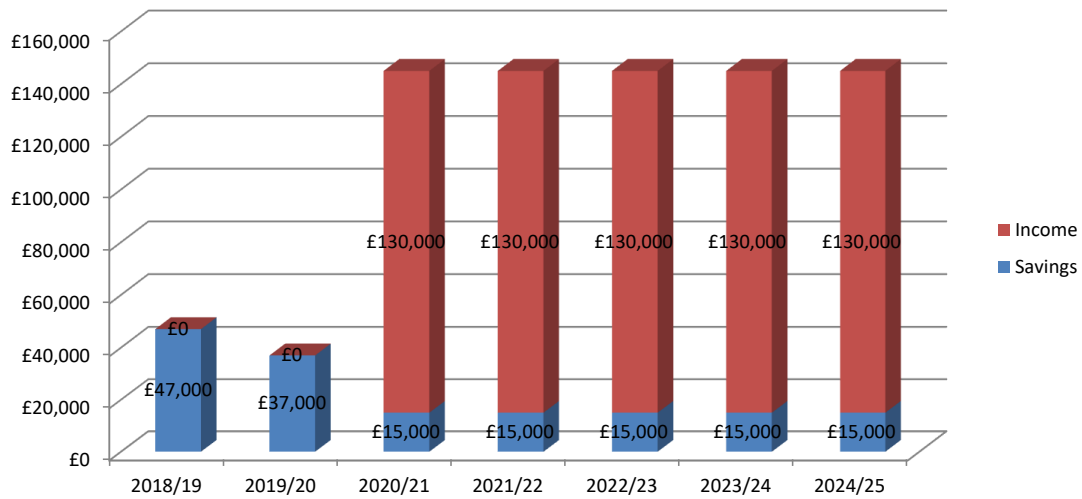
### Projection Against MTFS by Status



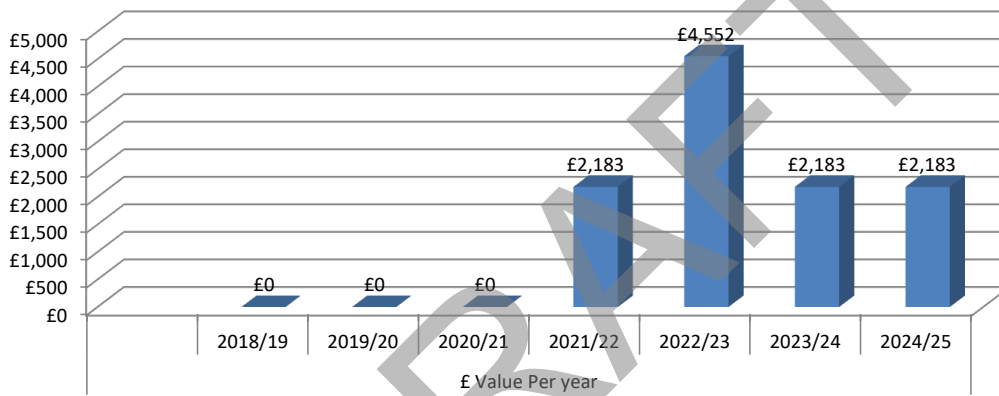
### Non Financial Staff Days Saved



### Cash Saving/Income Generation



### Days Saved as £'s



# Greetings from the future!



Hi,

We hope that you are well? We wanted to drop you a note to say that our modernisation programme has successfully delivered all of the agreed outcomes and is starting to deliver amazing benefits!

- our Council is open 24/7, 365 days a year as our customers transact with us digitally from their devices
- our Customers have great experiences as our processes were developed with them in mind, which has raised customer satisfaction to 90%
- our Business Customers say our holistic, joined up approach makes us easy to work with, which is great for local businesses and for Cheltenham
- We have saved £300,000 towards the Council's savings target which has enabled us to invest in our local communities and further support Cabinet priorities
- our employee satisfaction has increased as we continue to invest in our people and our working environment, attracting and retaining new talent as employer of choice for Gloucestershire.

We are all excited about the move to our new office accommodation in a few months' time. So, wanted to check with you, what's next??

Looking forward to seeing you soon,  
From Modernisation Team

PS: We have won an APSE Award for Best Efficiency & Transformation Initiative



Members

Cheltenham Borough Council

Municipal offices

Promenade

Cheltenham

GL50 9SA

## **People and Change**

- 1.1 The **people and change** element of the budget strategy currently has two key areas of focus over the life of the savings plan:
1. Savings following the creation of The Cheltenham Trust which formed part of the original business case when the trust was created in 2014;
  2. Savings targets arising from transformation and modernisation of service delivery within the authority, which are in addition to the savings target to transform regulatory and environmental services.
- 1.2 Whilst the Place and Economic Development (P&ED) programme, which started in 2016, is progressing the current position is that only part of the authority is undergoing a programme of modernisation and change and this now needs to be urgently addressed.
- 1.3 Modernisation will bring cash savings, as set out in the MTFs, but also deliver non-cash savings, which will allow resources to be freed up to support existing, emerging and future corporate priorities.
- 1.4 Ahead of the modernisation programme, Publica Group has been asked to expedite some quick win savings, including the re-negotiation of the Council's mobile phone contract and from other telephony improvements.
- 1.5 Following the review of the Executive Leadership Team, the next stage of the organisational design will be the development of a business case and framework to enable a review of the existing organisational structure. This will set out the approach and resources needed in assisting the Council in determining its future operating model. The outcome of this work will help ensure the Council is then best placed to meet the future opportunities and challenges ahead.
- 1.6 The vision for the services that has emerged through the P&ED transformation programme is services that are financially sustainable, have a commercial mind-set, foster creativity and innovation, with a strong customer and community ethos, and which are flexible and drive out as much as efficiency as possible.
- 1.7 The objectives of the services are to be:
- **Customer focussed** - with services delivered in a way that is convenient for the customer and in a way that meets their changing needs through maximising advancements in technology;
  - **Supportive to economic growth** - through freeing up resources to focus on corporate priorities and improved data to enable more informed decision making;
  - **Efficient** - with joint up services provided at minimal cost and underpinned by clear data;
  - **An organisation** - that is placed to best support the Council in achieving its aims and objectives and to meet the opportunities and challenges ahead;
  - **Investing in our people** - invest in our people to create culture that consistently supports and encourages:
    - Commercial thinking
    - Innovation
    - Continuous improvement through new ways of working.

# INNOVATING AND IMPROVING DIGITAL SERVICE

LICENSING



## OUR AIM.

To develop an online self-service licensing platform to enable customers to submit and pay for applications 24/7.

## WHAT HAVE WE DONE?



- Successful in a bid for LGA funding under its Digital Funded Programmes to "...support councils to innovate and improve digital service."
- With match-funding, invested in a suite of online forms and products to enable channel shift in all of our licensing functions.
- Allows customers to apply for new licences at their convenience and license holders the ability to renew their licence anywhere and at any time.
- No longer a need to wait for the offices to open.

*"An excellent effort by Cheltenham Borough Council whose investment has resulted not only in a substantial financial saving but also delivered a digital platform that has improved customer access to licensing services and significantly reduced processing times."*



Siobhan Coughlan, LGA programme manager

## WHAT HAVE WE ACHIEVED?

Since moving all of our taxi and private hire licensing function over to the new digital platform:



- Our customers are experiencing a streamlined, more efficient service
- Significantly reduced overhead costs.
- Reduction in time- consuming manual processing work, stationery and print
- No longer using multiple systems, instead we have a bespoke service which is aligned to the needs of our customers.
- Overall saving of £93k



*"By investing in smart technology, we have been able to drive digital change and deliver an improved service to our customers. Through an integrated online platform, we are continuing to innovate and offer better, more cost-effective solutions. This work will continue as we move into other service areas."*

Louis Krog, licensing team leader at Cheltenham Borough Council



- Spoken at the Institute of Licensing's national conference
- Presented to the LGA's showcase event
- Invited to speak to the LGA's annual licensing conference in Westminster

## Costs and Risks of Poorly Managed Change

When the people side of change is ignored or poorly managed, the programme and the Council take on additional costs and risks. From this perspective, effective change management is a cost avoidance technique and risk mitigation tactic.

	COSTS	RISKS
Programme level	<ul style="list-style-type: none"> <li>• Programme delays</li> <li>• Missed milestones</li> <li>• Budget overruns</li> <li>• Rework required on design</li> <li>• Loss of work by programme team/resources</li> </ul>	<ul style="list-style-type: none"> <li>• Resistance – active and passive</li> <li>• Programme put on hold</li> <li>• Resources not made available</li> <li>• Obstacles appear unexpectedly</li> <li>• Programme fails to deliver outcomes</li> <li>• Programme is abandoned</li> </ul>
Organisational level	<ul style="list-style-type: none"> <li>• Productivity plummets (deep and sustained)</li> <li>• Loss of valued employees</li> <li>• Reduced quality of work</li> </ul>	<ul style="list-style-type: none"> <li>• Impact on customers</li> <li>• Impact on suppliers</li> <li>• Morale declines</li> <li>• Legacy of failed change</li> <li>• Stress, confusion, fatigue</li> <li>• Change overload</li> <li>• Reputational damage</li> </ul>
If the change is not implemented	<ul style="list-style-type: none"> <li>• Lost programme investment</li> <li>• Lost opportunity to have invested in other programmes/projects</li> </ul>	<ul style="list-style-type: none"> <li>• Operating costs not reduced</li> <li>• Efficiencies not gained</li> <li>• Revenue not increased</li> <li>• Market share not captured</li> <li>• Waste not reduced</li> <li>• Regulations not met in time</li> </ul>

## Community impact assessments – for services, policies and projects

### What is a community impact assessment?

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

By undertaking an impact assessment, we are able to:

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

### Background

<b>Name of service / policy / project and date</b>	Modernisation Programme
<b>Lead officer</b>	Darren Knight
<b>Other people involved in completing this form</b>	Jackie Rigby Emma Morgan Sanjay Mistry Ann Wolstencroft

## Step 1 - About the service / policy / project

<b>What is the aim of the service / policy / project and what outcomes is it contributing to</b>	The purpose of our modernisation programme is to deliver a digitally enabled organisation with a commercial mind-set that is able to create capacity to deliver a positive customer experience and our corporate priorities. This initiative is contributing to improved customer access/service, increasing capacity and contributing towards financial self-sufficiency.
<b>Who are the primary customers of the service / policy / project and how do they / will they benefit</b>	The primary customers are residents that access services and information from the Council. They will mainly benefit from services that are more accessible and easier to access.
<b>How and where is the service / policy / project implemented</b>	See the attached case for change for a detail overview of the programme
<b>What potential barriers might already exist to achieving these outcomes</b>	None identified. However, critical success factors have been identified within the case for change document.

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

<b>What existing information and data do you have about your existing / potential customers e.g. Statistics, customer feedback, performance information</b>	There is little data available; more insight will be captured during stage 2 of the programme. Ahead of the modernisation programme commencing a resident satisfaction survey has been commissioned, which will be of a representative sample of the population
<b>What does it tell you about who uses your service / policy and those that don't?</b>	N/A
<b>What have you learnt about real barriers to your service from any consultation with customers and any stakeholder groups?</b>	Customers cannot transact with the Council 24/7 and 365 days a year from any device. In this day and age customers expect to be able to easily transact with organisations from any device.
<b>If not, who do you have plans to consult with about the service / policy / project?</b>	N/A

### Step 3 - Assessing community impact

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

Group	What are you already doing to benefit this group	What are you doing that might disadvantage this group	What could you do differently to benefit this group	No impact on this group
People from black and minority ethnic groups				☆
Sex				☆
Gender Reassignment				☆
Older people / children and young people				☆
People with disabilities and mental health challenges				☆
Religion or belief				☆
Lesbian, Gay and Bi-sexual, Transgender people				☆
Marriage and Civil Partnership				☆
Pregnancy and Maternity				☆
Other groups or communities				☆

## Step 4 - what are the differences

<b>Are any groups affected in different ways to others as a result of the service / policy / project?</b>	None identified
<b>Does your service / policy / project either directly or indirectly discriminate?</b>	No. However, as and when projects are scoped from the modernisation programme, the PMO will ensure equality impact assessments are completed where needed.
<b>If yes, what can be done to improve this?</b>	N/A
<b>Are there any other ways in which the service / project can help support priority communities in Cheltenham?</b>	There could be potential for social value through future procurement opportunities

## Step 5 – taking things forward

<b>What are the key actions to be carried out and how will they be resourced and monitored?</b>	These are summarised in the case for change.
<b>Who will play a role in the decision-making process?</b>	A Governance framework has been established to oversee the modernisation programme
<b>What are your / the project's learning and development needs?</b>	To ensure that the PMO has a consistent approach to BPR and customer journey mapping
<b>How will you capture these actions in your service / project planning?</b>	Training needs have been identified as part of the planning stage of each part of the modernisation programme

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# Briefing Notes

Committee name: Cabinet

Date: 5<sup>th</sup> March 2019

Responsible officer: Darren Knight

## 1. Background:

- 1.1 The purpose of this briefing note is to update the Cabinet with the work the Council has undertaken to date in relation to BREXIT preparations.

## 2. Current Situation:

- 2.1 The impact of a 'no deal' on the Council is not currently easy to establish until the decision around Brexit and resulting implications are clearer for local authorities.
- 2.2 It is important to note that a 'no deal' scenario may impact local authorities in different ways as each tier of local government has varying roles, responsibilities and services. For example, some Councils' have port health responsibility, while others could be affected differently due to their supply chains.
- 2.3 The Council has and continues to maintain an active watching brief over the situation and will review and monitor its risk assessment, as and when details are confirmed.
- 2.4 In February 2019, The Ministry of Housing, Communities and Local Government launched a new .gov page for local government bringing together guidance on Brexit preparedness from across central government. This page will be updated regularly with new information: <https://www.gov.uk/guidance/local-government-brexit-preparedness>

## 3. Financial Impact on the Council

- 3.1 The Council is keeping an active watching brief over the likely financial impacts that a 'no deal' scenario or leaving the EU with a deal could have on the Council. The financial impact on the Council following either scenario is not currently easy to establish. This approach is mirrored by other Gloucestershire authorities.
- 3.2 The financial uncertainties around BREXIT are referenced in the Council's Medium Term Financial Strategy 2019/20 to 2022/23, which states: *"The Council is operating in a challenging and uncertain economic environment. As the Government continues to negotiate the country's exit from the European Union, the financial impact of Brexit on the country and on local government is unknown, but potentially significant in terms of legislation, inflation, interest rates and economic growth"*.
- 3.3 The Ministry of Housing, Communities and Local Government, has recently awarded funding to local authorities to help them prepare for the UK's departure from the EU on March 29 if a deal is not negotiated.
- 3.4 The Council's share of this funding is £35,000. Currently, the Council does not know yet if the funding is sufficient until the decision around Brexit and resulting implications are clearer

for local authorities.

- 3.5** Once a decision has been made and the implications are clear, then decisions can be made on how best this funding can be used. One tangible action the Council is planning is by using business rates bills, as a method of sign-posting businesses to the Government's BREXIT toolkit for business.

#### **4. Working with others in preparing for a 'no deal' scenario:**

- 4.1** The council is keeping an active watching brief through its local, regional and national networks, which includes:

- The Local Government Association
- Ministry of Housing, Communities and Local Government
- Southwest Councils network
- Local Resilience Forum and Strategic Co-ordinating Group

- 4.2** In Gloucestershire, it has been agreed that the coordinated approach for BREXIT preparations will be through the Local Resilience Forum. A member of the Council's Executive Leadership Team will be the Gold representative on the Strategic Group.

#### **5. Business Continuity Planning:**

- 5.1** The Council will manage Brexit issues through its Business Continuity and Emergency Planning Teams in conjunction with the County Local Resilience Forum and Civil Protection Teams, National planning teams including the Government's COBRA emergency committee.

- 5.2** In January 2019, the Council undertook a business continuity training event for service managers and client officers of commissioned services, to test their existing plans against possible impacts of a 'no deal' scenario.

- 5.3** The Council has been engaging with its commissioned service providers such as UBICO and Cheltenham Borough Homes around their business continuity arrangements in case of a 'no deal scenario'.

- 5.4** The Local Government Association has provided a Brexit advice hub, which provides a range of information for councils <https://www.local.gov.uk/brexit-advice-hub-local-government>.

#### **6. Next Steps:**

- 6.1** The Council will continue to regularly monitor and assess the situation closely through its networks. Once the decision around Brexit and resulting implications are clearer for local authorities, the Cabinet and Members will be immediately updated on the impact and planned actions that the Council and its partners will take.

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