

Cabinet

**Tuesday, 8th October, 2019
6.00 - 6.45 pm**

Attendees	
Councillors:	Steve Jordan (Leader of the Council), Chris Coleman (Cabinet Member Clean and Green Environment), Rowena Hay (Cabinet Member Finance), Alex Hegenbarth (Cabinet Member Corporate Services), Peter Jeffries (Cabinet Member Housing) and Andrew McKinlay (Cabinet Member Development and Safety)

Minutes

1. APOLOGIES

Apologies were received from Cllr. Clucas.

2. DECLARATIONS OF INTEREST

There were none.

3. MINUTES OF THE LAST MEETING

The minutes of the last meeting held on 10th September 2019 were approved and signed as a correct record.

4. PUBLIC AND MEMBER QUESTIONS AND PETITIONS

1.	Question from Adrian Becker to the Cabinet Member Development and Safety, Councillor Andrew McKinlay
	While it is excellent that Cheltenham Borough Council have produced the Connecting Cheltenham Strategy, why is there no vision, aspiration or target for reducing travel demand overall?
	Response from Cabinet Member
	<p>The Gloucester, Cheltenham and Tewkesbury Joint Core Strategy focuses upon meeting demand where it arises. In this regard, two urban extensions are allocated to help meet Cheltenham's longer term development needs. West Cheltenham is a good example of how we are seeking to reduce transport demands through well located employment, housing and community uses. We will be using the Connecting Cheltenham Strategy to influence how residents and businesses travel sustainably, linking into availability of homes and employment, routes to train station and town centre, with the focus on walking, cycling and public transport.</p> <p>The data informing the Connecting Cheltenham Strategy has focussed upon travel to work and understanding the share of journeys across different transport modes and the type of trips. Understanding this data will help us to influence future planning decisions, approach to public realm investment and strategies around behavioural change.</p> <p>As part of the preparation of the Connecting Cheltenham Strategy workshops were held with key stakeholders. Much debate was had in</p>

	<p>regards to whether a target should be set for reducing travel demand. The conclusions of this was that given the Connecting Cheltenham Strategy, in part, has been prepared to inform Cheltenham's contribution to the review of the Local Transport Plan, any targets would need to be reflective of the wider county picture. In addition, transport is undergoing disruption. A variety of technological advances are combining to offer new forms of transportation as well as radically changing the way services are delivered and accessed. We will be feeding through our thoughts on this through the Gloucestershire Local Transport Plan review.</p> <p>A transport strategy for Cheltenham needs to deal with what we know now and what we are confident will happen, and should avoid trapping itself in planning for a future that may never arrive.</p>
	<p>Supplementary question from Adrian Becker to the Cabinet Member Development and Safety, Councillor Andrew McKinlay</p>
	<p>How can the climate emergency be resolved while CBC strategists assume that 'business as usual' can continue indefinitely?</p>
	<p>Response from Cabinet Member</p>
	<p>The Cabinet Member Development and Safety refuted the claim that it was 'business as usual', suggesting that the report outlines significant changes to be made in the coming years.</p>
2.	<p>Question from Adrian Becker to the Cabinet Member Development and Safety, Councillor Andrew McKinlay</p>
	<p>Do Cllr McKinlay, the Cabinet and Cheltenham Borough Council support the sustainable travel hierarchy promoted by the Department for Transport and virtually all organisations that represent planning and transport professionals?</p>
	<p>Response from Cabinet Member</p>
	<p>We have developed a strategy with a focus on modal shift and influencing behaviours to impact on travel demands. The Connecting Cheltenham Strategy prioritises behaviour change, urban design and freight consolidation to minimise demand, and supports a shift towards less environmentally damaging forms of transport (walking and slow modes, cycling, public transport) as set out in the answer to the previous question.</p>
	<p>Supplementary question from Adrian Becker to the Cabinet Member Development and Safety, Councillor Andrew McKinlay</p>
	<p>If the Connecting Cheltenham Strategy prioritises behaviour change, as claimed, why is there no target for increasing walking trips, and why are targets for cycling and public transport trips not expressed as increases in modal shares for these modes?</p>
	<p>Response from Cabinet Member</p>
	<p>The Cabinet Member Development and Safety responded that it is currently difficult to apply specific targets to particular trips, and that behaviour change cannot be forced arbitrarily.</p>

5. CONNECTING CHELTENHAM - A STRATEGY FOR TRANSPORT CONNECTIVITY

The report was presented by the Cabinet Member Development and Safety. He acknowledged that it was an emotive topic with great importance for the future of Cheltenham. Transport was a major infrastructure item in any town, particularly in West Cheltenham. Any future development must minimise car use. At this stage, that can only be done as part of a planning process, with no

magic wand available for instant change. He recommended that the Cabinet approve the recommendations in the report, but stressed that it was a starting point for future developments rather than an endpoint.

The Leader of the Council similarly highlighted that the report represented the start of a process. He found the evidence of modal shifts to be encouraging. He also suggested that in the past, the group had been concerned that the Local Transport Plan was too cautious, but it now seems to have taken on a more ambitious direction.

The fifth recommendation in the report was altered to make reference to the Cabinet Member Development and Safety as well as the Executive Director Finance and Assets.

RESOLVED THAT:

1. Connecting Cheltenham be approved as the transport strategy for Cheltenham;
2. the strategy be used as the basis of the council's input into the review of the Gloucestershire Local Transport Plan;
3. the strategy be used in future negotiations across the borough associated with new development through the Section 106 process and to inform future Community Infrastructure Levy allocations;
4. support be sought from Tewkesbury Borough Council to use the strategy in regard to new development outside the borough boundary through the Section 106 process and to inform future Community Infrastructure Levy allocations;
5. authority be delegated to the Director of Planning, in consultation with the Executive Director Finance and Assets and Cabinet Member Development and Safety, to prepare a programme for delivery which identifies short, medium and longer term priorities and the approach to funding; this programme for delivery be brought back to Cabinet for consideration;
6. the strategy be used as the basis for the council to seek funding for its delivery plan.

6. AWARD OF RENT SUPPORT GRANT TO CHELTENHAM SPA BOWLING CLUB

The report was presented by the Cabinet Member Finance.

She reported that, in order to support a thriving voluntary and community sector, the council enabled Voluntary Community Sector groups to rent properties through a rent support grant scheme. Appropriate rent support to community-based organisations and services supported the viability of such organisations and the services they provided to the benefit of the social and economic well-being of the town. However, the council would continue to encourage voluntary and community sector organisations to become more self-sufficient and less reliant upon financial support.

The maximum rent support grant that any organisation could apply for was 80% of their current market rent, and the level of support offered was determined by

an assessment process. In the case of Cheltenham Spa Bowling Club, the market rent was currently £1,700 per year, and would be £3,650 for the new lease offered. A rent support grant of 36%, totalling £1,314 per annum, would be implemented, bringing the new total rent to £2,336 year, an increase of £636.

The grant was for a three year period and would be consistently monitored. After the three years, the club must reapply.

The Leader of the Council commented that we had been following the policy for a while and he was pleased to see the results.

RESOLVED THAT:

1. The following rent support grant be agreed by Cabinet:

Applicant	Recommended rent support grant
Cheltenham Spa Bowling Club	A rent support grant of 36% of current market rent totalling £1314 per annum.

2. the Participation and Engagement Team Leader be authorised to enter into rent support grant agreements with the applicants.

7. WORKSHOP CHELTENHAM

The report was presented by the Cabinet Member Finance.

She reported that recent research indicated that Cheltenham's 1,027 creative businesses constituted nearly 11% of the town's businesses, but currently employed only 4.5% of its workforce and contributed just 6% of its gross value added (GVA). Cheltenham's creative sector was significantly underperforming in comparison to towns of equivalent size. Intervention was therefore needed, with an example being support for the Workshop Cheltenham project.

Workshop Cheltenham offered low cost start-up space for the creative industries and an economic growth hub, housed in remodelled shipping containers.

The site identified for Workshop Cheltenham was Chester Walk car park, situated behind Cheltenham's central library building and adjacent to St Mary's churchyard. The car park is under the ownership of Gloucestershire County Council (GCC) and currently used for parking by key social services staff working out of GCC's St George's Road offices in Cheltenham. The council has been working with Workshop Cheltenham, GCC and the Local Enterprise Partnership (LEP) to find a solution to accessing Chester Walk car park in order to facilitate the delivery of the proposal in this location. Following lengthy dialogue with GCC, CBC were proposing a land swap between Chester Walk car park and part of St George's Road car park in order to release the Chester Walk site. CBC would then enter into a lease with Workshop Cheltenham in order to allow them access to Chester Walk to construct the Workshop facility. The proposed land swap offered a further benefit of enabling the upgrade of the St George's Road car park to a higher quality.

The Leader of the Council endorsed the proposal as an example of expanding the Business Advice Network. The proposal would be considered at the County Council Cabinet on 9th October.

RESOLVED THAT:

1. the proposal for facilitating the Workshop Cheltenham project, including a tier 2 growth hub, on Chester Walk car park, be approved;
2. the freehold disposal of that part of St George's Road car park (shown edged red on Plan 1) to Gloucestershire County Council as consideration for the acquisition of land at Chester Walk (shown edged on Plan 2) be approved;
3. authority be delegated to the Director of Corporate Projects, in consultation with the Cabinet Member for Finance and Assets and the Head of Property and Asset Management, to settle Heads of Terms for the exchange of land referred to in recommendation 2) above and for the grant of a lease, not exceeding 10 years from the date of grant, at a rent representing the best consideration that can reasonably be achieved;
4. the Borough Solicitor be authorised to enter into any legal agreements considered necessary or desirable for the Council to put into effect the recommendations in this report;
5. the necessary capital expenditure on works at St George's Road car park pursuant to the land swap be approved, as per paragraph 5.2 and delegates' authority to the Head of Property and Asset Management to agree and implement the works with GCC.

8. IMPLEMENTING AN ARTICLE 4(1) DIRECTION FOR THE ST. PAUL'S WARD

The report was presented by the Cabinet Member Development and Safety. He explained that there was a high level of Houses in Multiple Occupation properties (approximately 12%) in St Paul's ward. CBC had been historically able to control this, but this was no longer the case due to recent government policy. The report proposed that any developer must get council approval for HMO properties. A 28 day public consultation received 8 responses, 7 in favour and 1 objecting. It was therefore requested that Cabinet approve the removal of development right status for HMO properties. He suggested that this served as a trial case for Article 4 directions, and that this was deemed to be a sensible approach to a recently developed problem.

The Cabinet Member Housing placed on record his thanks to the Cabinet Member Development and Safety for his work on seeking a solution to this issue.

RESOLVED THAT:

1. the confirmation of an Article 4(1) Direction, removing the C3 to C4 permitted development right as of 11th June 2020, be approved.

9. BUILDING CONTROL RENEWAL OF SHARED SERVICE PARTNERSHIP AGREEMENT WITH TEWKESBURY BOROUGH COUNCIL

The report was presented by the Cabinet Member Development and Safety.

The council entered into shared service partnership with Tewkesbury in November 2009 for an initial period of 10 years, which was due to expire next month. The report analyses this partnership based on fulfilment of key principles

and recommends a further 10 year continuation. He acknowledged that recent scandals regarding approved inspectors meant that vigilance was required. He highlighted the greater emphasis on commercialisation in the report.

RESOLVED THAT:

- 1. Maintaining the shared service between Cheltenham Borough Council and Tewkesbury Borough Council for a ten year period from expiry of the current agreement be approved;**
- 2. the continued delegation of Tewkesbury Borough Council's building Control functions to Cheltenham Borough Council, as host authority, in accordance with a new agreement under Section 101-(1) of the Local Government Act 1972 and Part 1A Chapter 2 section 9EA of the Local Government Act 2000 and pursuant to the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012, be accepted;**
- 3. authority be delegated to the Director of Environment in consultation with the Cabinet Member for Development and Safety and the s151 Officer, to enter into the s101 Agreement and any other required legal documentation and to take all necessary steps to implement the above mentioned resolutions.**

10. BUDGET STRATEGY AND PROCESS 2020/21

The report was presented by the Cabinet Member Finance. She explained that the draft budget timetable attached to the report set out the sequence of events to come, leading up to the setting of the budget and council tax level for 2020/21.

She reported that in 2016/17, the government offered a guaranteed 4 year budget to every council that could demonstrate efficiency savings. 2019/20 was intended to be the final year, with a fair funding review, business rates review and business rates reset anticipated. This was to be concluded in 2019/20 and take effect from 2020/21. However, the political uncertainty surrounding Brexit had resulted in a 12 month deferral to 2021/22.

The Cabinet Member explained that the 2019 Spending Review had been announced in September and represented a single year spending review that covered only 2020/21. A multi-year spending review would be announced next year, with a number of aspects directly affecting local government, including the confirmation that the Fair Funding Review, Business Rates Review and business rates reset have been deferred by 12 months to 2021/22, and a £2.9bn increase in overall core spending power. Most of this additional funding was for adults and children's services, but with £54m allocated to tackling homelessness. Clarification on its distribution has been requested. The Council Tax referendum limit was proposed at 2% but this would be subject to consultation in the Provisional Settlement. Additionally, baseline funding for business rates would be uprated by the CPI, funding to remove negative RSG had been continued for 2020/21, and legacy payments of the New Homes Bonus (NHB) would be honoured but the scheme for 2020/21 was still under ministerial discussion. She reported that 75% business rates pilots would come to an end and no new pilots were planned for 2020/21. A technical consultation would be issued on the settlement, with the provisional settlement being announced in early December.

The Council's approved Medium Term Financial Strategy (MTFS) was predicated on the basis that council tax would increase by 2.99% per annum. However, the proposal to retain business rates growth achieved between 2013 and 2020 for a further year, alongside continued removal of negative RSG, should have a positive effect on the council's funding in 2020/21.

She explained that the MTFS assumed legacy payments for the NHB would be honoured. However, a continuation of the same methodology for a further year could equate to an additional £250k funding in 2020/21. The MTFS projections were in the process of being updated to reflect the best estimates of the financial pressures impacting on the Council, including an updated view on business rates income and the potential impact of the fair funding review, business rates review and business rates reset in 2021/22. The estimate of the funding gap for 2020/21, based on the previous iteration of the MTFS, was £2.414m. Updated high level projections supported a revised worst case funding gap of £1.9m, and a best case of £900k.

The Cabinet Member highlighted that, as in the previous year, given the current uncertainty surrounding financial settlements, it was prudent to defer the full publication of the MTFS projections to the Cabinet meeting in December 2019, as part of the interim budget proposals. This would enable the Cabinet to react positively to any changes announced in the provisional settlement and ensure that the MTFS was robust and fit for purpose.

She explained that part of the drive towards financial sustainability included identifying new opportunities to generate income and investment in projects which provided good financial returns. The commercial strategy aligned closely with other key strategies including place-making, economic growth, digital transformation, workforce and skills development, investment and asset management which have a combined message that Cheltenham Borough Council had entered a new era of business enterprise, growth and innovation. There would be continued work with partners who shared our ambition and values and the best interests of Cheltenham residents would continue to be at the heart of everything we do.

The Cabinet Member referred to the significant investment in plans by the Executive Leadership Team to drive the modernisation programme forward to include delivery of the commercial skills development programme. She explained that later in 2019, the Council's Commercial Forum would be established to review and consider commercial businesses case proposals following the training and mentoring Officers have received.

The Cabinet Member reported that in June 2019, the national MJ achievement awards recognised Cheltenham Borough Council for its efforts in making significant local investments and long-term financial planning to ensure continuity of frontline services and public realm investment. This approach has helped the council manage the impact following the loss of £6.8m in funding since 2010. CBC was named Best Commercial Council for 2019.

The Cabinet believed the longer term approach to finding efficiencies to close the funding gap was fundamentally through economic growth and investment and the efficient utilisation of our assets; linking our Place and Commercial

Strategies to 'Invest in Cheltenham, for Cheltenham'. This had seen a place-focused investment approach offering long term investment, income through rents and other social and financial benefits. ELT's collaborative approach had enabled considerable progress. Examples of this approach included the Workshop Cheltenham project, which would create new jobs, regenerate the surrounding area and bring in rental and business rates, but most importantly act as a growth magnet, encouraging investment and footfall on the fringes of the town centre.

ELT were working closely with Cheltenham Borough Homes to deliver the £100m investment in housing across the borough. This investment would deliver an additional 500 homes across the Borough which matched the needs of our residents. This investment would also provide a commercial return in addition to capital appreciation.

The Cabinet Member reported that in August 2019, the council completed the purchase of 112 acres of strategically important land which formed part of the West Cheltenham JCS allocation. This was the most expensive land purchase ever made by CBC. It would enable the delivery of the Cyber Central vision, and was a significant step forward in achieving the council's corporate plan priority of becoming the UK capital of cyber.

She then went on to say that the starting point for constructing the 2020/21 budget had been a projected mid-range funding gap of £1.2m. Closing a gap of this size represented a huge challenge but was being met by a proactive approach to identify budget inefficiencies, carried out by the Cabinet and ELT. This work had already made significant progress towards bridging the gap, having identified at this early stage potential efficiency savings and additional income of £0.8m.

It was the Cabinet's intention to meet the shortfall in funding in 2020/21 from the budget strategy support earmarked reserve in order to deliver a balanced budget. Work remained to be done towards building a robust base budget for 2020/21 and this may result in the funding gap increasing. In addition, the Government's final financial settlement may be worse than currently indicated. It was therefore important that the work of identifying budget efficiencies should continue up to the publication of the draft budget proposals and beyond. The Cabinet Member Finance explained that government legislation on council tax required councils proposing excessive rises to hold a local referendum allowing the public the right to veto. The proposed referendum threshold for council tax increases was 2 per cent for all local authorities, a 1% reduction of the previous figure.

In terms of service growth, Members would need to base decision-making, particularly requests for additional resources, upon the priorities in the Council's business plan. The Budget Scrutiny Working Group and the Overview and Scrutiny Committee would be invited to review and feedback to the Cabinet their priorities for relevant bids received. These priorities would be considered by the Cabinet when compiling the consultation budget.

Business Rates Retention, Pooling and Pilot arrangements for Cheltenham have higher than anticipated levels of business rates in 2019/20. Taking into account the redevelopments at the Brewery, John Lewis and Jessops Avenue, they were significantly above the baseline funding, which would result in

Cheltenham still being liable to a levy. Taking this into account, the Section 151 Officer believed that this Council would benefit from remaining in the pool in 2020/21, as it would result in a reduction in the levy payment.

The Budget Scrutiny Working Group will continue to support the budget process by considering options for addressing the funding gap, reviewing the work programme, developing Members' scrutiny skills and understanding of financial matters, and developing the approach to budget consultation.

Finally, the Cabinet Member Finance stressed that the priority must be to ensure that government funding cuts did not feed through into significant council tax rises or frontline service cuts. She thanked officers for their commitment and hard work.

RESOLVED THAT:

1. the budget setting timetable at Appendix 2 be approved;
2. the budget strategy outlined in section 5 be approved;
3. the intention for this Council to remain in the Gloucestershire Business Rates Pool in 2020/21 as outlined in section 6 be noted;
4. the Executive Director Finance & Assets and the Cabinet Member for Finance be requested to consider suggestions from the Budget Scrutiny Working Group in preparing the interim budget proposals for 2020/21, as outlined in section 7.

11. MUSEUM ACCREDITATION COLLECTIONS DEVELOPMENT POLICY AND DEACCESSION PROCESS

The report was presented by the Leader of the Council, in the absence of the Cabinet Member Healthy Lifestyles.

He reported that the Wilson Gallery had a large collection owned by the Council, and managed by the Trust on its behalf. This arrangement was reviewed every 5 years and was due this month. The existing policy was to be reviewed and updated where necessary. He noted that there was a recurring need for an officer at the council to be responsible on behalf of CBC.

RESOLVED THAT:

1. the updated Collections Development Policy be approved;
2. the CBC Deaccession Approvals process be approved;
3. the Executive Director of People and Change be authorised to undertake the role of the 'responsible officer' on behalf of CBC as the custodian of the Collection .

12. BRIEFING FROM CABINET MEMBERS

The Cabinet Member Housing reported on a local housing project called Thrive, which worked in partnership with Travis Perkins and local schools. The project has won a national award, and he wished to put on record his thanks.

The Leader of the Council congratulated the former Chief Executive, Pat Pratley, for raising over £3,000 for LINC through her retirement fundraiser.

The Cabinet Member Finance reported that an urgent decision had been made regarding the roof of a bulking shed at a recycling depot, which was leaking badly on recycled waste and making it unusable. The decision was made to put a waiver in for this to be fixed, due to the time pressure of the issue.

Chairman