

Notice of a meeting of Overview & Scrutiny Committee

Monday, 27 July 2020 5.30 pm

Virtual WEBEX video conference via YouTube - https://www.youtube.com/user/cheltenhamborough

Membership		
Councillors:	Chris Mason (Chair), Klara Sudbury (Vice-Chair), Sandra Holliday, John Payne, Paul Baker, Max Wilkinson, Dilys Barrell, Iain Dobie and Jo Stafford	

The Council has a substitution process and any substitutions will be announced at the meeting

Agenda

1.	APOLOGIES	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES OF THE LAST MEETING 24 February 2020	(Pages 3 - 12)
4.	PUBLIC AND MEMBER QUESTIONS, CALLS FOR ACTIONS AND PETITIONS	
5.	MATTERS REFERRED TO COMMITTEE	
6.	ANNUAL REVIEW OF PUBLICA Dave Brooks, Chairman and the Jan Britton, Managing Director (Publica)	(Pages 13 - 48)
7.	GOLDEN VALLEY, WEST CHELTENHAM- IMPACT OF COVID ON THE PROJECT Tim Atkins, Managing Director, Place and Growth and Jamie Fox, Programme Consultant-Golden Valley Development	(Pages 49 - 82)
8.	COUNCIL INVESTMENTS Paul Jones, Executive Director Finance and Assets, to	

provide a verbal update and respond to Members'	
questions.	
FEEDBACK FROM OTHER SCRUTINY MEETINGS ATTENDED Gloucestershire Health and Care O&S Committee (14/07) – update from Councillor Horwood Gloucestershire Economic Growth O&S Committee (17/07)	
– update from Councillor Paul McCloskey Police and Crime Panel (02/07) - update from Councillor Jonny Brownsteen	
CABINET BRIEFING A verbal update from the Cabinet on key issues for Cabinet Members which may be of interest to Overview and Scrutiny and may inform the O&S work plan	
REVIEW OF SCRUTINY WORKPLAN	(Pages 83 - 88)
LOCAL GOVERNMENT ACT 1972 - EXEMPT INFORMATION The committee is recommended to approve the following resolution:- "That in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 3, Part (1) Schedule (12A) Local Government Act 1972, namely: Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)	
THE CHELTENHAM TRUST Laurie Bell, Chief Executive (The Cheltenham Trust) and Richard Gibson, Strategy and Engagement Manager (Cheltenham Borough Council)	(Pages 89 - 100)
DATE OF NEXT MEETING 07 September 2020	
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Contact Officer: Saira Malin, Democracy Officer, 01242 264129 Email: democratic.services@cheltenham.gov.uk

Overview & Scrutiny Committee

Monday, 24th February, 2020 6.00 - 8.00 pm

Attendees			
Councillors:	Chris Mason (Chair), Klara Sudbury (Vice-Chair), Sandra Holliday, John Payne, Paul Baker, Max Wilkinson, Dilys Barrell, Iain Dobie, Dennis Parsons and Paul McCloskey (Reserve)		
Also in attendance:	Kevan Blackadder (BID), Jess Goodwin (Marketing Cheltenham), David Jackson (Marketing Cheltenham), Councillor Jordan (Leader), Darren Knight (Director of People & Change), David Oakhill (Head of Planning at CBC), Jeremy Williamson (Cheltenham Development Task Force)		

Minutes

1. APOLOGIES

Councillor Stafford had given her apologies and Councillor McCloskey would substitute for her.

2. DECLARATIONS OF INTEREST

No interests were declared.

3. MINUTES OF THE LAST MEETING

The minutes of the last meeting were circulated with the agenda.

The Chairman advised members of a proposed amendment to item 12 (Cabinet briefing). The sentence that read "it is illegal for it is illegal for the council to make payments..." would be changed to "it was illegal for the company to make payments to councillors as it does with all other GAL directors, and therefore if Council decided that these payments should be made, it would be the Council that would have to make them."

The committee agreed the proposed amendment.

Upon a vote it was unanimously

RESOLVED that the minutes, as amended, of the meeting held on the 13 January 2020 be agreed and signed as an accurate record.

4. PUBLIC AND MEMBER QUESTIONS, CALLS FOR ACTIONS AND PETITIONS

There were none.

5. MATTERS REFERRED TO COMMITTEE

There were no matters referred to committee.

6. MARKETING CHELTENHAM

David Jackson, the Manager of Marketing Cheltenham introduced the update as circulated with the agenda. Marketing Cheltenham was officially launched in 2017 as the town's official Destination Marketing Organisation (DMO), though it was noted that Marketing Cheltenham was an in-house, department of CBC, rather than a separate organisation. Under 'Visit Cheltenham' much of the initial delivery was outsourced via commissioned consultants, but seen as unsustainable, CBC made the decision to create Marketing Cheltenham, which now consists of five members of staff. Cheltenham BID, together with other stakeholders, have also committed financial support, with a fixed term commitment up to July 2021, which was set-up to bring it in line with the next BID ballot.

Marketing Cheltenham's principal purpose was to lead the delivery of Cheltenham's Visitor Economy Strategy, which sought to grow the town's visitor economy by 5% p/a from 2019 to 2021, increasing from £155m in 2011, to £177m in 2021. It was noted that this level of growth was in-line with national strategy and that growth was currently on target.

This model was not dissimilar to other DMOs that had been created and towns and cities including Liverpool, Manchester, Bristol, Newcastle, York and Chester, had all reshaped their place identities in recent years, as well as having seen significant economic growth. By harnessing the potential of their cultural and visitor economies, these towns and cities had created thriving communities and places where people, especially the young, wanted to live and work; not simply visit.

Marketing Cheltenham had secured match funding commitments from Cheltenham BID and The Jockey Club to deliver shared marketing and event delivery programmes, as well as having over 100 private sector members, plus another 500 plus via an affiliate scheme with BID levy payers.

The work programme was aligned with the Visitor Economy Strategy and CBCs wider place marketing and inward investment ambitions; with 4 priorities which underpinned a principal aim, which was to make the whole greater than the sum of its parts.

In terms of marketing, the launch of The Festival Town branding in July last year, had created a much stronger identity and this continued to be adopted by partners across the town. In 2019 the visitcheltenham.com website received more than half a million visitors, which represented a 60% increase from 2018, whilst social media following and reach had doubled and Marketing Cheltenham secured PR and media coverage on the town at a national and international level, from the Times, FT and with some major online influencers and bloggers. Marketing Cheltenham had partnered with Cotswold Tourism on a major oversees tourism project, securing £250k from Visit Britain to grow international visitors to the region, selling Cheltenham as the 'Gateway to the Cotswolds', and they were hopeful of a further extension to the project in 2020/21. In order to grow the volume and value of business tourism in the town, a conference and venue finding service, Meet in Cheltenham, had been launched.

Marketing Cheltenham had taken the lead on developing an Events Strategy which provided a framework for CBCs support and delivery of events, as well directly managing and supporting the delivery of a range of high profile events alongside BID and CBC. They were also currently leading on a review of the Tourist Information Service in Cheltenham and this could involve Marketing Cheltenham taking on this service, which had previously migrated to the Cheltenham Trust.

In an effort to secure a future beyond 2021, Marketing Cheltenham recognised that it needed to capitalise on new opportunities and achieve a net ROI (Return on Investment) for CBC. It was relatively early days, but David felt that Marketing Cheltenham were performing well and advised members that success would be measured by KPIs relating to destination measures, organisational performance measures and marketing metrics.

The Manager of Marketing Cheltenham (MC) gave the following responses to member questions:

- MC worked closely with the Trust, particularly of late whilst working on the Tourist Information Centre project.
- A collaboration with the University of Gloucestershire for journalism students was being worked up at the moment, but there was more to do in terms of commercial linkages.
- MC worked closely with the Forest of Dean (FOD), not least because Kelly Ballard who was involved with the inception of MC, was now working at the FOD and there were long established collaborations between the FOD, CBC and the Costwolds. Notwithstanding the recent changes at Marketing Gloucester, Marketing Cheltenham also had a good relationship with colleagues in Gloucester. He felt that these relationships would continue to develop further, as the LEP took more interest in the tourism economy.
- MC were actively pursuing opportunities to meet oversees tour operators, from various regions, to discuss how Cheltenham could and should form part of their future tour programmes, and would continue to do so throughout the year.
- Evidence showed that much of the marketing that was done was also picked up locally, and this level of penetration of local audiences went towards driving people from major events, into the Town Centre.
- At the moment there was no close working with the foreign languages schools to promote return visits by students and their families, but this suggestion represented an opportunity which MC would look into further.
- Guidance, at a national level, suggested that if Coronavirus was anything like the SARs virus, markets would bounce back quickly with no legacy effect, though obviously this could change.
- MC did what they could to promote sustainable travel and the Events Strategy included a focus on 'being green'. Many of the Northern European markets were touring markets which travelled by land.
- Outside of the major festivals there had been more than 1,600 events promoted via the Visit Cheltenham website over the last year and the title 'Festival Town' aimed to promote Cheltenham as a cultural

- destination rather than giving the message that people should only visit to attend a festival.
- MC already worked with the Playhouse and Everyman and MC were open to working with them more in the future.
- VisitBritain figures were based on the International Passenger Survey (IPS) of passengers when leaving the country, whereas the data being used by MC was collected locally and took consideration of bed stock, occupancy levels, etc, and were therefore more robust than the IPS.

The Chairman thanked the Manager of Marketing Cheltenham for producing an informative overview of the service and for his attendance, and asked that he return in early 2021, to provide facts and figures relating to performance, particularly focussing on the Return on Investment.

7. THE RETAIL ENVIRONMENT IN CHELTENHAM

Jeremy Williamson, Managing Director of the Cheltenham Development Task Force with support from David Oakhill, Head of Planning at CBC and Kevan Blackadder, Director of Cheltenham BID had produced a paper, as circulated with the agenda, which provided an overview of the current retail environment in Cheltenham. In addition to this, they had produced a PowerPoint presentation which is attached at Appendix 1.

The Managing Director of the Cheltenham Development Task Force explained that the national retail environment had been challenging since the latest recession and that this coupled with wages rising slower than inflation, a shift to online shopping, rising costs for retailers and too much corporate and personal debt; has completely changed the face of town centre retail.

The Portas Review of 2011 said "The new high streets won't just be about selling goods. The mix will include shops but could also include housing, offices, sport, schools or other social, commercial and cultural enterprises and meeting places." Cheltenham town centre had, had its share of losses, but these losses were not confined to the high street and retail was just one component of wider experience, which required a range of things including leisure, food & beverage, town centre living, employment, public realm, connectivity and events. It was also noted that whilst losses had occurred, there had also been a positive take-up of vacant units, with newcomers to the town including Oliver Bonas, India Jane and Urban Outfitters.

Cheltenham was fortunate to have a defined leisure quarter at the Brewery; which in many instances had been developed on the edge of town driving footfall away from rather than into the town centre.

Whilst there had been some high profile collapses (Jamie's Italian), Cheltenham had a strong and diverse (national names as well as local independents) food and beverage offer and this helped to strengthen the wider night-time economy.

A key step to maintaining vibrancy was to ensure that there were opportunities for people to live in the heart of the town, as without this, the town centre would be disserted after 5pm at night, and CBC has been supporting such initiatives through its planning function, with further properties coming on stream on the Lower High Street. A number of retirement homes operators were now based

in the town centre and these tended to attract individuals with high disposable income, but it was unknown to what extent this was spent in the town centre.

Town centre had seen a decline in employment but Cheltenham had been successfully reversing the trend of employment to residential losses across the town and Honeybourne Place represented the first new employment space to have been developed in Cheltenham in two decades. Formal Storage, a quirky space with no parking, commanded some of the highest rents.

Whilst there had been some successes in improving the public realm offer, there remained a considerable amount to do, especially in The Strand.

The Cheltenham Transport Plan had resulted in modal shift and increased footfall and the challenge going forward would be how to maintain and build upon this going forward.

The night-time economy in Cheltenham was very strong.

Reality was that town centres could no longer be synonymous with retail and there was a need for a creative and open-minded approach to the challenges being faced.

The following responses were given to member questions:

- There were several databases, but these contained occupancy data
 rather than details of freeholders or leaseholders and the authority did
 not subscribe to any of these as they were very costly. A helpful
 commercial agent had provided details for some properties, primarily on
 the Promenade and contact had been made and though there had been
 very few responses to date, some were engaging.
- At present there was an 8% vacancy rate in the town centre, though Officers were not able to advise what number this equated to.
- Business rates were too high, but it was undoubtedly the case that some rents were also too high and though some landlords were adopting a more sensible approach, some believed that Cheltenham could still afford higher rates.
- There was no suggestion that the town centre was closed to retail, but rather that the new reality was that mixed use was necessary.
- There was a shortage of Chefs in Cheltenham and there would be further repercussions if proposed changes to immigration rules were implemented.
- Churchill had been keen to promote the availability of spaces for events.
- The benefit of pop-up enterprises were being promoted to agents and urged to be open to the idea, though undoubtedly some freeholders/leaseholders were reluctant to incur the time and cost associated with drawing up contracts for what could be a very short-term pop-up.

The Chairman thanked Officers for their attendance.

8. SCRUTINY TASK GROUP - EVENTS

The Chairman of the scrutiny task group (STG), Councillor Parsons, introduced the report as circulated with the agenda. He felt that there had been two main focusses for the group, high level events, but at the same time, lower level events and how to engage with residents. He felt that the report and recommendations did justice to both and addressed the issues that had discussed and he hoped that members would endorse both the STG report and the minority report for consideration by Cabinet.

A member commended what he considered to be an exceptional report and whilst he fully supported the recommendations, he expressed concerns that some decisions relating to some events appeared ad-hoc and his view was that event organisers needed to better understand how decisions would be taken.

Another member sought assurances from the officers present, that the report and recommendations did not simply represent a nimby charter, enabling residents/groups to simply block events from going ahead in their area. Jess Goodwin, the Events Manager from Marketing Cheltenham was confident that this was not the case. She felt the recommendations of the STG struck the right balance between the appropriate level of communication with residents, without being detrimental to event organisers by making the application process too difficult. Councillor Parsons felt strongly that the report and recommendations simply aimed to reduce the impact on residents and protect, where possible, the availability of amenities for all.

A member referred to paragraph 3.39 of the STG report which summarised feedback from the organisers of the Cheese and Chilli Festival. Having attended the event herself, she felt that the noise complaints had been justified given that the music was much louder for residents than it had been inside the event itself. She felt that lessons should be learnt and was confident that it was far from a nimby charter.

The Chair of O&S was comfortable that the ambitions and outcomes set by the committee had been met and now moved to agree whether the report(s) should be endorsed for consideration by Cabinet. Councillor Parsons, as the author of the minority report hoped that his minority report could be considered by Cabinet and that they make a decision on if and how to progress his recommendations. Members were happy with this approach.

In closing, Councillor Parsons took the opportunity to put on record his thanks to the Officers that had supported the STG, for their hard work and what he considered to be a fantastic report. He gave particular thanks to Tracey Crews, Director of Planning and Harry Mayo, Democracy Officer.

Upon a vote it was unanimously

RESOLVED that:

- 1. The findings and recommendations of the Scrutiny Task Group be presented to Cabinet.
- 2. The minority report be presented to Cabinet.

9. SCRUTINY REVIEW

The Director of People & Change reminded members that last year the committee had requested a review be undertaken, three tenders were received, with Campbell Tickell having been appointed and had now concluded their work. They had presented their initial findings to the last meeting and their final report, as circulated with the agenda, made a number of recommendations as to how the effectiveness of the committee could be improved.

One member commented that the key recommendations for him were those relating to an action tracker and more formal feedback from Cabinet, which he felt would enable the committee to push back where it felt there was inaction. He also suggested that members should focus on asking questions rather than making verbose statements.

In response to the suggestion by one member that many of the items considered at O&S should instead be member seminars, another member countered that, whilst this was true, there were no written record of seminars and as such it was not possible to demonstrate to the public that members were looking at these issues.

The Chairman proposed that a task group be established to look at the recommendations and how best they could be implemented. Members supported this proposal and it was agreed that a One Page Strategy would be tabled at the next meeting (30/03) for members to agree the ambitions and outcomes for a review. Councillor Payne confirmed that he would be happy to chair this group.

10. FEEDBACK FROM OTHER SCRUTINY MEETINGS ATTENDED

No written update on the 14 January meeting of HOSC had been provided by Councillor Horwood, nor was he present to provide a verbal update.

A written update from Councillor Brownsteen on the 3 February meeting of the Police and Crime Panel, had been circulated prior to the meeting. Members had no comments, but one member did put on record her thanks to Councillor Brownsteen for regularly producing these updates. The Chairman repeated his concerns about how valuable these updates were and suggested that the task group that was being established to look at the Scrutiny Review recommendations, should also be asked to consider this issue.

The Leader explained that the having appointed members to these bodies and without wanting to scrutinise them, these feedback sessions aimed to satisfy members at this council, that these groups were operating effectively.

11. CABINET BRIEFING

The Leader had nothing to add to the briefing which had been circulated with the agenda, other than to say that, when appropriate, these briefings would be used as a means of formally feeding back to the committee any comments on task group reports and recommendations, but that over recent years, there had been a very small number.

In response to questions from a member of the committee, the Leader explained that:

- LTP comments
- In terms of 'cyber' he reported that the joint consultation with Tewkesbury on the SPD had concluded and that the results would be reported to Cabinet next week (03 March). The next step would be to agree a process, as the landowner, to get a developer on board.

12. SPECIAL RESPONSIBILITY ALLOWANCE TASK GROUP - ONE PAGE STRATEGY

The Chairman reminded members that at Council in December (2019), having considered the IRP report, the matter of payments for members appointed to outside bodies as non-executive directors or trustees was referred to O&S for further review.

The committee had agreed that a task group should be established and members were now asked to agree the proposed ambitions and outcomes for the review, as set out on the One Page Strategy that had been circulated with the agenda. Once agreed, the Democracy Officer would invite all non-executive members to volunteer to take part in this review.

Upon a vote it was unanimously

13. UPDATES FROM SCRUTINY TASK GROUPS

The Democracy Officer advised the committee that she and Richard Gibson, the Strategy and Engagement Manager, had met with the Property Team to discuss the policy and associated application process. This had identified some possible improvements and the Strategy and Engagement Manager had agreed to draft a briefing which outlined some of these improvements. This would be tabled with the committee in due course.

14. SCRUTINY TOPIC REGISTRATION FORM

The Chair invited Councillor Parsons to introduce the topic request form that he had submitted. He explained that having met with Officers he understood that the homelessness policy was working, but felt that in some instances the process of getting people into secure accommodation took too long. The example he used was of a tent dweller who had arrived in Wellington Square some three weeks prior and although he was cooperating with outreach, the process of finding secure accommodation was still ongoing, to the detriment of the homeless person, as well as people with young children who felt unable to use the green space because of the associated waste matter and drug paraphernalia. It was his opinion that scrutiny of the issue would help identify opportunities for a swifter outcome, as well as demonstrating how seriously resident concerns were taken.

A member from another ward advised that she had experienced a similar issue at Tivoli Triangle, and though there had been no anti-social problems as in the case outlined by Councillor Parsons, this person had been in situ for between one and two months.

The Chairman outlined the options available to the committee in terms of what action it could take: do nothing; set-up a task group; consider a report at a future meeting; request a briefing, which would not be discussed at the meeting;

or arrange a member seminar. The committee discussed the advantages and disadvantages to some of the options available to them and agreed that a report should be tabled at a future meeting, with the Cabinet Member Housing being asked to attend.

Upon a vote it was unanimously

RESOLVED that Officers be asked to set-out the process and associated timescales within a report, giving members the opportunity to identify possible improvements and that the Cabinet Member Housing also be asked to attend.

15. REVIEW OF SCRUTINY WORKPLAN

The scrutiny work plan would be updated to include:

- A One Page Strategy for the 'Scrutiny Review STG' at the 30 March meeting.
- A follow-up from Marketing Cheltenham would be scheduled and this would cover in more detail, the current and forecast return on investment.

The Director for People & Change advised that motions from the last 12 months had been collated and would be added to Clearview, where it would be possible to track progress and suggested that this could be monitored, as required, by the committee.

16. DATE OF NEXT MEETING

The next meeting was scheduled for the 30 March 2020.

Chris Mason
Chairman



Information/Discussion Paper

Overview and Scrutiny Committee – 27 July 2020

Annual Review of Publica

This note contains the information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed

- 1. Why has this come to scrutiny?
- 1.1 The Overview and Scrutiny Committee undertake an annual review of Publica.
- 2. Summary of the Issue
- 2.1 The purpose of the paper is to enable the committee to consider where Publica are in terms of performance, what are they doing well, where are the priorities for improvement and how do they measure the quality of service to their clients (including Cheltenham Borough Council (CBC)), and to consider the financial and business plan 2020-22.
- 3. Summary of evidence/information
- 3.1 Members of the Committee asked the following issues to be covered in the paper:
 - Where are Publica in terms of performance?
 - What are Publica doing well?
 - What are Publica prioritising for improvement?
 - How do Publica measure the level and quality of service being provided to Cheltenham Borough Council?
 - How Publica has been affected by COVID-19, what effect this has had on the services provided to Cheltenham Borough Council?
- 3.2 Publica is a local authority company that was established in 2017 and is owned equally by the shareholder councils who are:
 - Cheltenham Borough Council
 - Cotswold District Council
 - Forest of Dean District Council
 - West Oxfordshire District Council
- 3.3 Publica delivers a range of services on behalf of the shareholder councils' and Finance, HR, and ICT services to Cheltenham Borough Council.
- 3.4 The company has a Board consisting of four Executive Directors, four Independent Non-Executive Directors, and one Non-Executive Director appointed by Cheltenham Borough Council who is Councillor Paul McCloskey.
- 3.5 The company has annual operating costs of £25M and circa 650fte employees

(including IT, finance, and HR staff based at Cheltenham Borough Council)

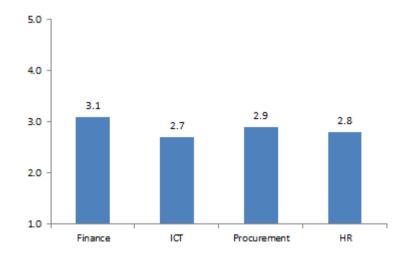
Performance

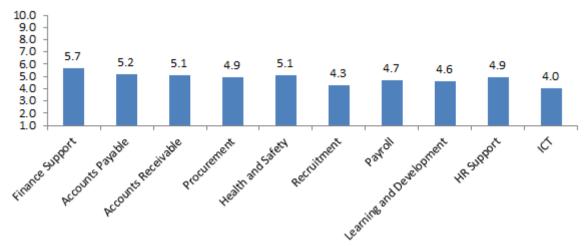
- 3.6 In relation to services provided by Publica to Cheltenham Borough Council, all of the targets are on-track as follows:
 - ICT provision with an average of 99.981% uptime availability against a 99% target
 - A 97.49% average of invoices paid within 30 days against a 90% target
 - A 99.97% average payroll accuracy rate against a 98% target
- In addition, when an ICT incident or service request has been raised, on average, Publica has responded within one hour against a two hour target.
- 3.8 A detailed breakdown of each quarter is contained in the table below.

KPIs	Q4 18/19	Q1 19/20	Q2 19/20	Q3 19/20	Targe t
	99.993	99.996	99.948	99.987	
% of uptime	%	%	%	%	99%
Number of invoices paid within 30 days	97.07%	97.62%	96.84%	98.44%	90%
		100.00	100.00	100.00	
% Payroll Accuracy Levels	99.88%	%	%	%	98%

Quality of service

3.9 In May 2019 Publica asked Cheltenham Borough Council staff how satisfied they were with their services. There was a 90% overall response rate. We asked people to score each of the Publica departments that support them out of 5, where 5 is extremely satisfied and 1 extremely dissatisfied. We also asked people to score the different areas within each department out of ten. The average score across all departments was 2.9. They were most satisfied with Finance services and Health and Safety. The charts below illustrate the outcome of this survey.





3.10 Since completing the survey Publica have attended team meetings for direct feedback. As a result of this we have introduced a new Learning Management System, Procurement Self-service Toolkit, and are currently reviewing the recruitment process.

What are Publica doing well?

- 3.11 Based on the data in 3.8 Publica is delivering high performing services for Cheltenham Borough Council. In addition, Publica has supported the council with the following work during the last 12 months:
 - Develop and deliver the council's new people strategy
 - Support delivery of the council's medium term financial strategy (MTFS)
 - Support the delivery of a digital strategy for the council
 - Delivery of £28K of efficiency savings
- 3.12 Since the formation of Publica it has now delivered in excess of £500k in savings in cumulative terms.

Service Improvement

- 3.13 The incoming Managing Director presented an assessment of 'the state of Publica' to the Board in December 2019 with a number of high-level recommendations for moving the organisation forward. The report is attached to this paper as Appendix A.
- 3.14 As part of the establishment of Publica a number of items were identified as reserved matters for shareholder approval to ensure that the councils retained an element of control over their company and this includes approval of the business plan. The business plan provides the 'vehicle' to carry forward and address the issues identified in the Incoming Managing Director's report to the Publica Board over the next two years. The focus of the new business plan is on supporting the partner councils to deliver their priorities, improve Publica's approach to commissioning, continue to improve services and customer experience using digital technology, deliver efficiency savings, and invest in its employee's development. Collectively, the fourteen strategic actions that support the business plan priorities form a cohesive programme achieving sustainable and embedded change over the business plan period. The business plan is attached to this paper as an Appendix B.
- 3.15 The Business Plan priorities are:

- Support our member councils to deliver their ambitions
- Get commissioning right
- Be a great service provider
- Be a great place to work
- 3.16 Specifically in relation to service improvement, Publica has been building organisational wide foundations. During the last year the company has delivered new terms and conditions (including a new pay and grading framework) for all employees, a new digital platform (Salesforce) to manage service demand for three of the shareholder councils (CDC/FODDC/WODDC) and built three new council websites for these authorities. In addition, Publica has delivered efficiency savings in line with the agreed business case for each of the shareholder councils'.

4. COVID-19 Pandemic

- 4.1 From the start of the lockdown, Publica played, and continues to play, an active role in Cheltenham Borough Council's business continuity and emergency planning teams.
- 4.2 The initial requirement when the lockdown was announced was for CBC to mobilise quickly and move from a predominantly office based model to one where a significant number of staff were able to work from home. Whilst CBC already had the capability for a number of staff to work from home, the ICT team worked rapidly to increase remote access capacity and supply additional equipment, enabling every CBC employee to work from home simultaneously, including Customer Services.
- 4.3 Working at home capability was further extended by ensuring all CBC staff were able to make and receive phone calls from their laptops and this was also extended to Cheltenham Borough Homes. Webex was also brought forward in a very short timescale to enable video conferencing both internally and with external partners and was used, with support from the Publica ICT Team, to run virtual council meetings.
- 4.4 In addition to the technology, effective people management and support was acknowledged to be essential and Publica have provided operational HR support to managers across the Council during the pandemic. The team has provided essential health and safety advice and management, supported redeployment and wellbeing activities and taken on the role of 'critical friend', enabling CBC to make key strategic and operational decisions. The Learning Management System was rolled out quickly to support online redeployment training, deliver a staff wellbeing programme and provide digital inductions, ensuring the delivery of essential mandatory and statutory training.
- 4.5 The Publica Finance Team has supported the Council's revenues and benefits team with the payment of business relief grants and has supported the council's Section 151 Officer and Executive Leadership Team with understanding the impact of the coronavirus on the council's financial position.
- 4.6 Publica have also been supporting the council during the recovery phase by:
 - Ensuring capacity within the information technology systems and networks continues to meet the Council's needs going forward
 - Working closely with the property teams to ensure the buildings can be used by partner organisations, thus unlocking potential value & income
 - Continuing to provide high levels of support, both on-site and virtually, to all staff thus reducing the need to return to office based working and reduce the Council's carbon footprint

- Build on the video conferencing capabilities, so that the Council is able to collaborate with other Gloucestershire authorities and partners who use different systems (e.g. Microsoft Teams, Zoom etc).
- 4.7 In regards to support for Cheltenham Borough Council staff during this phase, Publica are:
 - Actively involved in the 'New Normal' workstream
 - Supporting the objectives of the CBC Recovery Strategy from a people/HR perspective at a strategic & operational level
 - Ensuring that well-being is a priority strategic objective & work closely with CBC to ensure that an integrated approach is achieved
 - Supporting agile & home-working
 - Ensuring the cemetery & crematorium team continue to have the support & guidance so that it has the resilience to cope with any future peaks in demand
 - Reviewing CBC People Strategy & Action Plan to ensure it reflects key priorities during the recovery phase & beyond

5. Publica Board Review

5.1 The shareholder councils have commissioned a review of the Publica Board now that it has been operating for three years. The contractor, Campbell Tickell, has started their review and has been meeting with Board members, Leaders and Heads of Paid Service at each Shareholder Council over the last two months and will be attending the Board meeting on the 17 July to observe. The findings of the review will be reported to the shareholder councils in the autumn.

6. Next Steps

6.1 The Chairman of Publica, Dave Brooks, and the Managing Director, Jan Britton, will attend the meeting and answer any questions.

	 Incoming Managing Directors Report 	
Appendices	Draft Publica Business Plan 2020-22	
Contact Officer	Bill Oddy. Group Manager. Publica	
Accountability	Darren Knight. Executive Director. Cheltenham BC	





TITLE: Incoming Managing Director's report

AUTHOR: Jan Britton | Managing Director designate

DATE: 9 December 2019

Publica Board is requested to agree the recommendations set out at section 7 of this report.

1. Purpose - Leadership Assessment

- 1.1 The purpose of this report is to set out a Leadership Assessment of where Publica currently stands and a proposition for Leadership Direction over the medium term, with specific recommendations for action, from the incoming Managing Director.
- 1.2 The SWOT Analysis attached as Annexe A summarises a wide-ranging raft of conclusions about Publica's current position, drawn from the incoming Managing Director's first eight weeks in post and has been discussed with Council Leaders, Heads of Paid Service, the (Publica) Executive Management Team and Group Managers.
- 1.3 In summary, the Publica model as a four Council partnership has many strengths. The establishment of Publica is an achievement in its own right. The underlying business case that the Publica partnership provides scope for efficiencies and economies of scale and capacity for self-improvement, which individual District Councils alone may not be able to achieve, continues to be sound. The strongest evidence for this is the level of base budget and one-off savings that have already been achieved, while services have mostly been sustained at a level at least as good in terms of performance and customer satisfaction as pre-Publica. Despite some strong words in this report, it is without doubt that Publica continues to deliver thousands of frontline transactions every day on behalf of the partner councils with high levels of customer satisfaction. In the current climate of austerity in local government this in itself is a significant achievement.
- 1.4 Publica also benefits from the continuing commitment of the four partner Councils, dedicated employees and a recently-appointed cohort of Group and Business Managers who have the potential to provide a powerful engine room for change and improvement across the business and have begun to demonstrate this potential in the production of this report.

- 1.5 Set against these strengths, the organisat Page 20_y faces a number of challenges largely (but not solely) borne of a divergence between the intentions about how Publica would operate when the decision to establish the company was made in 2016/17 and subsequent changes in the expectations and service requirements of the partner Councils, particularly following the recent change in political administration at Cotswold DC, but also the earlier decision to pursue different terms of engagement by Cheltenham BC, the change in political administration at Forest of Dean and changing priorities in West Oxfordshire.
- 1.6 Publica, in line with local government as a whole, also faces the perennial challenge of meeting ever-increasing public expectations with declining financial resources. This will require a level of modernisation, demand management and model shift to self-serve customer solutions that far exceed the changes to frontline services that Publica has delivered to date. The new Salesforce CRM platform is absolutely fundamental to these changes. In the previous experience of the incoming Managing Director this process of service change can place intense pressure on relations between elected Councillors and employees, as difficult choices have to be made about how services are to be delivered in the future. This strain is unlikely to be less intense in Publica's four Council partnership model.
- 1.7 There is limited political awareness and understanding across Publica of how to work effectively with Councillors; that which exists is largely vested in the Directors and Group Managers. At times, there seems to be a 'tin ear' in the organisation when it comes to political sensibilities.
- 1.8 The time and resources that have been consumed by the continuing single status process (terms and conditions, pay and grading) have sapped the Publica project of momentum and enthusiasm, and yet it can only be concluded that this has been a necessary requirement for establishing the single company. It has presented an immense hurdle to other progress and its imminent conclusion provides a significant opportunity to look to the future and set new expectations for Publica; although the closing stages of the process continue to present some equal pay risks.
- 1.9 There are also a number of 'structural' weaknesses that are holding the business back; chief amongst these are:
 - The Executive Management Team structure has insufficient clarity over roles and responsibilities or sense of a single, joined-up team. Directors are not focusing on strategic issues to the extent that they should be and there is a tendency for them to 'work down' to the operational level in fairness, the Directors currently have little choice but to 'work down' as they are all too often firefighting to compensate for the weakness of business as usual processes, capacity gaps or frequent communications gaffes.
 - The lack of clarity over roles in the Executive Management Team is compounded by a similar lack of clarity in the relationship between Publica and the retained Statutory Officers of West Oxfordshire, Cotswold and Forest of Dean Councils.
 - Management meetings are poorly defined; project and programme management is haphazard and lacks senior management oversight; and the approach to identifying and delivering efficiency savings is not sufficiently strategic nor does it engage Group and Business Managers in a way that consistently impresses upon them the absolute requirement that they should contribute individually and collectively to Publica's corporate financial strategy and the medium term financial plans of the councils.

- Business as usual processes such Page 21 of reports, member briefings, workforce planning etc. are inconsistent or, in some cases, absent. This is a near-constant source of low-level friction with the partner councils and has the effect of locking a significant proportion of the time of senior managers into ad hoc discussions about how to move things forward or firefighting.
- The commissioning function is inadequate and has been criticised in LGA peer reviews. There is a need to develop a structure where Publica, as commissioning agent for the councils, provides the council with sufficient performance information and analysis for the councils to properly hold Publica to account for the performance of the services it provides and those of third parties¹.

2. Leadership Direction

- 2.1 The underlying business case for Publica continues to be sound. There is a track record of achievement. There is undoubtedly a great deal that needs to be done to move forward.
- 2.2 The primary medium-term objectives should be: (i) to develop the Executive Management Team and focus Directors on leading Publica's strategic, organisation-wide response to the 'big ticket' priorities set out in the partner councils' corporate plans; and (ii) to build confidence, capability and capacity in the cohort of Group and Business Managers who have the potential to provide a powerful engine room for change and improvement across the business.
- 2.3 The Executive Management Team, including the incoming Managing Director, need to work together to develop a shared sense of a single, joined-up team with the emphasis on collective leadership of the Publica business as a whole and the delivery of the big ticket priorities in the partner councils' corporate plans, rather than individual line management functions.
- 2.4 It is central to the future success of Publica that the greatest part of the Directors' efforts should align with the priorities set out in the partner councils' corporate plans. These include climate emergency, affordable housing and growing commercial income. Other strategic priorities include commissioning and performance management, and mission-critical projects, such as the roll-out of Cotswold's new waste collection service and bringing the current pay and grading process to a successful conclusion as swiftly as possible.
- 2.5 The proposed allocation of Directors to cross-cutting corporate priorities is:
 - Climate Emergency Executive Director Services (Sue Pangbourne)
 - → Housing and Regeneration Executive Director Commissioning (Christine Gore)
 - Commercialisation Group Finance Director (Frank Wilson)
 - Local Plans and Strategic Sites Executive Director Commissioning (Christine Gore)

¹ Situations where one organisation, often the council itself, is both the commissioner and provider of services are common in local government, but to be effective and transparent require clear lines of accountability. Returning the commissioning function to councils would gut Publica of its capacity for self-improvement and fundamentally undermine the business case. Annexe B attached to this report is a short paper on commissioning that was recently written by the Executive Director - Commissioning.

- Waste Managing Director (Jan Bi Page 22
- Leisure and Health and Well-being Executive Director Services (Sue Pangbourne)
- > Transformation and Service Improvement Group Finance Director (Frank Wilson)
- Commissioning Executive Director Commissioning (Christine Gore)
- Parking Infrastructure and Enforcement Managing Director (Jan Britton)
- 2.6 In the context of Directors work on cross-cutting strategic priorities, it is important to stress that this is about making the most of the common ground that exists between councils' priorities, to join-up the Publica back office, whilst meeting the separate and distinct objectives of the individual councils; it is not about shoehorning the councils into identikit solutions.
- 2.7 In a recent informal report to Council Leaders, in their capacity as Publica shareholders, the outgoing Managing Director mooted the possibility that an allocation should be made from the Transformation Fund held by Publica to 'kick start' work on some of the priorities set out in the partner councils' corporate plans. The areas most able to benefit from this kind of investment are asset management and strategic housing, and it is therefore recommended that an allocation of £50,000 be made from the Transformation Fund for this purpose, subject to the agreement of a detailed business case on a 'spend to invest' basis by the Chair of the Publica Board and the Group Finance Director.
- 2.8 In addition to the focusing on big ticket priorities, it is also recommended that each member of the Executive Management Team should take a strategic relationship lead for one of the four partner councils. This relationship lead role is about managing the overall relationship between Publica and the councils; it is not a substitute for or duplication of the locality lead roles of other employees in specific service areas. This will bring clarity to a system that is already partially in place through custom and practice. The proposed allocation of Directors to councils is:
 - > Cheltenham Borough Council Managing Director (Jan Britton).
 - Cotswold District Council Executive Director Commissioning (Christine Gore).
 - Forest of Dean District Council Executive Director Services (Sue Pangbourne).
 - West Oxfordshire District Council Group Finance Director (Frank Wilson).
- 2.9 The changing role of the Executive Management Team will inevitably have consequences for the recently-appointed cohort of Group and Business Managers who will need to contribute towards the Directors' new focus on strategic priorities and expand their role in the operational management space.
- 2.10 In considering how the role of Group and Business Managers will change, there is a significant opportunity to release their potential and create the capacity and energy to take on many of the other challenges set out in this report, and to build a sustainable and resilient future for Publica. This will take time some of the managers are champing at the bit to take up the opportunity, while others are locked in 'head down' technical mode and reluctant to accept suggestions that they bear any individual or collective responsibility for the organisation as a whole but developing the capacity and capability of these managers is an investment in the future which will ultimately return a greater reward in the long term than a directive 'top down' approach.

- 2.11 The first indication of managers' willingn Page 23_p to the plate is promising, as the recommendation in section 3 of this report around Group Managers' roles largely stems from an invitation for Group Managers to respond to the findings of the SWOT Analysis.
- 2.12 However, delivering these objectives will require a concerted and consistent programme to develop the role of the Executive Management Team and empower, equip and challenge the Group and Business Managers. This programme will need number of components, but the key will be endurance, capacity is not built in a day; the main components of the programme will be:
 - Develop the strategic role of the Executive Management Team as set out in this paper, to align the greatest part of the Directors' efforts with the priorities set out in the partner councils' corporate plans and formalise the system whereby each member of the Executive Management Team take a strategic relationship lead for one of the four partner councils.
 - Work with the cohort of Group and Business Managers to develop a new, consistent and challenging understanding of the organisation's expectations of them as managers and to empower and equip them to take up the opportunity that is on offer. In particular, to develop with the Group and Business an operating model that assists them to manage their roles serving multiple partner councils.
 - Invest in a sustained Leadership Development Programme for the organisation as a whole, with Group and Business Managers as the lynch pin around which the programme revolves, but extending to Team Leaders and frontline employees and engaging Directors and retained council employees, on the principle of 'leadership at every level'. Some initial thoughts on a Leadership Development Programme are attached as Annexe C. These will require further development before the programme can be commissioned early in the New Year.
 - Evolve the current 'transformation' narrative into a service improvement agenda that replaces the dominant perception of a centralised team 'doing transformation' to hard-pressed services, with a new approach that invests in and supports Group and Business Managers to deliver improvement (and holds them accountable for the results), with a resolute focus on driving service improvement to the frontline. Fundamental to this change in emphasis will be to ensure improvement are made in-line with agreed service design principles, the use of the new council websites and the Salesforce CRM platform as a key digital capability for improvements to the customer experience.

3 Group Managers

- 3.1 One of the most significant individual findings of the SWOT Analysis is that at least one and possibly two Group Managers are carrying unsustainable workloads and that the management structure is under-resourced by one Group Manager. The two Group Managers referred to being the Group Manager Commissioning (Claire Locke) and the Group Manager Residents' Services (Jon Dearing).
- 3.2 This finding was put to the Group Managers with an invitation for them to consider where an additional Group Manager in the structure would bring the most benefit, were resources to be

available to create such a post. It bodes Page 24, for the future that the Group Managers responded to this invitation with a proposal to create a new post and re-allocate existing roles and functions broadly along the following lines:

- Create one new Group Manager by sub-dividing the role of the current Group Manager Commissioning, such that the current post holder continues to cover asset management and climate change, and gains the strategic housing function from the Group Manager Residents' Services; and the new post covers waste and contract management with an emphasis on driving efficiency savings and increasing earned income through the effective management of contracted services.
- At the same time, transferring the strategic commissioning function (between Publica and partner councils, referred to in this report) and programme and project management to the Group Manager Strategic and Company Support (Andy Barge).
- 3.3 The incoming Managing Director and Executive Management Team have considered this proposal and are happy to endorse it as a way forward, subject to the allocation of resources and the development of further details to ensure the efficacy of the broad proposal set out above.

4 Political Awareness

- 4.1 Another significant finding of the SWOT Analysis revolves around the limited political awareness and understanding across Publica of how to work effectively with Councillors. Much as it would be preferable to address this as part of the wider Leadership Development Programme that is proposed in this report, it is such a pressing issue that there is insufficient time to rely solely on a longer-term strategic approach; more immediate action is required.
- 4.2 Therefore, it is recommended that in the New Year, Publica should engage an experienced provider, such as the Local Government Information Unit (LGiU), to deliver an in-house political awareness programme, fine-tuned to the needs and circumstances of Publica in order to stem the tide of concern around this issue.
- 4.3 At the same time, a review of Publica's new employee induction programme needs to incorporate political awareness and understanding of how to work effectively with Councillors, ideally including hearing first-hand from Councillors themselves.

5 Employee Survey

5.1 The recent employee survey, change management sessions and directed discussions have provided Publica employees with a number of opportunities to feedback on how they feel about working for the organisation. These have been responded to in the recent (Publica) People Plan and taken into account in framing this report. Many of the matters arising from the consultations with employees are embedded in the SWOT Analysis and the various recommendations in this report, specifically the proposal to invest in a comprehensive Leadership Development Programme.

5.2 However, there are two areas that are vPage 25 scific reference, the first is the need to launch an effective system for employee appraisals on the back of implementing the new pay and grading structure, and the second is to highlight the employee survey's stark commentary on the low visibility of and limited trust in senior leaders. The only enduring way to address the latter is through sustained action over time and the actions set out in this report will make a significant contribution towards this objective.

6 Timescale and Resources

- 6.1 This report sets out a proposition for Leadership Direction over the medium term, with specific recommendations for action, from the incoming Managing Director. It is deliberately limited in setting specific timescales for individual actions, save for the specific reference to the term of the proposed Leadership Development Programme being nine or twelve months more likely the latter once time is allowed for commissioning and procurement.
- 6.2 This is not to suggest that change and improvement must wait for twelve months. The benefits of the approach set out in this report will begin to accrue from January 2020 onwards, but will build up over time. However, it is reasonable to consider that achieving sustainable and embedded change will take at least eighteen months, with the opportunity for the Board to review progress at the mid-point in this timescale.
- 6.3 There are four proposals and recommendations in this report that amount to significant resource pressures:
 - The proposal to allocate £50,000 from the Transformation Fund to kick start work on asset management and strategic housing investment.
 - The proposed Leadership Development Programme, which will be a significant undertaking and a major transformational investment on the part of Publica.
 - The immediate programme around political awareness and working with elected Councillors.
 - The proposal to create a new Group Manager post by sub-dividing the role of the current Group Manager Commissioning.
- 6.4 Of these, the first three are one-off costs, albeit significant ones. It is recommended that these should be funded by the allocation of £350,000 from the Transformation Fund.
- 6.5 The final pressure in the list is a recurring cost, as it relates to the appointment of a permanent post. However, the initial outline business case for this post indicates that it offers significant scope for driving efficiency savings and increasing earned income and that there is an opportunity for the post to become substantially self-funding in the medium term. It is therefore recommended that start-up funding for the first twelve months of this post be provided by the allocation of £100,000 from the Transformation Fund.

7. Recommendations

- 7.1 It is recommended that the Board:
- 7.1.1 Agree this report as a basis for the Leadership Direction of Publica over the medium term and for incorporation into the Business Plan for 2020/21.
- 7.1.2 Note the current Leadership Assessment of where Publica currently stands, as set out in Section 1 of this report.
- 7.1.3 Endorse the proposals for the development of the role of the Executive Management Team, as set out in Section 2 of this report.
- 7.1.4 Agree the allocation of £50,000 from the Transformation Fund to kick start work on asset management and strategic housing investment, in line with the priorities set out in the partner councils' corporate plans, as set out in Section 2 of this report, and subject to the agreement of a detailed business case on a 'spend to invest' basis by the Chair of the Board and the Group Finance Director.
- 7.1.5 Agree the allocation of £300,000 from the Transformation Fund to fund the Leadership Development Programme and political awareness training, as set out in Section 2 of this report, and subject to the details of the Leadership Development Programme being agreed by the Chair of the Board and the Group Finance Director.
- 7.1.6 Agree the broad parameters for the creation of an additional Group Manager post and associated changes in the allocation of functions and roles, as set out in Section 3 of this report, and subject to the detailed business case for the post being agreed by Executive Director Commissioning and the Group Finance Director.
- 7.1.7 Agree the allocation of £100,000 from the Transformation Fund to fund the additional Group Manager post for the first twelve months, as set out in Section 6 of this report.
- 7.1.8 Note the total allocation of £450,000 from the Transformation Fund to support this programme over an eighteen month period from January 2020 and delegate authority to the Chair of the Board and Managing Director, in consultation with the Group Finance Director, to reallocate funding within the programme, but not to exceed the total allocation, in the event that such reallocation becomes necessary.

STRENGTHS WEAKNESSES There is a limited shared across the organisation of The establishment of Publica as a four council what Publica is for and how we do business. partnership is a significant achievement in its own right. The Executive Leadership Team structure has The underlying business case that the Publica partnership insufficient clarity over roles and responsibilities or provides scope for efficiencies and economies of scale sense of a single, joined-up team. and capacity for self-improvement, which individual There is a lack of clarity in roles between senior Publica district councils alone may not be able to achieve, employees and retained council officers. continues to be sound. There is limited political awareness and understanding of Publica has delivered approximately £2m of base budget how to work effectively with elected Councillors; there revenue savings for the councils to date and has the is a lack of political acumen and a 'tin ear' when it comes potential to deliver the remaining savings to meet the to political sensibilities. target in the original 2020 Vision business case. The recent change in political leadership at Cotswold In the first two years Publica has also delivered one-off DC was poorly prepared for by Publica. The arrival of savings in the order of £1m, some of which the councils the new administration, with very different expectations have reinvested in a graduate and intern scheme. and new service requirements has exposed a weakness Services have been sustained at a level at least as good in in Publica's ability to respond to changing circumstances, terms of performance as pre-Publica, whilst savings have been made - and many other councils have been forced while also bringing other issues into sharper focus. Business as usual processes – such as sign off of reports, into substantial cuts. member briefings, workforce planning etc. are Customer satisfaction with services provided by Publica inconsistent or absent. Almost every plan, project or on behalf of the partnership councils is high. proposal generates an ad hoc discussion about how to There continues to be a commitment on the part of the move it forward. partner councils to make Publica work and realise the Directors are not focusing on strategic issues to the benefits that the shared services model offers. Publica benefits from many good employees who are extent they should be and tend to 'work down' to the operational level - often firefighting to compensate for deeply committed to their services and the place and the weakness of business as usual processes, gaps in people they serve. capacity or communication gaffes. ICT within Publica is generally sound and communication The commissioning function – and the role of Publica as technology is used effectively to mitigate the challenge of commissioning agent for the councils, both of services working across four council geographies. provided by Publica and by third parties - is inadequate and The ICT investment in Salesforce is a valuable strength has been criticised in LGA peer reviews. There is a but has to be tempered by reference to the significant need to develop a structure where Publica, as amount of work that is still required to make best use of commissioning agent for the councils, provides the this investment across the business. council with sufficient performance information and analysis for the councils to properly hold Publica to account for the performance of the services it provides and those of third parties. (Note: situations where one organisation, often the council itself, is both the commissioner and provider of services are common in local government, but to be effective and transparent require clear lines of accountability). At least one and possibly two Group Managers are carrying unsustainable workloads; the management structure is under-resourced by one Group Manager. For a relatively small organisation, Publica's structure is very hierarchical. The evidence of the employee survey and directed discussions is that morale amongst the Publica workforce is mediocre and trust and confidence in senior leadership is low; there is little visibility of senior leadership across the organisation. Data maturity is low and business information is not used consistently to enable informed, evidence-based decision-making. The quality of written communication and report writing is patchy at best and lacks consistency.

OPPORTUNITIES Page 28

- A previous over-reliance on external consultants is beginning to be replaced with an insourcing model that captures the learning from external advisers to expand capacity within the company.
- The imminent conclusion of the pay and grading process presents a significant opportunity to look to the future and set new expectations for Publica.
- A review of the Executive Leadership Team arrangements would help to clarify roles and expectations around issues such as commissioning, council liaison etc.
- The compact cohort of twenty Group and Business Managers has the potential to provide a powerful engine room for change and improvement across the business, if they can move from silo to team working.
- There is an opportunity to evolve the 'transformation' narrative, which has become tarnished, into a service improvement agenda that replaces the dominant perception of a centralised team 'doing transformation' to hard-pressed services, with a new approach that invests in and supports Group and Business Managers to deliver improvement (and holds them accountable for the results).
- Salesforce and other initiatives present an opportunity to develop business information capability to drive improvement and increase the return to the councils.
- Emerging council priorities around climate emergency, housing and commercialisation present an opportunity for Publica to demonstrate its ability to respond to new priorities and deliver stronger outcomes through joint working where councils' priorities align.
- The recent moves by shareholders (Council Leaders) to meet and the imminent informal shareholders meeting are welcome developments, as Publica will benefit from a joined-up approach by its shareholders; extending similar joint meetings to cabinet portfolio holders in key priority areas may also be of benefit.

Financial pressure on district councils is likely to continue in the medium term (3-5 years).

THREATS

- The approach to identifying and delivering the efficiency savings set out in the 2020 Vision business case is not sufficiently strategic.
- Publica has not responded effectively to the changing expectations of the councils about what Publica will deliver and how it will work since the decision to establish the company in 2016/17.
- Council concerns about the branding and identity of Publica relative to that of the councils themselves is both a threat in its own right and, to some extent, a proxy for other concerns about Publica's current manner of operation.
- Prolonged single status process (terms and conditions, pay and grading) continues to present risks in implementation (equal pay) and hurdle to progress across the business.
- Project and programme management within Publica is haphazard and lacks senior management oversight. Some work is currently underway to address this concern.
- > The vision of the current/previous Managing Director far exceeds the current capacity of the organisation to deliver.
- Many employees have perceived previous management messaging as presenting a binary choice between loyalty to 'their' council (in most cases their previous employer) or to Publica; most have tacitly chosen the former
- The views of elected Councillors can be underappreciated by the Publica Board from a political perspective.
- Local government reorganisation continues to be a threat to district councils and therefore to Publica.
- There is a casualness in communication between employees and elected councillors which is widely held to be conducive to good working relations, but recent examples of cabinet member dissatisfaction with communication suggest otherwise and long-standing evidence across local government demonstrates that over-familiarity between elected members and officials can lead to the erosion of standards.

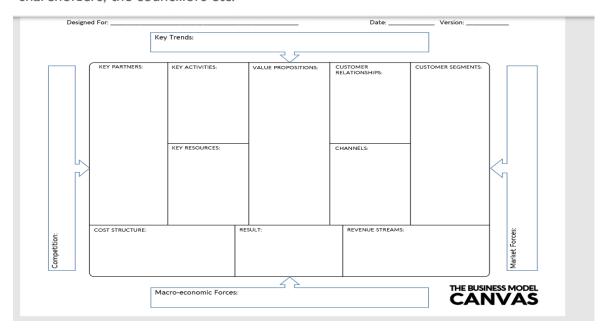
Annexe B - Commissioning - Dire Page 29. ravel

- I. Three of the four partner Councils purchase the majority of their services, including commissioning, from Publica, and whilst the Heads of Paid Service are the lead commissioners for each Council (except at Cheltenham where the Executive Director for People & Change is the lead commissioner), with a direct relationship in that context with Publica's Executive Director (Commissioning) and Managing Director, the bulk of the responsibility for commissioning sits within Publica, acting as agent for the Councils.
- 2. Consequently the Executive Director (Commissioning) must be able to be undertake the commissioning function in such a way that they are directly accountable to the Councils for the services commissioned from Publica, and also for the services commissioned by Publica from third parties, on behalf of the Councils. In essence, Publica as contracting agent for the Councils must ensure that the Councils have sufficient information to challenge the performance of services provided by Publica.
- 3. The provision of robust performance data in future both quantitative and qualitative, together with an analysis thereof will give the Councils the assurance they require that their commissioned services are being delivered in accordance with the quality and standard that they expect. This data will be presented in the first instance to the Heads of Paid Service who will approve it (or otherwise) for inclusion in a formal report to the relevant Council Committee/Cabinet. It is proposed that a 'tiered' approach be developed and adopted, in discussion with members and the Heads of Paid Service, to ensure that the appropriate level of detail is provided to all relevant stakeholders in order to provide them with the assurance they require.
- 4. In circumstances where the performance falls below what is expected, the Executive Director (Commissioning) will have the authority to report this to the Council, with the reasonable expectation that appropriate members of Publica's senior management team (or a senior manager from another contractor where it is their performance that is called into question) will separately report on the reasons why this is the case and what is being done to rectify the situation.
- 5. In relation to any new commissioning activity, Publica should undertake the necessary options appraisal and the Executive Director (Commissioning) will be responsible for presenting this in an objective manner to the Councils' statutory officers in order that they can then make appropriately informed recommendations to the Councils.
- 6. Similarly, when any contract which one or more of the Councils have entered into (whether with Publica or another third party) is due for review, the Executive Director (Commissioning) should report objectively to the Councils statutory officers on the options available, which may in some circumstances include contracting with a third party other than Publica, for a

service/function currently provided by PPage 30 ove, the final recommendations will be formulated by the Councils' statutory officers.

Annexe C - Initial Thoughts on Leady Development Programme

- 1. The proposed Leadership Development Programme is at an early stage of development. The first principle is that Group and Business Managers should be the lynch pin around which the programme revolves, but that it should extend to Team Leaders and frontline employees and engage Directors and retained council employees, on the principle of 'leadership at every level'.
- 2. The programme needs to be a sustained investment, quite likely over a nine or twelve month period as a one-off event or a short series will not have the necessary impact or the capacity to embed cultural change.
- 3. It is envisaged that the programme will have a number of components, but the key will be endurance;
 - Work with the cohort of Group and Business Managers to develop a new, consistent and challenging understanding of the organisation's expectations of them as managers and leaders and to empower and equip them to take up the opportunity that is on offer.
 - Evolve the historical 'transformation' narrative into a service improvement agenda that replaces the dominant perception of a centralised team 'doing transformation' to hard-pressed services, with a new approach that invests in and supports Group and Business Managers to deliver improvement (and holds them accountable for the results), with a resolute focus on driving service improvement to the frontline and delivering council priorities.
- 4. The programme is not intended to be about high strategy more leadership competencies, business planning, commercial and political awareness but the underlying agenda around behaviours and cultural change are at least as important. A lot of the early discussions about the programme have used the Business Model Canvas management tool (below) as a tool to aid the discussion. The Business Model Canvas is a bit dated as a management tool, but it suits Publica's circumstances in that it looks at the purpose of a business, partners, resources etc. and therefore can help to tease out discussions around the roles of partner councils, shareholders, the councillors etc.



- 5. The programme will develop a sense of Page 32 red trust and confidence between the Group and Business Managers to empower and equip them to take a greater collective role in managing the Publica business as a whole. This is partly about setting expectations, partly giving permission and developing ownership, and partly about providing some of the tools.
- 6. It is also essential the programme includes an outward view of the best of modern local government, utilising external speakers to widen the cohorts understanding and appreciate of alternative ideas and approaches around areas such as performance and customer service. The involvement of members of the Publica Board, Council leaders, Cabinet Members and retained officers in the Programme will also help to build a common view.
- 7. The programme will take into account the substantial amount of information that HR and the Transformation Team have collected over the past 6-12 months from both staff and Managers through various forms, which includes the employee survey, change sessions, Business Managers induction and one to ones, as well as the recent peer review findings.
- 8. It is also recognised that there needs to be a conscious sense in which this is intended and received as an investment in employees. This will help to address the employee survey and directed discussions which show that morale amongst the Publica workforce is mediocre and trust and confidence in senior leadership is particularly low.
- 9. The programme needs to be co-produced and co-delivered by Publica's transformation and HR teams. This will take longer than straightforward delivery by an external provider under contract, but there is a valuable development opportunity for these employees as part of this programme, of which we should take full advantage, not least because once the programme is completed there will be a need to continue and extend the approach using the in-house teams. Where external support is needed, there will be a requirement that the organisations commissioned will provide a legacy of skills and knowledge so ensuring that capacity is built internally, thus helping the programmes sustainability going forward rather than an ongoing reliance on 3rd party organisations.

PUBLICA

Delivering Local Priorities and Improving Services











FOREWORD

Publica has now reached an important milestone. The underlying business case for the partnership continues to be sound, providing scope for efficiencies, economies of scale and capacity for self-improvement which individual councils alone may not be able to achieve. Much has already been achieved in terms of budget savings, but the expectations and service requirements of our partner councils and residents have changed in the years since the decision was taken to establish the company and we need to continue to evolve to meet these changes.

In a report to the Publica Board in December 2019, the new Managing Director presented an assessment of 'the state of Publica', with a number of high-level recommendations for moving the business forward over the next two years. This Business Plan – deliberately short and concise – aims to convert these recommendations into four priorities and a number of key strategic actions to drive the business forward.

This year we will focus on supporting the partner councils to deliver the priorities set out in their Corporate Plans, improve our approach to commissioning, continue to improve services and customer experience using digital technology, deliver efficiency savings, and invest in our employees.

Collectively, the strategic actions that support the Business Plan priorities form a cohesive programme to achieve sustainable and embedded change over the Business Plan period.

This Business Plan has been adopted in accordance with The Members' Agreement for Publica Group (Support) Limited.

Information about Publica is available on its website (www.publicagroup.uk)

Cllr Steve Jordan
Leader
Cheltenham Borough
Council

Cllr Joe Harris Leader Cotswold District Council

Cllr Tim Gwilliam
Leader
Forest of Dean District
Council

Cllr James Mills
Leader
West Oxfordshire District
Council

Dave Brooks
Chairman
Publica Group (Support)
Limited

Jan Britton
Managing Director
Publica Group (Support)
Limited

WHAT IS PUBLICA?

Publica is a council-owned not for profit company which delivers services for Cotswold, West Oxfordshire, and Forest of Dean District Councils and Cheltenham Borough Council. Publica additionally provides services to the Cheltenham Trust, Cheltenham Borough Homes and UBICO (an environmental services local authority company).

Each of the councils and clients retain their independence and identity but by working together and sharing resources, seek to maximise mutual benefit, leading to more efficient, effective delivery of local services.

During the last year Publica has supported the councils to deliver their priorities, implemented new digital capabilities and implemented new organisation-wide ways of working.



STRATEGIC FINANCIAL CONTEXT

Our partner councils have set out ambitious plans on behalf of residents in their new Corporate Plans. Climate change, affordable housing and creation of infrastructure relating to jobs and economic development are all priorities. These ambitions will need to be supported by significant investment programmes at a time when funding for local government remains under pressure, and customer expectations continue to increase. This will require us collectively to be creative and innovative in order to deliver our councils' ambitions within the resources available.

After a decade of austerity, local government finances are not as strong as we would like. The Local Government Association has identified a shortfall of £3. I bn in local authority funding and this is anticipated to rise to £8bn as spending pressures rise over the next few years. Many of these pressures fall on authorities with social care responsibilities, and the government has indicated this as their priority for funding.

As a consequence, district and borough councils in particular face a tightening financial position. Incentive-based funding schemes derived from house building are being replaced by other streams that are broader and less district focused.

Our partner councils are facing extreme funding pressures as set out within their published medium-term financial strategies. They have collectively identified potential budget gaps of over £15m over the next three years – in the order of 15-20% of gross revenue budgets.

This pressure on local government funding comes at a time when residents' expectations are rising and each partner council has ambitious plans to make a positive impact on their area.

Filling this funding gap after ten years of reduced spending on local services will be challenging in light of increased service expectations and will require us all to become more commercial in our outlook. Efficiencies and additional shared services will not fill this gap alone, and run the risk of removing resources needed for partner councils to deliver their priorities. We will, therefore, need to support our partner councils with their commercial ambitions and plans to increase earned income, and keep a sharp focus on existing and new revenue streams through the development and implementation of commercial strategies.



Cllr Sid Phelps (Forest of Dean District Council) and Cllr Nick Penny (Mayor of Coleford) launching the new recycling containers scheme.

BUSINESS PLAN PRIORITIES

This Business Plan provides the vehicle to carry forward and address the issues identified in the new Managing Director's report over the next two years. The focus of the plan is on supporting the partner councils to deliver their priorities, improve our approach to commissioning, continue to improve services and customer experience using digital technology, deliver efficiency savings, and invest in our staff and managers. Collectively, these priorities form our vision:

Delivering local priorities and improving services

The Business Plan priorities form a cohesive programme, achieving sustainable and embedded change over the two-year period 2020-22 and will be reviewed and refreshed after the first twelve months. The Business Plan priorities for 2020-22 are:

Each of the strategic actions will have an action plan that will sit beneath this business plan to ensure the outcomes and benefits are delivered and there are clear milestones and measures of success. These plans will each have a Sponsoring Director and Lead Group Manager who, along with a core delivery team, will be responsible for developing and delivering the strategic actions. A framework will be put in place to allow the partner councils and the Publica Board to monitor progress.



OUR VALUES

Everything we do will be built on the following values:

Authentic

We act genuinely and transparently. We do the right thing for our customers, our organisation and each other.

Modern

We are not set in our ways. We are constantly looking to find ways to innovate and do things smarter.

Flexible

We are agile - adapting how and what we do to meet the demands of our customers, our colleagues, our local communities and the needs of the modern world.

Thoughtful

We take pride in delivering a great service, taking the time to understand and care about our customers and their needs.



SUPPORT OUR PARTNER COUNCILS TO DELIVER THEIR AMBITIONS

Our primary medium-term objective in relation to this priority is to develop Publica's Management Team and focus Executive Directors and Group Managers on working with partner councils to lead Publica's strategic, organisation-wide response to the priorities set out in the partner Councils' Corporate Plans. This will extend to other managers within Publica and retained employees within the councils.

It is central to the aims of the councils and also the future success of Publica that the efforts of our senior team should align with the priorities set out in the partner councils' Corporate Plans. These high-priority projects include climate emergency, affordable housing and growing commercial income. Other strategic priorities include commissioning, performance and resource management.

We are committed to supporting each partner council to deliver a number of significant projects, these include:

- The roll-out of Cotswold District Council's new waste and recycling service
- Cheltenham Borough Council's Corporate Plan priorities with effective and efficient business support services
- Forest of Dean District Council's regeneration of Lydney Docks
- West Oxfordshire District Council's Garden Village

We are also working with Ubico, a local authority owned waste company delivering services for the partner councils to implement an improved customer experience for residents using technology.

In our new approach, one of Publica's Executive Directors will act as the Relationship Lead, working with each council and will be responsible for co-ordinating and leading our work to deliver that council's priorities, as outlined in the table below.

Cheltenham Borough Council	Managing Director
Cotswold District Council	Executive Director (Commissioning)
Forest of Dean District Council	Executive Director (Services)
West Oxfordshire District Council	Executive Director (Finance)



The following strategic actions will be delivered to support our partner councils deliver their ambitions:

Support our partner councils to deliver their ambitions

We will help our partner councils deliver their priorities by:-

- Preparing climate change strategies and actionable proposals that will deliver against those strategies
 Executive Director (Services)
- Assessing how we might deliver additional affordable homes and bring forward delivery proposals
 Executive Director (Commissioning)
- Preparing strategies to support the local economy, employment and develop investment proposals
 Executive Director(Commissioning)
- Supporting our partner councils with modernisation, improvement of services, and commercialisation Executive Director (Finance)
- Effectively manage waste and recycling contracts, and ensure they are meeting the needs of residents
 Managing Director
- Ensuring an effective parking infrastructure to support the local economy is in place Managing Director
- Develop an effective performance and accountability framework
 Executive Director (Commissioning)
- Ensuring high quality leisure provision is in place, and the councils work effectively in partnership to ensure the health and well-being of residents

Executive Director (Services)

1

Support our partner councils to deliver their ambitions

2

We will improve engagement with cabinet members, chairs of committees and key partners to translate council priorities into action plans to deliver their desired outcomes. Specifically, we will implement a structured, regular briefing programme to ensure that cabinet members and chairs of committees are fully briefed on plans, programmes, opportunities and risk.

Sponsoring Director: Executive Director (Commissioning)

3

We will increase residents' awareness of the outcomes and benefits that the partner councils deliver by working with each partner council to develop effective communication strategies and plans.

Sponsoring Director: Managing Director

4

We will assist our partner councils to achieve financial sustainability and deliver their medium term financial strategies by working with them to develop commercial plans to increase their revenue income.

Sponsoring Director: Executive Director (Finance)



Cllr James Mills (Leader of West Oxfordshire District Council) visiting a new affordable rent and shared ownership housing scheme in Tackley with Richard Reynolds from Cottsway Housing (www.cottsway.co.uk).

GET COMMISSIONING RIGHT

Publica is responsible for delivering the majority of services provided by Cotswold, West Oxfordshire and Forest of Dean District Councils. Cheltenham Borough Council, Ubico, Cheltenham Borough Homes and the Cheltenham Trust also receive business support services from Publica. For example, our Human Resources and Information Technology Teams continue to support Cheltenham Borough Council in delivering their Modernisation Programme. Publica is also responsible for commissioning other services; for example, leisure centres and waste collection, acting as a client agent for the partner councils.

As both service provider and commissioning agent, Publica must provide its partners with robust performance information and analysis so that they can hold both Publica and other third party service providers to account for the services we provide.

A high level statement on commissioning was produced in November 2019 and sets out the respective roles and responsibilities of the Councils' Heads of Paid Service and other statutory officers, shareholder representatives, Publica's Executive Director (Commissioning), and other senior staff within Publica. We will ensure that Publica conforms to the requirements of this statement.

We will support our partner councils to plan, procure, deliver and evaluate the services they provide, using a recognised commissioning cycle to deliver the most appropriate service and allow each partner to make informed decisions about commissioning.

We will develop a new performance framework, including quantitative and qualitative performance indicators together with an honest and transparent assessment of how Publica is performing against the councils' priorities. We will ensure that our governance arrangements are open and transparent, and allow the councils to properly hold Publica to account.

In addition, a new Programme and Project Management Framework will be implemented to ensure proper rigorous governance arrangements are in place for all major projects carried out on behalf of the partner councils, and to provide assurance that progress is being made as expected in delivering against each Council's high-priority projects.



The following strategic actions will be delivered to get commissioning right:

Get commissioning right

We will enable our partner councils to properly hold Publica to account for the services we provide on their behalf. By implementing the high level statement on commissioning, which sets out roles and responsibilities in the commissioning function, and producing a robust and transparent performance management framework.

Sponsoring Director:

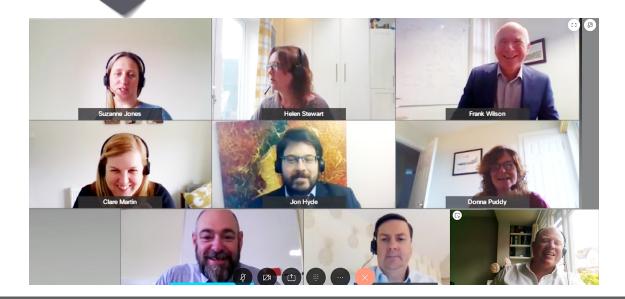
Managing Director

We will work effectively with partner councils to drive efficiency savings and increase their income by securing, managing and monitoring contracted services to enable them to deliver their medium term financial strategies.

Sponsoring Director: Executive Director (Finance)

We will ensure that each partner council's high-priority projects are delivered as expected by implementing stronger project governance arrangements for all significant projects, in line with the new Programme and Project Management Monitoring Framework.

Sponsoring Director:
Executive Director (Commissioning)



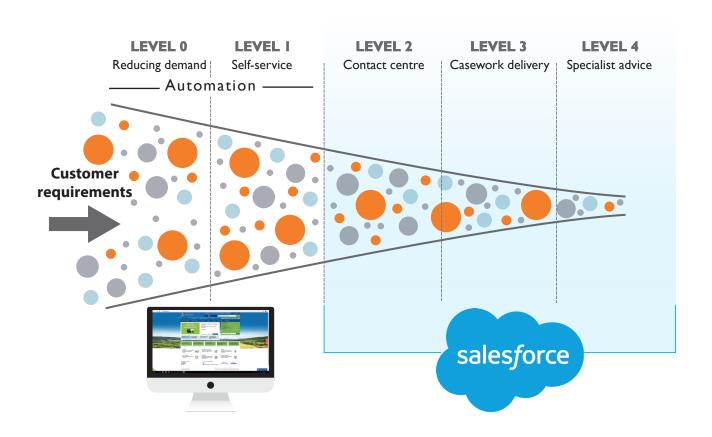
BE A GREAT SERVICE PROVIDER

We are committed to providing a positive customer experience in the delivery of services for the partner councils. Over the last year, we have obtained feedback from over 7,000 customers, and this has enabled us to determine more clearly what they expect from their council. This information has enabled us to identify six promises that will ensure customers have a great experience. These are:

- Easy access to services when it suits them
- To be kept informed of our progress with their case
- To listen to their feedback and act on it
- To receive a good quality service
- Prompt delivery of services
- To know who is dealing with their case, and for it to be dealt with in a consistent way

To meet the expectations of our partner councils' customers, we need to deliver on these six promises. This will involve making the best use of our skills and resources, and organising ourselves more effectively to ensure customers receive a great service.

We will provide modern digital services that meet customers' needs quickly and deal with customer issues before they have to contact the council, for example by allowing customers to track progress with their case. We are implementing an operating model using the Salesforce platform which in addition to the new websites at Cotswold, Forest of Dean and West Oxfordshire District Councils, will enable us to deliver on the six promises. This work will be coordinated by a Service Improvement Group. The diagram below illustrates how we intend to manage demand from the councils' customers. Managing demand in this way will ensure that cases are dealt with quickly (Level 0 - 2), referring only the most complex cases to caseworkers and then specialist employees (Level 3 - 4), and using automation where it is appropriate.



Ensuring that customers have a consistently great experience is at the core of how we work. To achieve this we will make improvements to our services, including the introduction of new digital capabilities, that will improve the experience of council customers. We also recognise that not all residents want to use online digital solutions, so we will maintain our high-performing contact centre and reception areas for those customers who prefer to use more traditional methods of communication and engagement, whilst nudging those, who are willing, towards the internet.

We will also improve how we organise ourselves, modernise our outdated processes and develop a customer-centric culture to ensure that all of our staff and services are focused on meeting the needs of council customers.

The following strategic actions will be delivered to support being a great service provider.

Be a great service provider

We will create an environment, supported by robust and effective processes, where we look to maximise the potential value of all procurement opportunities by fully understanding the local supplier base / economy, utilising economies of scale and adopting innovative routes to market.

Sponsoring Director: Executive Director (Commissioning)

9

We will provide a positive customer experience in the delivery of services for the partner councils by implementing the customer promise through delivery of the Salesforce Operating Model and improving outdated processes.

Sponsoring Director: Executive Director (Finance)

10

We will improve how we organise ourselves, manage our resources and develop a customer-centric culture to ensure that we are focused on meeting the needs of the councils' customers.

Sponsoring Director: Executive Director (Finance)

BEA GREAT PLACE TO WORK

We want Publica to be a great place to work, and to become an employer of choice that people are proud to work for, delivering great public services for our partner councils and local communities. It is our absolute conviction that our employees should be proud to work for the council or councils they serve, and proud to work for Publica. There is no contradiction, we succeed together.

If our employees feel well-led, supported, rewarded, safe, and empowered within a healthy workplace culture, we will have created the right conditions for high performance and productivity and excellent service delivery. In turn, this should improve our ability to attract and retain high quality employees whose commitment and effort are essential to our continual improvement of customer-focused services.

We will encourage and support all of our employees to do their job brilliantly, providing every person with the tools, support and development opportunities they need to excel at the role they perform. This will include regular appraisals to ensure all employees have clear objectives and an understanding of how their work supports our partner councils' priorities and the delivery of this Business Plan.

Publica will also ensure our commitment to health and safety not only meets, but exceeds relevant standards, and will put the welfare of employees at the forefront of what we do. We will work with the recognised trade unions to help refresh our approach to health, safety and welfare, as we have done with the implementation of new terms and conditions of employment for staff who transferred from our partner councils.

To enhance our reputation as an employer of choice, and support our partners and communities, we also need to demonstrate a clear commitment to our social and environmental responsibilities and make a meaningful impact in these areas. We will implement our Corporate Social Responsibility policy and develop a carbon reduction (climate action) plan for Publica that complements and extends the climate action plans of our partner councils.

We will use the Investors in People (IiP) framework to guide our strategic approach to becoming an employer of choice, by delivering our People Strategy aspirations:

liP Framework	Publica People Strategy Aspirations
Leading: Leading and inspiring people Living our values and behaviours Empowering and involving people	Great Leadership: Our leaders will be inspirational role models ensuring we make the lives of residents and businesses easier with services that our staff are proud to deliver.
Supporting: Managing performance Recognising and rewarding high performance Structuring work	Great People: We will attract and retain talented people, develop their strengths and provide excellent opportunities for personal, professional and career development through ongoing investment in them.
Improving: Building capacity Delivering continuous improvement Creating sustainable success	Great Culture: We will aspire to deliver services that are responsive, flexible and focused on our customers' needs. We will create a climate of well-being/support/inclusion so that each individual feels valued and listened to. We will work to create one team, working collaboratively to support our partner councils' priorities.

The following Strategic Actions will be delivered to support being a great place to work

Be a great place to work

11

We will attract and retain high quality employees by ensuring that they are trained, appraised, recognised and rewarded fairly, working in a safe environment with the highest standards of welfare and support. We will achieve this by implementing our People Strategy and working closely with our recognised trade unions.

Sponsoring Director: Executive Director (Services)

12

We will implement the pay and grading framework, working closely with our recognised trade unions to ensure the approach is fair, modern, flexible and reflects the diverse nature of the roles performed by Publica employees, to recognise and reward existing employees and help attract high quality individuals.

Sponsoring Director: Executive Director (Finance)

13

We will inspire, motivate and empower employees by implementing a Leadership Development Programme, based on the principle of "leadership at all levels" including political and commercial awareness.

Sponsoring Director: Executive Director (Services)

14

We will create the right conditions for achieving continuous improvement, high performance and productivity, by improving our HR practices using the Investors in People (IiP) framework and attaining IiP accreditation.

Sponsoring Director: Executive Director (Services)



Information/Discussion Paper

Overview and Scrutiny - 27 July 2020

Golden Valley, West Cheltenham

Consider impact of COVID on the project and how this is being mitigated

This note contains the information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed

1. Why has this come to scrutiny?

- 1.1 At Cabinet on 3 March 2020, the Golden Valley "procurement, route to market" was approved. This permitted the Council to seek a delivery partner for all of the Council's land; the structure of the agreement is likely to be a Development Agreement or a Joint Venture.
- 1.2 Since the Cabinet meeting, Covid-19 has spread rapidly across the UK resulting in changing working and economic conditions. This report reviews the impact of Covid-19 on the procurement process, the decision to continue with the procurement, the programme and the critical assessments that have informed these processes.

2. Summary of the Issue

- 2.1 The impact of Covid-19 has regularly been considered by the Council's property advisors, Avison Young and officers since its emergence in the UK in March 2020. It is recognised that the resulting economic and market conditions are unheralded and the full impact on the development and investment market is yet to be determined, although it is recognised that some sectors of the property market have already been severely impacted, particularly retail and leisure.
- 2.2 The Council are seeking a Partner to deliver the development of the 45 ha (112 acres) of land acquired in August 2019. This will primarily comprise the delivery of the commercial, cyber lead employment land with some mixed use residential accommodation. Prior to the Covid-19 pandemic, the Cyber industry was worth £8.3bn annually to the UK economy; although Covid-19 will see an immediate impact on demand, it is anticipated that this sector will continue to grow (and its importance potentially strengthen) and therefore be considered as a target for future investment. The biggest threat to Cyber demand at the West Cheltenham site will be a potential glut in available office space across the town and wider region, which may have a direct impact on rents, values and the availability of competing cyber accommodation. Also, with the significant impact the Golden Valley Development (home of Cyber Central UK) is having, developers, landlords and investors will be looking to take advantage of growing the local eco-system in a reaction to the current challenging commercial conditions.
- 2.3 There has however been a more immediate impact on other sectors such as retail and leisure with major stores and restaurants all struggling with rent payments due to

the closure of premises resulting in businesses closing. The transactional markets, both residential and commercial, have stalled with the closure of premises and movement restrictions, although these are seeing a gentle recovery since lockdown eased. The impact of developer's acquiring residential land is yet to be quantified; however, as observed in the last financial crisis, an increased number of sites were delivered as affordable with the benefit of grant funding.

- 2.4 The changing market and economic conditions over the past six months place greater risk on the Council's objective of procuring a development partner to deliver the ambitious regenerative plans for West Cheltenham. The decisions impacted by Covid-19 over the last six months are therefore reviewed in this report and subject to scrutiny.
- 2.5 There is a strong case for the council to continue promoting Golden Valley as a prestigious and high value national recovery flagship project. However, this needs to be balanced against the severe financial pressures the council now finds itself in as a result of the loss and future uncertainty of key income streams. The risk remains that the scheme will not result in the long term financial uplift envisaged as part of the business case.
- 2.6 The response from both the development market and cyber / innovation sector has been very promising to date. As the progression of the 'Ready21' start up Minster Project promoting the delivery of cyber & cultural innovation as a stepping stone to Cyber Central in 2023/2024. The Cyber security sector *doubled* in value last year and now is worth £8.3bn. Covid-19 has clearly strengthened that demand and high levels of growth are expected. The Golden Valley site is ideally suited to facilitate this growth and lead the UK's mission to be a global cyber leader.

3. Summary of evidence/information

- 3.1 Having regard to the changing economic conditions and the earlier decision of Cabinet to proceed to market, Council officers and senior members reviewed its process plan in relation to the procurement of a development partner. In April 2020, it was considered there were a number of options available to the Council in relation of the procurement of a future development/investment partner;
 - Option 1 Continue procurement as proposed in original timetable
 - Option 2 Continue procurement allowing for new timetable
 - Option 3 Defer procurement
 - Option 4 Alternative procurement structure
- 3.2 Each of these options was considered in turn with merits and dis-benefits of each option considered including an assessment of financial impact, programme impact and reputational risk. A subsequent report was presented to ELT and the lead Member summarising each option; it recommended that the authority should continue with the competitive dialogue approach approved by Cabinet in March 2020, build on the momentum and excitement already generated in the wider development/investment market through a series of events and meetings held by officers, however should allow for a new timetable to be considered taking account of potential delays from Covid-19.
- 3.3 The market response from pre and post Covid meetings/calls was positive in that the Council are continuing with their programme to procure a development partner. It

was highlighted that this demonstrates the confidence the Council have in achieving their vision and delivering their objectives of enhancing Cheltenham as the UK's capital of Cyber.

This timetable is set out below:

Key Stage	Indicative timeline
Invitation to Submit Outline Solutions (ISOS) (max 6 parties)	24 th July 2020
Deadline for clarification questions (ISOS)	25 th September 2020
ISOS Bidder meeting– Introduction of ISOS, Vision, Design & Planning + Project Delivery, including Cluster 1	Wk commencing 7 th September 2020
Deadline to submit ISOS	Mid October 2020
Evaluation of ISOS	Mid October – early November 2020
Invitation to Submit Detailed Tenders (ISDT) (3 parties)	Early November 2020
Bidder Meeting/Presentation 1 – Vision, Design, Planning, Project Delivery	TBC – Dec 2020
Bidder Meeting 2/Presentation – Financial and Legal	TBC – Dec 2020
Negotiation of Detailed Tenders	November & December 2020
Deadline to submit Final Detailed Tenders	January 2021
Identification of preferred tenderer	March / April 2021 (CBC cabinet meeting)
Mandatory Standstill period	10 calendar days (ends on a working day)
Finalisation of Contract with preferred tenderer	Apr 21
Publication of Contract Award Notice	Within 30 days of award

3.4 The Council formally launched its search for a development partner on 11th May 2020. As Covid resulted in the cancellation of a proposed launch event, increased

- attention was focused on launching the development opportunity to the market online. To support this, the Council produced an information memorandum to share with all interested parties (see supporting appendix).
- 3.5 The Council utilised its social media platforms to support the launch resulting in widespread coverage across the social media spectrum, as well as the traditional print adverts placed in trade press etc.
- 3.6 In December 2019, the Department of International Trade (DIT) selected Golden Valley (Cyber Central) as one of their national capital investment projects. To help market the opportunity to international investment platforms, the Council presented to a number of DIT's international colleagues across the global regions.
- 3.7 The market response since the formal launch of the search for a development partner has been positive. That the council are continuing with their programme to procure a development partner at this time demonstrates the confidence the Council have in achieving their vision and delivering their objectives of enhancing Cheltenham as the UK's capital of Cyber. It should be noted that this feedback does not automatically translate to formal submissions.
- 3.8 As part of the Government's New Deal Recovery Plan support is being made particularly into the housing and construction industries. There is also considerable support for and interest in tech and science innovation, promoting the UK as a global force in this sector. This is of considerable interest to the Golden Valley Development as the vision is closely aligned with delivery of many of the outputs, innovation, nurturing and retaining talent, growth in cyber-tech, delivery of high quality houses, green recovery. This project could be promoted as a flagship UK recovery project.
- 3.9 In particular a package of measures to support housing / construction has been announced across England, these include;
 - A £12bn affordable homes programme that will support up to 180,000 new affordable homes for ownership and rent over the next 8 years
 - Included in the affordable homes programme will be a 1,500 unit pilot of 'First Homes': houses that will be sold to first time buyers at a 30% discount which will remain in perpetuity, keeping them affordable for generations of families to own.
 - Funds from the £400m Brownfield Land Fund have today been allocated to the West Midlands, Greater Manchester, West Yorkshire, Liverpool City Region, Sheffield City Region, and North of Tyne and Tees Valley to support around 24,000 homes.
 - The Home Building Fund to help smaller developers access finance for new housing developments will receive additional £450m boost. This is expected to support delivery of around 7,200 new homes.
 - The support from Central Government and desire to speed up housing delivery can only be a positive for the future of the Golden Valley Development and the housing market.
- 4. Next Steps possible next steps for the committee to consider e.g. potential witnesses, further report, site visit etc.
- **4.1** Covid-19 is unheralded and presents significant challenges to any property procurement process, alongside substantial risks to the programme. This has been

reflected in changes to the programme and revisions to the marketing strategy in promoting the opportunity.

- 4.2 The search for a development partner started formally on 11th May 2020. Expressions of interest have been invited from interested parties with a closing date of 10th July 2020. At the time of drafting this paper we can confirm 11 submissions have been received and the Council is engaged in reviewing the submissions and propose inviting a maximum of six to submit outline tender solutions starting from 24th July 2020; this process will be subject to an internal gateway review to ensure there is confidence the Council can secure its objectives of procuring a suitable development partner.
- 4.3 Moving forward it is proposed that next stage submissions are invited in early October 2020, when it is proposed that a shortlist of three companies will be invited to continue dialogue. This decision will be the subject of a further internal gateway review.

Background Papers Information Memorandum, May 2020

Project website – www.goldenvalleyuk.com

Trowers, Covid-19 and Procurement Processes

Article, 30 March 2020

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Accountability Cabinet Member Development and Safety

Scrutiny Function Overview and Scrutiny Committee





GOLDEN VALLEY

DEVELOPMENT

HOME OF CYBER CENTRAL UK

INFORMATION MEMORANDUM

Opportunity to deliver a world class cyber-led ecosystem as part of an exemplar, sustainable mixed-use development

Cheltenham Borough Council is leading the delivery due to its significance to the regional economy but also its importance in the UK's mission to be the safest place to do online business and a world leader in cyber security.

Cheltenham has a long established thriving hightech ecosystem with the world's leading names such as Microsoft, Apple and IBM rubbing shoulders with innovators, start-ups and the UK's brightest academic minds.

Cheltenham is the UK's focal point of this sector which is home to GCHQ and the National Cyber Security Centre. This sector is experiencing rapid growth and is valued at £8.3bn in the UK having doubled over the last two years.

Cheltenham is a vibrant town, recently voted the Best Place to Live in the South West 2020

by The Sunday Times. It has outstanding schools and colleges offering a deep rooted cultural diversity with great connectivity.

The site is highly accessible being adjacent to GCHQ bounded by 2 motorway junctions, close to an airport and mainline railway station with direct access to most UK towns and cities.

Our vision for the Golden Valley is to create a mixed use development integrating Cyber Central as part of an innovative garden community comprising of 2 million sq ft of commercial accommodation and over 3,000 new homes, that challenges the existing norms relating to design and sustainability particularly in response to the climate change agenda.

This first phase brings 45 hectares of council owned land along with a further commitment of up to £180M of investment into housing as we spearhead our economic recovery.

With the right development partner there is potential to create a development of global significance.

Steve Jordan - Leader of Council

"GCHQ has been in Cheltenham for 60 years and expects to be here for many more.

To help keep the UK safe in a rapidly changing digital world, we need a rich environment where we can innovate and share ideas, both with business and academia, as well as support the long term supply of talent. If not Cyber Central, where?"

CHRIS ENSOR,
DEPUTY DIRECTOR, NCSC

CHELTENHAM'S VALUE PROPOSITION

The Golden Valley provides a development proposition of multiple layers which sets it far apart from other opportunities



HIGHLY ACCESSIBLE AND CONNECTED LOCATION

- In terms of workforce, talent, travel and business ecosystem
- Direct access by rail
- Two motorway junctions, an airport and mainline railway station
- 19 universities within 75min drive
- Adjacent to GCHQ Cheltenham



PRIME DEVELOPMENT SITE

- Allocated land that is in a single ownership being brought to market by the local authority
- 2 million sq ft of commercial space and c.650 homes in first phase.* Potential for further 3,000 homes in later phases
- Cheltenham has a strong development and property market



GLOBAL CYBER ECOSYSTEM

- Cheltenham is an established global hot spot for cyber and digital business. Home to GCHQ and NCSC, it has the largest concentration of businesses in this sector in the UK outside London
- The UK Cyber security sector is valued at £8.3bn, having doubled in value in the last two years
- Significant demand for high quality space



STRONG LEADERSHIP

- Government support and investment £220M HIF; £22M GD3, Department of International Trade capital investment opportunity MHCLG Garden Communities programme
- Strong financial leadership for development partnership provided by the Council, including 45ha land and c.£180M investment in housing

^{*}these numbers have the potential to increase through detailed design and assessment.

LOCATION & ACCESSIBILITY

The Golden Valley is a highly accessible site at the heart of the UK. The site is adjacent to GCHQ, it is bounded by the M5 and A40. Within 1 mile are two motorway junctions, an airport and a mainline station providing direct access to most towns and cities in the UK.

It is within 75mins drive of 19 universities and is nestled in the centre of innovation and talent hotspots Oxford, Warwick, Bristol, Cardiff, Bath and Birmingham.

Cheltenham continues to be rated as one of the best places to live and bring up a family in the UK, with high performing schools, an extensive cultural scene including the world renowned Cheltenham festivals, and with its extensive stunning regency buildings. It is close to the Cotswolds, the Forest of Dean and Gloucester's historic docks. It offers a diverse range of leisure and cultural experiences, whilst being only one train stop away from the city centres of Bristol and Birmingham.

Together with the diverse employment opportunities and rich cyber-ecosystem Cheltenham and its environs offer a highly attractive destination for people and businesses to relocate, invest and grow.



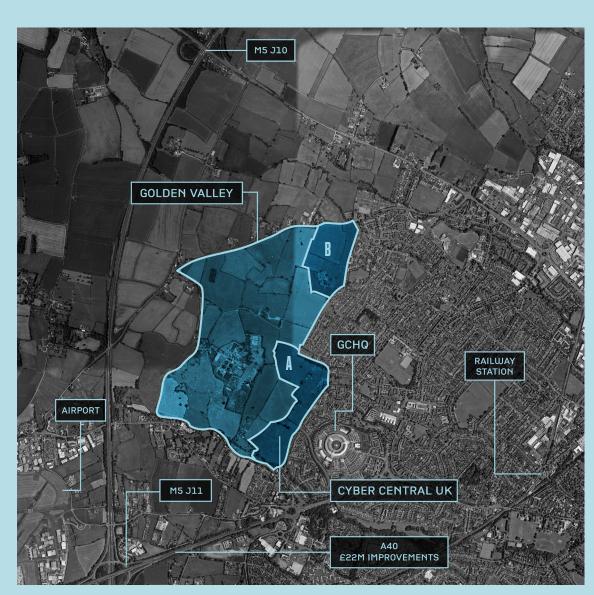
ABERDEEN

PRIME DEVELOPMENT SITE

IN AUGUST 2019, CHELTENHAM BOROUGH COUNCIL PURCHASED 45 HECTARES (112 ACRES) OF LAND.

The first phase of this strategically important site is brought forward in two development parcels totalling 45ha owned by Cheltenham Borough Council. Site A the southern site adjacent to GCHQ will deliver the first cluster and core of Cyber Central UK (having a more commercial nature). Site B the northern parcel of land will likely have a more residential nature.

The Golden Valley Garden Community is a 200ha site which forms part of a strategic allocation in the Cheltenham, Gloucester and Tewkesbury Councils' JCS (2017). A draft Supplementary Planning Document establishes development parameters for the wider site of up to 3,700 homes and c.2 million sq ft of commercial accommodation. The full document can be accessed here.



PRIME DEVELOPMENT SITE

THE COUNCIL IS NOW SEEKING A PARTNER TO BRING FORWARD THE FIRST PHASE OF THIS WIDER DEVELOPMENT (GOLDEN VALLEY DEVELOPMENT) WITH THE TWO PARCELS OF LAND IN THEIR OWNERSHIP.

It is estimated that as part of the first phase of development under this ITT that the 45ha of land in the Council's ownership could deliver c.650 homes (which has the potential to increase through detailed design and assessment) and a significant proportion of the employment space.

Comprehensive delivery could create up to 11,000 high quality jobs. Cheltenham is the UK's most concentrated hub of cyber activity outside London. These jobs and the associated academic institutions will attract local and international talent to a vibrant new sustainable community that will create benefits and opportunities for existing adjacent communities.

Cheltenham was voted the best place to live in the South West and is in the UK's top 10

Sunday Times 2020

PRIME DEVELOPMENT SITE

Cheltenham has one of the strongest housing markets in the region. Demand for housing in the area is high and the limited supply of housing land has only added to the pent-up demand. Cheltenham has seen some of the highest house price growth in the area over recent years and there is strong demand across all property types and tenures.

The employment market in Cheltenham is also strong with a diverse range of businesses present including a number of high profile HQ's, including GCHQ, Superdry and Spirax-Sarco. It has an exceptionally strong representation from digital and tech based firms including Google, Microsoft and Apple all present in the town; boasting densities of 11 times the national average in this sector. Vacancy rates for both office and industrial space remain very low compared to the rest of the region, which has supported good rental growth in recent years but it has also represented a constraint for growth that could be remedied with supply of space at Golden Valley.





CYBER ECOSYSTEM

The Golden Valley development site is adjacent to GCHQ, home of the National Cyber Security Centre and its accelerator programmes and innovation activities.

Cheltenham and the surrounding area are already home to over 600 cyber and tech businesses, ranging from primes through to start-ups and SMEs, all supporting the UK's mission to be the safest place to do online business as the global leader in cyber security.

A rich long-term talent pipeline is supported by extensive cyber skills being taught in the local further and higher education institutions and

P.,

Cheltenham has the UK's largest cyber cluster outside London Gloucestershire has 6x national average density of Cyber business through pioneering work in schools over many years. This feeds the well-established supply chain of global technology corporates in the area.

The UK cyber industry is experiencing rapid growth and is valued at £8.3bn, having doubled in two years. This growth rate is predicted to continue and with the changes to working practices brought about by Covid-19, the sector will experience even greater pressure for rapid growth and innovation.

11x

Cheltenham has 11x national average density of cyber business



Gloucestershire is the most specialised cyber cluster in the UK



LEADERSHIP & GOVERNMENT SUPPORT

CHELTENHAM BOROUGH COUNCIL SPENT £37.5M ON 45 HECTARES OF PRIME DEVELOPMENT LAND AND HAS MADE A COMMITMENT TO INVEST A FURTHER £180M TO SUPPORT HOUSING DELIVERY IN PURSUING ITS KEY CORPORATE OBJECTIVE; TO MAKE CHELTENHAM THE UK CYBER CAPITAL.

This commitment is reflected regionally, in the LEP's Local Industrial Strategy and the county's Strategic Economic Plan, which both clearly support cyber as the county's primary economic driver.

Leadership is provided through a joint governance board that has been established, bringing together Tewkesbury and Cheltenham Borough Councils, Gloucestershire County Council and Homes England – with the clear objective of making this a world class development securing Gloucestershire as the UK home of cyber.



LEADERSHIP & GOVERNMENT SUPPORT

£37.5million

investment by Cheltenham Borough Council in acquiring 45 hectares of land

£180m investment in housing

£220m

HIF for M5-J10 upgrade announced in March 2020

£22million

GD3 funds for transport improvements

The Local Planning Authorities have commissioned a Supplementary Planning Document for the Golden Valley Garden Community and are working together to ensure a comprehensive delivery.

They have initiated the use of their Compulsory Purchase Order (CPO) powers as part of a joined up approach to land assembly. At a national level in 2015 the Chancellor announced that one of the UK's two Cyber Innovation Centres would be in Cheltenham. Since then a lot has happened:

- In 2017 the 200ha site adjacent to GCHQ was taken out of the green belt.
- Transport infrastructure improvements are underway through £22M Local Growth Funding along the A40 corridor.
- In March 2020, £220M of Housing Infrastructure Funding was allocated to upgrade M5 J10 which provides access to the northern boundary of the site
- The Department of International Trade are supporting the marketing and promotion of the project and it is one of their Capital Investment Opportunities.

"Cheltenham with GCHO is the home of cyber security, the global centre for the industry. This development buts new investment and new ideas right next to GCHQ. It's the right place to be doing it and it's going to be a real step forward for the industry."

Matt Warman MP, Digital Minister

GOLDEN VALLEY DEVELOPMENT – Information Memorandum – May 2020

COUNCIL'S OBJECTIVES

1. UK CYBER CAPITAL

2. UTOPIA

3. REGENERATION

4. FINANCIAL RETURN







To secure a mix of capital and revenue

Spearheading the UK's mission to be the safest place to do online business as the global leader in cyber security.

Developing the existing ecosystem to create the UK's home of the cyber-tech industry. Cyber Central will provide high value jobs and a great place to live as part of the Golden Valley Garden Community.

Create an inspirational place to live, work and play. A development offering the highest standards of design, environmental sustainability and smart infrastructure. Setting a new benchmark for housing in terms of tenure mix, accessibility and affordability particularly to younger workers.

Through effective master planning and enabling inclusive employment, to integrate the Golden Valley Development with the existing adjoining community.

To secure a mix of capital and revenue returns over the medium to long term, providing the Council with a stewardship interest in the Golden Valley and to ensure the Council's initial capital investment has an appropriate return.

WE ARE SEEKING A JOINT VENTURE PARTNER WHO IS ABLE TO HELP US TURN A VISION OF AN ASPIRATIONAL COMMUNITY INTO REALITY.

The Golden Valley Development will create a vibrant pioneering community integrating hi-tech business, residential and leisure uses. At its heart Cyber Central: the UK home of cyber, digital and creative sectors arising from Cheltenham's international reputation for leadership in cyber innovation. With a significant development site adjacent to GCHQ in a highly accessible location with great connectivity, the opportunity exists to create a destination of global significance.

This is a place that is culturally rich and exciting, where the edges are blurred between home, work and play. A magnet for businesses, leaders, creator and innovators, built around a strong sense of community: somewhere exciting with soul and with a clear identity. Its energy and creative core will be an attractor to entrepreneurs and investors as much as it will be to local people and visitors.

The Golden Valley Development will set a new standard for integrated living. It is a place where this deep rooted pioneering culture thrives; a place where the boundaries of innovative thinking are constantly pushed. A place where bright minds and young talent co-create and want to live. It will require the highest standards of environmental sustainability integrating exemplar homes as part of a thriving and inclusive campus

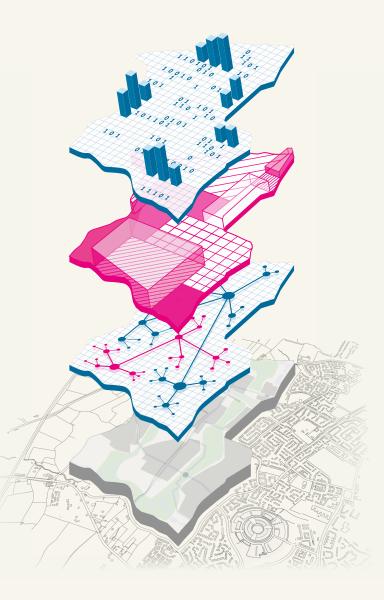
and garden community, defined by its quality in design, public spaces and approach to connectivity both digitally and physically.

Located in the heart of the UK, and anchored between existing centres of industrial and academic excellence in cyber-tech such as Bristol, Oxford, Bath, Cardiff, Malvern and Warwick. This significant site is in a highly accessible location with great connectivity.



CYBER CENTRAL

Cuber Central is the commercial core for the Golden Valley Development. A campus bringing together business, events space, academia, leisure and accommodation. At its heart, a unique commercial anchor, the Cyber Innovation Centre (CIC). A concept announced by the Chancellor in 2015 that has been extensively developed over the last 5 years. The CIC provides a focal point for the innovation programmes operated by GCHQ and the NCSC, but uniquely co-located with academic support and cutting edge business, creating a skills development zone with high energy meeting and events space. This will provide the perfect environment to incubate, nurture and accelerate ideas, transforming them at pace into deliverable commercial reality whilst growing a home for long-term talent flow.



Cyber Central has a strong unique selling point that sets it firmly apart from other thinking and opportunities in this sector: solving problems, turning them into commercial solutions and being able to upscale the response.

CYBER PROBLEM SOLVING

We have the access to the innovators within the sector. They are on the doorstep through GCHQ, NCSC, innovation programmes, accelerators, the extensive supply chain, startups and the cyber Academic Centres of Excellence (ACEs) and other universities.

SCALING

Cyber Central has huge scaling potential in a highly desirable location. It can further unleash the potential of the Gloucestershire's cyber ecosystem and scale faster and better than any other site in the UK.

CONNECTING ORGANISATIONS

This ecosystem already exists locally, providing instant opportunities to expand these networks and bring them together on a high-tech campus.

THE HONEY POT

Cheltenham's deep rooted and extensive cyber-tech ecosystem, acknowledged as the largest in the UK outside London creates a 'honey pot' attracting investors into the start-ups and scale-ups as well as local and global talent.

With 19 universities within 75 minutes' drive and local colleges and secondary schools investing heavily in cyber skills development, the 'fuel' for growth of companies located in and around Cyber Central will be second to none.

This new way of working has been developed and trialled over the last few years. The vision for the CIC has extensively grown as has GCHQ's approach to working with business and academia has evolved, proactively engaging so we are able to scale-up at the required speed, to ensure that the UK cyber mission is successful.

The concept of the Cheltenham CIC can now be created at the heart of Cyber Central: a co-working hub with GCHQ and the NCSC sharing space with innovative businesses and academia. This will be the home to innovation and accelerator programmes, creating a pioneering and nurturing environment for the development of ideas with the brightest minds rapidly turning them into commercial solutions. The CIC is based around three core components:

INNOVATION

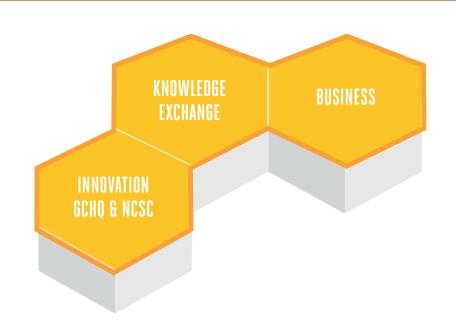
Including GCHQ and NCSC's innovation and development programmes.

KNOWLEDGE EXCHANGE

Knowledge exchange and skills development zone, space for universities to provide research, talent, incubation and product development support.

BUSINESS

Ideas and innovation need to be turned into marketable products. This would see a significant space for businesses providing the capacity, resource and commercial solutions.





Cyber Central's utopian potential can then grow, building different layers around its core, creating a free thinking pioneering landscape:

COLLABORATION

A landmark event, meeting and co-working space.
A place that will host events, encourage collaboration and innovation. A place to relax, meet, collaborate and think.

START-UPS: INVESTING IN THE FUTURE

Many businesses having generated new ideas through the CIC will need space to grow. In creating Utopia, we must look to the future.

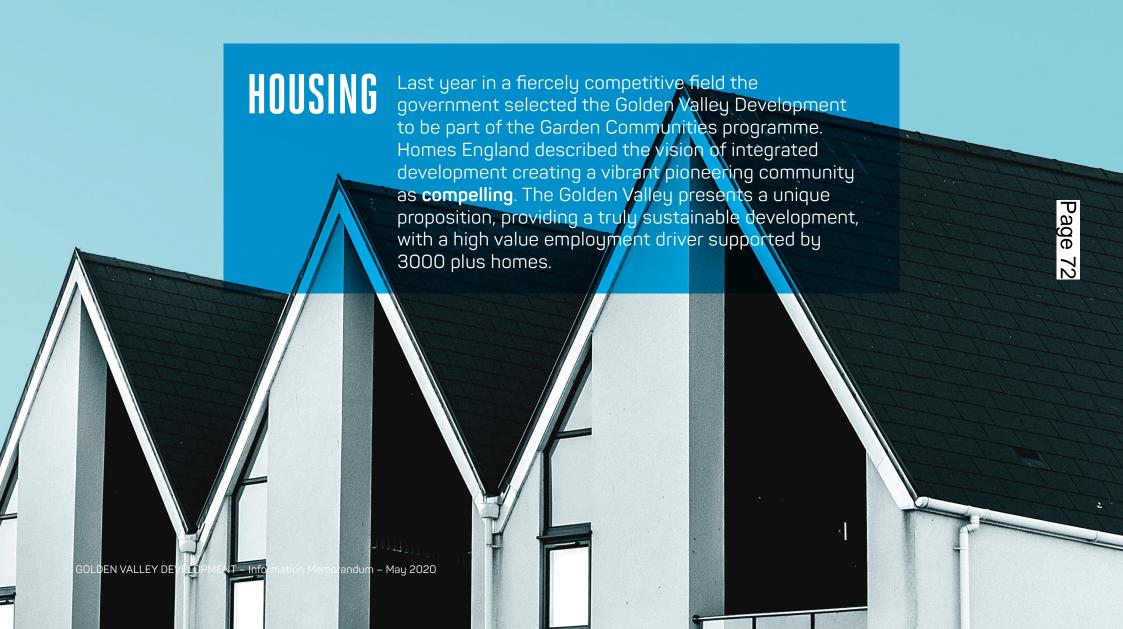
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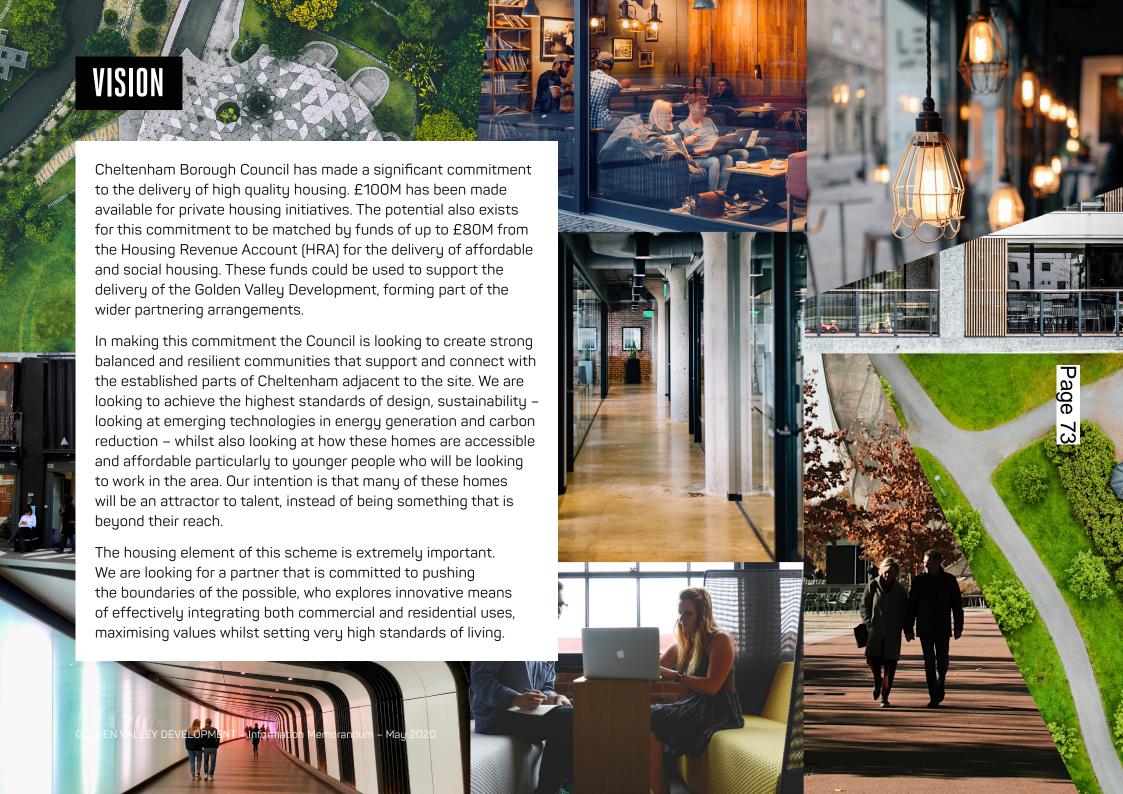
The potential for a national visitor attraction that engages with citizens with the history as well as the current and the future technologies. The provision of leisure uses, cafés and bars, creating a vibrant 24/7 campus.

BUSINESS GROWTH

There is massive market demand for high quality office and collaboration space in this sector close to GCHQ and the surrounding mature and growing cyber ecosystem. Cyber Central's unique model will be a huge commercial attractor, ranging from start-ups through to primes seeking co-working space and HQs. With potential to create c.2 million sq ft of commercial floorspace the opportunity is huge.







VISION

FUTURE GROWTH

GOLDEN VALLEY DEVELOPMENT-1

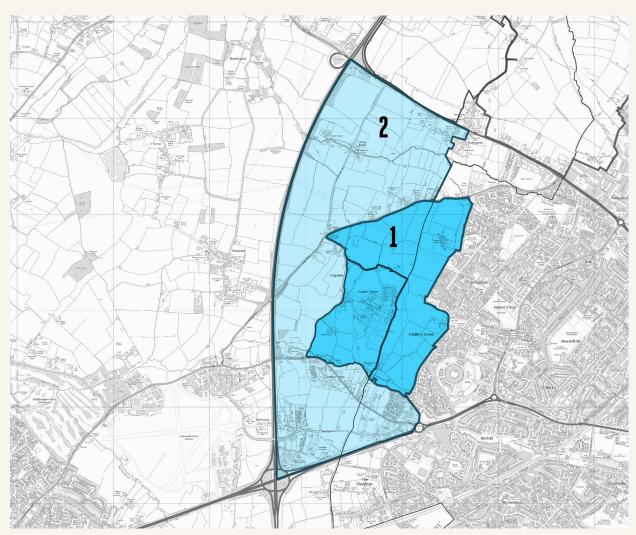
200 hectares allocated and safeguarded land (JCS 2017). MHCLG Garden Community 2019.

MID-TERM GROWTH POTENTIAL - 2

One of the potential expansion areas as part of the search for sites for JCS review. This would be a highly sustainable option, offering expansion for employment and housing growth close to key transport nodes and cyber central. This area could extend to between 300 to 400ha and would represent a natural progression for the wider Golden Valley.

LONGER-TERM GROWTH POTENTIAL

As part of Gloucestershire's 2050 vision – the area between Gloucester and Cheltenham features heavily as one of the few sustainable options for longer term growth. Work is currently being commissioned to look at rapid/mass transport solutions between Gloucestershire's two key conurbations. The A40/M5 corridor provides the ideal location for this growth and could form part of the wider Golden Valley.



The Council wishes to appoint a Partner (which may be a consortium) with the proven track record, financial capability and vision to deliver the Golden Valley.

It is essential the vision set out in this document aligns with the aspirations of our potential partners so we are able to maximise the benefits arising from this unique development opportunity.

PARTNERING AGREEMENT

This Partnering Agreement may be by way of a joint venture (JV) structure or partnering development agreement. This will be explored with potential bidders in the next stages of the tender process and the Council remains flexible in order to achieve the best outcome that will deliver the objectives.

The Partner will be required to contribute funding to the Partnering Agreement to cover all other construction and development costs. The Council will take a long term view on its capital and associated returns, it would consider taking a lease wrapper over the Innovation Centre and may consider other approaches in order to catalyse development on the site. The Council will provide for KPI's to be met for the Partnering Agreement at various stages of the development, which will also ensure timely progress of the development.

REQUIRED SERVICES FROM THE PARTNER

In order to deliver the Council's objectives, it is envisaged that the Partner will as a minimum, but not limited to, be required to undertake and/or manage the following actions:

- provide development management services as required to enable delivery of the agreed scheme;
- undertake land assembly to enable delivery, including funding of any private treaty and CPO activities;
- the masterplanning, design and planning processes, including obtaining all required consents;
- secure finance as necessary, including any applicable public sector funding; undertake agreed commercial [and residential development] directly or procure others to undertake specific development;
- provision of all affordable housing at policy compliant levels;
- consultation, communication and negotiation with significant adjoining landowners and other stakeholders, as required;

- commissioning construction phases and entering into appropriate construction contracts;
- entering into estate management and maintenance contracts, as required;
- marketing and managing the sale of serviced land parcels (if necessary) and assets delivered by the JV including the necessary agency and consultancy contracts, as required;
- entering into legacy arrangements for the long term management and maintenance of the site; and
- identifying new opportunities for the Partnering Agreement and preparing feasibility reports and plans for any such opportunities.

Viewing

The Council owned land is currently in agricultural use. In light of the Government's advice against non-essential journeys, we will not be conducting viewings on the land at this time. Interested parties can view the Council's property from the public highway and official footpaths through the property. Any further enquiries in this respect should directed to Avison Young.

TENDER PROCESS

The selection process and appointment of a Partner will be undertaken in accordance with the European Union legislation for placing contracts for works by the public sector and will be advertised within the Official Journal for the European Union (OJEU).

The tender process will follow the competitive dialogue procedure that comprises of three main stages:

Stage 1: Selection Questionnaire

Interested parties are invited to complete and return a Selection Questionnaire (SQ), available from the sole agents, Avison Young.

Completed Selection Questionnaires are to be submitted to the portal by 5pm on the 10th July 2020. Submissions are to be in electronic format only via the portal. Invitations received after this time may not be considered.

All enquiries regarding access to the Portal should be e-mailed to gordon.isgrove@avisonyoung.com or daniel.rich@avisonyoung.com. The portal can also be accessed via the website goldenvalleyuk.com. All other queries and clarifications should be submitted via the Portal messaging function. Clarification responses will be provided to all interested parties via the Portal within 5 working days where possible.

Stage 2: Dialogue

The SQs will be evaluated, with the best qualified parties being Invited to Participate in Dialogue (ITPD). The Dialogue stage will be split into the distinct phases, as outlined below.

- i. Invitation to Submit Outline Solutions (ISOS) at least three parties will be selected to receive the ITPD, but it is envisaged up to six parties will be shortlisted against criteria set out in the SQ.
- ii. Invitation to Continue Dialogue (ITCD) and develop Detailed Solutions we anticipate up to three parties will then be selected to receive the ITCD.
- iii. Final Call for Tenders.

Stage 3: Final Tenders

Final tenders will be assessed against the award criteria as set out in the Final Call for Tenders. It is intended that the Partner will be selected from this stage of the process.

The Council recognise that these procurement processes can be lengthy and costly to bidders. The intention is to minimise the bureaucracy and cost where possible and appoint a Partner as soon as possible, whilst also limiting the number of parties participating at each stage.

It is intended that the Partner will be appointed in Spring 2021.

PROGRAMME

The table below provides our indication of anticipated timescale associated with the procurement:

Stage	Indicative Date
	2020
Project Launch	11th May
Return of Selection Questionnaires	10th July
Invitation to Participate in Dialogue (ITPD)	24th July
Deadline Outline Solutions	October
Invitation to Continue Dialogue	November
Receipt of Tenders	December
	2021
Clarification and Evaluation of Tenders against	
award criteria	January
CBC Internal approval process	February
Award Contract + 10 day stand still period	March

FURTHER INFORMATION

Further information can be found in the following sources:



WEBSITE

goldenvalleyuk.com

CONTACTS

AVISON YOUNG

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Daniel Rich 0117 988 5332

daniel.rich@avisonyoung.com



GOLDEN VALLEY DEVELOPMENT

HOME OF CYBER CENTRAL UK

The Council have captured the vision for the Golden Valley in a promotional video.

WATCH VIDEO

Golden Valley Development working in partnership with





DISCLAIMER

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Covid -19 Statement: The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has impacted global financial markets. We reserve the right to change the project timescales, procurement process or abandon the procurement if necessary. Updates will be provided on the portal and bidders should regularly check the webpage for updates or any changes to the procurement process.

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Item	Outcome	What is required?	Author/presenter
Meeting date: Monday 27 July (report deadline: 15 July 2020)			
Publica	Consider where Publica are in terms of performance, what are they doing well, where are the priorities for improvement and how do they measure the quality of service to their clients? Consider the business plan and incoming MD report (as background) AND in addition outline how Publica has been affected by COVID, what effect this has had on the service you provide to CBC and what would you have done differently	Discussion paper	Jan Britten and Dave Brooks CONFIRMED
West Cheltenham	Consider impact of COVID on the project and how this is being mitigated	Discussion paper	Tim Atkins / Neil Hopwood CONFIRMED
Council investments	Consider the council's commercial property investments	Letter to MHCLG	Paul Jones, Executive Director Finance & Assets CONFIRMED
The Cheltenham Trust	Discussion paper from Laurie Bell on performance over her first year; a summary of financial position / progress against income generation and Richard Gibson to comment on CBC perspective and what the consultants have said, as well as any VfM assessments AND in addition outline how the Trust has been affected by COVID and what the Trust have been doing instead of 'business as usual'	EXEMPT Discussion paper	Laurie Bell, Chief Executive – (TCT) / Richard Gibson (CBC) CONFIRMED
Monday 7 September 2021			
Scrutiny annual report	Consider the draft annual scrutiny report and approve for consideration by Council	Report	Democracy Officer
Update on motions	Consider progress against recent motions	Discussion paper	Relevant Officer(s)
Police and Crime Commissioner	Consider his annual report and take opportunity to ask questions	Annual report	P&CC

Overview and Scrutiny Committee work plan - 2019/20 and 2020/21

Overview and Scrutiny Committee work plan – 2019/20 and 2020/21				
Air Quality / Schools	Consider the impact of the school run on schools	Discussion paper	Gareth Jones and GCC officer(s)	
	Monday 2 November			
Quarter 2 performance review	Consider quarter 2 performance and any issues	Discussion paper	Richard Gibson, Strategy and Engagement Manager	
	Monday 18 January 2021			
Budget proposals (for coming year)	Consider the views of the Budget Scrutiny Working Group on the budget proposals for 2021/22	Verbal update	Chair, Budget Scrutiny Working Group	
Marketing Cheltenham	Data relating to return on investment (from a CBC standpoint)	Discussion paper	David Jackson	
	Monday 8 March 2021			
Draft Corporate Plan	Consider the draft Corporate Plan and comment as necessary	Discussion paper	Richard Gibson, Strategy and Engagement Manager	
	Monday 26 April 2021			
	Monday 7 June 2021			
End of year performance review	Consider end of year performance and comment as necessary	Discussion paper	Richard Gibson, Strategy and Engagement Manager	
	Monday 5 July 2021			
UBICO annual report	Consider annual report from Ubico – how are they performing?	Discussion paper	Ubico and Cabinet Member	
Monday 2 August 2021				
		1	•	

Items for future meetings (a date to be established)			
Gloucestershire 2050	The Leader will provide ongoing updates as part of the Cabinet briefings	Update	The Leader
Public Art Panel	Consider what is it, is it effective, what has it done, what difficulties does it face	To be scheduled once SWOT has been concluded (chased TC for date 25/02)	Tracey Crews and Chair of Panel
Climate Change	Meet with the newly appointed Cabinet Member (do officers need to be there also)		Councillor tbc
Solace process	Understand the process for housing homeless people in Cheltenham and identify opportunities for improvement		Officers and Cabinet Member Housing (Cllr Jeffries)
Waiver	Consider recent instances where the O&S Chair has been asked to waive his right to call-in and the reasons behind these requests		
Air Quality / Schools	Consider the impact of the school run on schools	Discussion paper	Gareth Jones and GCC officer(s)
One Legal	How are One Legal performing against their Service Level Agreement / what's changed since we entered agreement (new clients, etc)	Discussion paper	Sarah Farooqi, One Legal (May 2021 meeting was cancelled)

Annual Items		
Budget proposals (for coming year)	January	Chair, Budget Scrutiny Working Group

Overview and Scrutiny Committee work plan – 2019/20 and 2020/21

Draft Corporate Plan	February	Richard Gibson, Strategy and Engagement Manager
Publica annual report	tbc	Dave Brooks (Chair) and MD
End of year performance review	June	Richard Gibson, Strategy and Engagement Manager
UBICO annual report	July	Ubico and Cabinet Member
Scrutiny annual report	September	Democracy Officer
Update on motions	September	Relevant Officer
Police and Crime Commissioner (circulate his annual report in advance)	September	P&CC
Quarter 2 performance review	November	Richard Gibson, Strategy and Engagement Manager

Overview and Scrutiny Committee work plan – 2019/20 and 2020/21

Briefing sessions/seminars			
Stagecoach	A member seminar arranged at the request of the O&S Committee	31 March 2020	CANCELLED
CBH Masterplan	A member seminar arranged at the request of the O&S Committee	15 April 2020	CANCELLED

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Agenda Item 13

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A $Page\ 89$ of the Local Government Act 1972.

Document is Restricted

