



CHELTENHAM

BOROUGH COUNCIL

Notice of a meeting of Cabinet

Tuesday, 30 November 2021
6.00 pm
Council Chamber - Municipal Offices

Membership	
Councillors:	Rowena Hay, Peter Jeffries, Victoria Atherstone, Flo Clucas, Mike Collins, Iain Dobie, Martin Horwood, Andrew McKinlay and Max Wilkinson

Agenda

	SECTION 1 : PROCEDURAL MATTERS	
1.	APOLOGIES	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES OF THE LAST MEETING Minutes of 9 th November meeting.	(Pages 3 - 8)
4.	PUBLIC AND MEMBER QUESTIONS AND PETITIONS These must be received no later than 12 noon on Tuesday 23 rd November.	
	SECTION 2 : THE COUNCIL <i>There are no matters referred to the Cabinet by the Council on this occasion</i>	
	SECTION 3 : OVERVIEW AND SCRUTINY COMMITTEE <i>There are no matters referred to the Cabinet by the Overview and Scrutiny Committee on this occasion</i>	
	SECTION 4 : OTHER COMMITTEES <i>There are no matters referred to the Cabinet by other Committees on this occasion</i>	
	SECTION 5 : REPORTS FROM CABINET MEMBERS AND/OR OFFICERS	
5.	ALTERNATIVE FUELS TO REDUCE CARBON EMISSIONS ACROSS THE ENVIRONMENTAL SERVICES FLEET	(Pages 9 - 18)

		Report of the Cabinet Member Waste, Recycling and Street Services and the Cabinet Member Climate Emergency	
6.		ST PETERS PLAYING FIELD - GRANT OF NEW LEASE TO CHELTENHAM SARACENS AFC Report of the Cabinet Member Finance and Assets	(Pages 19 - 30)
		SECTION 6 : BRIEFING SESSION	
		<ul style="list-style-type: none"> • Leader and Cabinet Members 	
7.		BRIEFING FROM CABINET MEMBERS	
		SECTION 7 : DECISIONS OF CABINET MEMBERS	
		Member decisions taken since the last Cabinet meeting	
		SECTION 8 : ANY OTHER ITEM(S) THAT THE LEADER DETERMINES TO BE URGENT AND REQUIRES A DECISION	

Contact Officer: Harry Mayo, Democracy Officer, 01242 264211
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Cabinet

Tuesday, 9th November, 2021

6.00 - 6.40 pm

Attendees	
Councillors:	Rowena Hay (Leader of the Council), Peter Jeffries (Deputy Leader and Cabinet Member Finance & Assets), Victoria Atherstone (Cabinet Member Culture, Wellbeing & Business), Flo Clucas (Cabinet Member Safety & Communities), Mike Collins (Cabinet Member Housing), Iain Dobie (Cabinet Member Waste & Recycling & Street Services), Martin Horwood (Cabinet Member Customer & Regulatory Services), Andrew McKinlay (Cabinet Member Cyber & Strategic Transport) and Max Wilkinson (Cabinet Member Climate Emergency)
Also in attendance:	Gareth Edmundson, Gemma Bell, Emma Cathcart, Howard Norris and Steve Slater

Minutes

1. APOLOGIES

There were none.

2. DECLARATIONS OF INTEREST

as the chair of the Big Local, which had a relationship with Cheltenham Borough Homes.

3. MINUTES OF THE LAST MEETING

The public minutes of the 12th October meeting were approved and signed as a correct record.

4. PUBLIC AND MEMBER QUESTIONS AND PETITIONS

There were none.

5. MATTER FROM 18TH OCTOBER COUNCIL - SAFETY OF WOMEN AT NIGHT

The Leader noted that the request from Council on 18th October regarding the ‘Safety of Women at Night’ report depended on the outcome of the bid, which they hoped to find out in mid-November. If unsuccessful, Cabinet was asked to take forward a number of proposals to support the safety of women in the town, including working with colleagues at Gloucestershire County Council and Gloucester City Council, whose applications to previous rounds of the Safer Streets Fund had already been accepted.

The Cabinet Member Safety and Communities clarified that the report was not a decision-making one, but rather a briefing for members in response to concerns

expressed about the safety of women in the town. She praised officers' work on this as being of the highest quality. The report looked at various possible solutions, which included training door staff to spot and respond to signs of drink spiking.

6. USE OF THE INTERNET AND SOCIAL MEDIA FOR INVESTIGATIONS AND ENFORCEMENT POLICY

The Leader presented the report, noting that the policy was a living document and as such needed reviewing from time to time.

The Leader moved to the vote, where it was unanimously:

RESOLVED THAT:

1. The Policy attached to this report be formally adopted;
2. The Chief Executive be authorised to approve future minor amendments to the Policy in consultation with the Counter Fraud Unit Manager, One Legal and the Leader of the Council.

7. CORPORATE HEALTH AND SAFETY POLICY REVIEW

The Leader presented the report, noting that the authority was obligated to review its policy on a regular basis. It was important that the policy be flexible and able to adapt to different circumstances.

The Leader moved to the vote, where it was unanimously:

RESOLVED THAT:

1. The updated Corporate Health and Safety Policy be approved.

8. STRATEGIC HOUSING REVIEW PROGRESS REPORT: STRONGER WORKING PARTNERSHIP PROGRAMME

The Cabinet Member Housing presented the report, which updated members on the Stronger Working Partnership Programme with Cheltenham Borough Homes (CBH). He highlighted a number of key points, in particular the impact of Covid-19 on services and residents. The council had been recognised both locally and nationally for its pandemic response, and now needed to ensure it was in the best possible position to lead the post Covid-19 recovery as set out in the council's Recovery Strategy.

As part of this, the council had commissioned an independent strategic review by Campbell Tickell to assess the value and sustainability of delivering housing services under the Arms Length Management Organisation (ALMO) model. The review recommended that the council retain CBH as its housing delivery provider and review opportunities to further strength this partnership to reduce areas of duplication, enable strategic and operational alignment and ensure value for money.

The council had set out ambitious plans for housing in the borough for the benefit of customers, residents and communities. These were set out in the Corporate Strategy and summarised in the Housing Outcomes Framework, and

would take significant investment, resource and focus to deliver. The key ambitions were to increase the supply of new homes and affordable housing through a £180m housing investment programme in partnership with CBH, making the council and borough carbon neutral by 2030, and providing well-run and efficient services to residents and communities.

He drew particular attention to sections 3 and 7 of the report, which covered the joint outcomes which CBC and CBH were aiming for, and asked members to endorse the recommendations in the report, which included an update on progress by March 2022.

The Cabinet Member Climate Emergency thanked the Cabinet Member Housing and CBH for the report. It was an important step in the partnership between CBC and CBH, and praised the focus on carbon neutrality and affordable housing. He noted that 320 Swindon Road, the council's first carbon neutral council houses, were in motion.

The Cabinet Member Safety and Communities thanked Steve Slater, Chief Executive of CBH, for his organisation's active support of the Big Local.

The Leader thanked the Cabinet Member and officers involved for their work on the topic. She praised the focus on residents' needs and looked forward to the update report in March.

The Leader moved to the vote, where it was unanimously:

RESOLVED THAT:

1. The progress made on the recommendations from the Strategic Housing Review Cabinet Report from January 2021 be noted;
2. A further progress report be received by March 2022.

9. LOCAL COUNCIL TAX SUPPORT SCHEME FOR 2022/23

The Cabinet Member Finance and Assets presented the report, noting that the council had been required to set a scheme for working-age residents every year since 2013. Funding for the scheme had been cut over the years and rolled into Revenue Support Grant, against a general background of local government funding reductions, but the council continued to provide the same level of support to residents despite this.

In 2019/20, a new scheme was approved with the main aim being to ensure that the most vulnerable and lowest income residents continued to receive the same support. The scheme was based on five income bands, outlined in the report. Due to the pandemic, the caseload for working-age people increased significantly, with a 25% rise by April 2021. Until March, there were 3,984 recipients with a sum cost of £3.3m, which rose to 4,988 recipients at a cost of £4.7m. Despite this increase in residents requiring assistance, the council continued to provide 100% support for those in the lowest income brackets.

During 2020/21, the income bands were increased so residents benefitting from the £20 Universal Credit uplift were not penalised. These bands will remain at the higher level in 2022/23. Many people were still recovering financially from the pandemic, and this would help them out over the next few years. He thanked officers in the Revenues & Benefits team and asked that Cabinet endorse the recommendations in the report.

The Cabinet Member Cyber and Strategic Transport added that this was one of the most important reports that Cabinet considered every year, as the council could make a genuine difference to the most vulnerable residents. The key change this year was that minor changes in income would not affect what a low-paid resident would receive, which would prevent entitlements being unnecessarily disrupted. The Leader agreed with this and praised the focus on aiding the most vulnerable residents.

The Leader moved to the vote, where it was unanimously:

RESOLVED THAT:

1. The outcome of the consultation on the Local Council Tax Support scheme in Appendix 4 be noted;
2. The council tax support scheme for working age customers in Appendix 2 and summarised in Appendix 3 be approved as the preferred option for 2022/23;
3. Cabinet recommend that Council approves the proposed Local Council Tax Support Scheme for working age customers for 2022/23;
4. Cabinet recommend that Council gives authority to the Executive Director for Finance and Assets in consultation with the Cabinet Member Finance and Assets to uprate income levels in line with any increase in Welfare Benefits by 21 February 2022, if required.

10. BRIEFING FROM CABINET MEMBERS

The Cabinet Member Climate Emergency reported that he had begun a mini-tour of Cheltenham schools with Planet Cheltenham. He had visited All Saints and would be going to Warden Hill soon. It was good to see Year 10 students engaged in environment work related to COP26 and Cheltenham Zero.

The Cabinet Member Culture, Wellbeing and Business congratulated the Lido Trust on their award of 'Best Sporting Venue' at the SoGlos awards. She added that the ice rink was starting to take shape, and that residents might have noticed different breeds of cattle up Leckhampton Hill and Charlton Kings Common along the Cotswold Way.

11. BUDGET STRATEGY AND PROCESS 2022/23

The Cabinet Member Finance and Assets presented the report, noting that it was an urgent item due to administrative error, having not been on the forward plan for requisite 28 days.

At the last Council meeting, he had presented the budget forecast for the next year, which predicted a significant overspend. Changes in working environments post-pandemic meant that the council needed to rethink how it funded its priorities, and the 2022 budget offered an opportunity to reset and refocus.

He noted that the Chancellor's Autumn Budget had allocated an additional £1.5bn for local government, although there was no indication of a Fair Funding Review for local authorities and no changes to business rates. They could expect specific details of how this would impact the council in December, but in the meantime the budget would be supported by commercial revenue. He noted that the council faced ongoing pressures which were primarily pandemic-related, and thanked the finance team for their hard work behind the scenes.

The Cabinet Member Climate Emergency reflected on the difficulties caused by the late announcement of government funding, which diminished their ability to plan properly for the future. The Cabinet Member Finance and Assets agreed that this had got worse over the years and put significant pressure on officers. The Leader echoed this.

The Cabinet Member Waste, Recycling and Street Services noted a possible error in paragraphs 7.1 and 7.2 relating to the financial years listed. The Head of Finance was happy to correct this and circulate an updated report.

The Cabinet Member Housing noted the importance of the Housing Revenue Account, and emphasised his willingness to do what he could to help with this.

The Leader moved to the vote, where it was unanimously:

RESOLVED THAT:

1. The budget setting timetable at Appendix 2 be approved;
2. The outline budget strategy outlined in section 4 be approved;
3. The pressures in addition to the £1.044m overspend reported in the August 2021 budget monitor and the large amount of work which will be required to close this gap be noted;
4. The intention for this Council to remain in the Gloucestershire Business Rates Pool in 2022/23 as outlined in section 5 be noted;
5. Suggestions from the Budget Scrutiny Working Group be considered by the Section 151 Officer, Deputy Section 151 Officer and the Cabinet Member for Finance and Assets in preparing the interim budget proposals for 2022/23.

12. EXEMPT MINUTES

Members resolved to move into exempt session.

The exempt minutes of the 12th October meeting were approved and signed as a correct record.

Chairman

Cheltenham Borough Council

Cabinet – 30 November 2021

Introduction of alternative fuels in the

Cheltenham Borough Council fleet to support net zero by 2030

Accountable members	<p>Councillor Iain Dobie – Cabinet Member, Waste, Recycling and Street Services</p> <p>Councillor Max Wilkinson – Cabinet Member Climate Emergency</p>
Accountable officer	Karen Watson, Environmental Partnerships Manager
Ward(s) affected	All
Key Decision	Yes
Executive summary	<p>The Council declared a climate emergency in 2019 and is serious about its ambition to reach net zero by 2030. To achieve this tangible action is required as soon as possible by the Council and the recent COP26 climate change summit has reinforced the need for action globally.</p> <p>Cheltenham Borough Council is responsible for the procurement of the fleet of vehicles operated by Ubico in Cheltenham which deliver environmental services across the borough. In 2019/20, these vehicles were responsible for emitting 1,394 tonnes of CO2 even though majority of them use the latest Euro 6 engine technology delivering the most stringent limits on harmful emissions when burning traditional mineral B7 diesel.</p> <p>The Council has already installed electric charging points at the Swindon road depot for 3.5 tonne and under vehicles. Two electric vehicles are on order and due for delivery in December or January which residents will see operating in Cheltenham in the New Year replacing two diesel vehicles.</p> <p>Not all our fleet can move across to electric immediately due to the high cost of installing the electric charging infrastructure and available supply of electricity locally, particularly for the heavy goods vehicles.</p> <p>Moving to certified palm oil free hydro treated vegetable oil however will enable a rapid move away from burning traditional mineral B7 diesel for many of our vehicles delivering up to a nett 91% reduction on well to wheel greenhouse gas emissions and is therefore recommended as an interim solution to help reach net zero by 2030. This will enable the more environmentally friendly technology to be further developed and available on the market hopefully delivering the necessary capability for the fleet and within our available financial resources.</p> <p>The recommendations within this report seek to deliver rapid reductions in CO2 emissions to improve air quality and reach net zero by 2030.</p>

Recommendations

That Cabinet approves:

- 1. The introduction of hydro treated vegetable oil (HVO) fuel, procured from sustainable sources that is certified palm oil free, for use in the Cheltenham Borough Council fleet operated by Ubico, where appropriate to replace diesel as set out in the report, as soon as possible to reduce carbon emissions and improve air quality.**
- 2. The purchase and installation of a new fuel tank installed at the Swindon Road depot to facilitate the change to HVO, at an estimated cost of £55,000, to be funded from the climate change capital budget.**
- 3. The increase in revenue costs associated with the move to HVO from diesel be approved by Council as part of the budget setting process.**
- 4. The continued procurement of internal combustion engine vehicles and plant where no suitable alternative fuel vehicle or plant (electric or otherwise) is available on the market or within available resources with a view to such vehicles operating on HVO fuel where appropriate and as set out in the report (see list of vehicles required within this financial year 2.17).**
- 5. The council's management of the capital replacement plan for both Ubico operated fleet and plant, and the Council's own fleet, should directly support our climate change ambitions of net zero by 2030 by moving to alternative fuels or away from internal combustion engines for all our fleet and plant as quickly as practicable where alternatives are available and within available resources.**

<p>Financial implications</p>	<p>The one off capital expenditure for the additional fuel tank estimated at £55,000 will be funded from the 2021/22 climate change capital budget.</p> <p>The additional revenue costs will be included within the budget setting process. This is estimated at an additional £50,000 per year once all appropriate vehicles are using HVO fuel.</p> <p>Contact officer: <i>Jon Whitlock</i>, jon.whitlock@cheltenham.gov.uk, 01242 26 4354</p>
<p>Legal implications</p>	<p>The Council's Contract Rules will need to be complied with when procuring the goods which are the subject of this report.</p> <p>The Climate Change Act 2008 imposes a target on Central Government to be net zero by 2050. The Council has, along with others, set an earlier target of 2030.</p> <p>Officers will need to ensure that what is proposed complies with the requirements of the recently passed Environment Act 2021.</p> <p>Contact One Legal: legalservices@onelegal.org.uk</p>
<p>HR implications (including learning and organisational development)</p>	<p>There are no HR implications as a result of this report other than staff training for any new systems or technology.</p> <p>Contact officer: Julie McCarthy, julie.mccarthy@publicagroup.uk 01242 264355</p>
<p>Key risks</p>	<p>The key risks are set out in the risk assessment attached to this report.</p>
<p>Corporate and community plan Implications</p>	<p>The recommendations within this report support key priority 3 in the Council's corporate plan – achieving a cleaner and greener sustainable environment for residents, businesses and visitors.</p>
<p>Environmental and climate change implications</p>	<p>In 2019 the Council declared a climate emergency and committed to reducing carbon emissions by 2030 to net zero. This report sets out the significant contribution to this commitment that the recommendations in this report will achieve in both the short and long term. A switch from diesel to HVO can reduce CO2 emissions by up to 91% and particulate matter (PM) by up to 48% per vehicle. A reduction in PM leads to improved air quality.</p> <p>Contact officer: Laura Tapping, laura.tapping@cheltenham.gov.uk, 01242 264263</p>
<p>Property/Asset Implications</p>	<p>Minor works will be required for the installation of the additional fuel tank as set out in the report and funded from the climate change budget.</p> <p>Contact officer: Gemma.Bell@cheltenham.gov.uk</p>

1. Background

- 1.1 The Council's environmental services provider, Ubico, operates a fleet of Council owned vehicles to deliver waste, recycling, street cleansing and grounds maintenance activities across Cheltenham. Each year the Council agrees a fleet replacement plan and the capital budget required is agreed as part of the Council's budget setting process.
- 1.2 In 2019, the Council declared a climate emergency and committed to reducing carbon emissions by 2030 to net zero. There is an opportunity with the Council owned fleet of vehicles operated by Ubico to deliver a rapid reduction in emissions by transitioning away from a greenhouse gas (GHG) emitting fossil fuel such as diesel to a more environmentally friendly fuel such as HVO. The fleet is currently based on internal combustion engine vehicles burning traditional mineral B7 diesel and represents the largest source of carbon emissions for the Council (1,394 tonnes CO₂ in 2019/20). However, the majority of the vehicles in the fleet do use the latest Euro 6 engine technology delivering the most stringent limits on harmful emissions when burning traditional mineral B7 diesel. In a year when national governments met at COP26 to discuss more positive actions that can be achieved globally, the Council does not accept that this goes far enough to meet our ambition to reach net zero by 2030 and a move to HVO will reduce these emissions by up to 91%.
- 1.3 The most recent assessment of our carbon emissions suggests that the fleet of vehicles and plant burning traditional mineral B7 diesel in Cheltenham every day delivering environmental services generates approximately 1,314 tonnes of CO₂ and our ambition is to significantly reduce this in the short and long term. Moving away from diesel to certified palm oil free hydro treated vegetable oil (HVO), a second generation biofuel, would deliver an immediate reduction in carbon emissions and is expected to provide up to a nett 91% saving on well to wheel greenhouse gas emissions.

2. Reasons for recommendations

- 2.1 The Council's environmental services provider, Ubico, operates a fleet of Council owned vehicles to deliver waste, recycling, street cleansing and grounds maintenance activities across Cheltenham. At present nearly 50% of our fleet, 46 out of 101 vehicles, have appropriate approvals from the manufacturers to run on HVO now. The remainder of the fleet will move over to HVO when possible or to other more suitable alternative fuels such as electric for vehicles that are 3.5 tonnes and under.
- 2.2 Our domestic refuse and garden waste is collected by 12 Dennis Eagle RCV's (refuse collection vehicles), our recycling is collected by 13 DAF Romaquip recycling vehicles all of which have the appropriate approvals from the manufacturer to run on HVO EN1590. Our 2 mechanical 15 tonne road sweepers also have the appropriate approvals from the manufacturer to run on HVO.
- 2.3 This year we expect to use 501,600 litres of fuel which would equate to approximately 1,314 tonnes of tail pipe carbon emissions per year. It is widely accepted by experts that vehicle emissions created by petroleum based mineral B7 diesel (traditional diesel) used in all engines have a negative effect on air quality and are harmful to human health and the environment.
- 2.4 Having reviewed with Ubico the alternative options available to us which are set out below in Section 3 of the report, the reduction in harmful emissions is largest when moving from diesel to HVO.
- 2.5 Given the Council's commitment to reach net zero by 2030 it is important that tangible action is taken now to reduce carbon emissions from our own fleet in Cheltenham therefore, where appropriate and where electric vehicle equivalents are unavailable or not feasible, the move from diesel to certified palm oil free HVO is recommended as soon as possible. This will be alongside the introduction of electric vehicles in the 3.5 tonne and below category where available on the market and within available financial resources.

- 2.6** The first generation of biodiesel (also known as fatty acid methyl ester – FAME was relatively unsuccessful in gaining manufacturers approval because of oxidisation and temperature issues associated with FAME. HVO is a second generation biofuel and is a paraffinic bio-based liquid diesel fuel. It is a 'drop in fuel' - a fuel that doesn't require any adaption to the operational fuel infrastructure, the vehicle (where manufacturer use is approved) or the vehicle maintenance regime.
- 2.7** The hydrogen treatment removes all oxygen from the oil; this gives the advantage of avoiding oxidation. The HVO that Ubico would consider using is required to meet specific European and UK fuel specifications (EN1590).
- 2.8** The feedstock can be the same or of a lower quality than FAME biodiesel enhancing sustainability. The temperature level that HVO biodiesel can still operate normally in is less of a consideration than FAME biodiesel. HVO operates at temperatures colder than minus 20°C.
- 2.9** HVO is readily available in formats that have not included palm oil in its manufacture. Manufacturers can identify the origin of the raw material to verify the credentials of the HVO product. Ubico will ensure that all supplies of HVO they purchase will NOT be manufactured using palm oil (certified palm oil free), but will utilise other sustainable products such as rapeseed, sunflower, animal fats, used cooking oil and soybean. Fuel is currently purchased via the Crown Commercial Services National Fuels Framework and Ubico will seek the same route to market in the procurement of HVO.
- 2.10** The UK market for vehicles using HVO is relatively small. However, HVO has been in use regularly over the past five years in Europe and has increased by 50% globally over the past 3 years.
- 2.11** The Governments renewable transport fuel statistics (Renewable Transport Fuel Obligation statistics: Period 10 (2017/2018), report 6 [DfT 2019]) show that the average GHG emission savings using pure HVO biofuel (HVO100) is 91% when compared to petroleum based mineral diesel. 91% is the total 'well to wheel' saving including feedstock, production and tail pipe emissions. Cheltenham Borough Council is confident it will achieve between 80 and 90% less greenhouse gas emissions if using HVO.
- 2.12** Not all manufacturers approve the use of HVO, but a significant number of the manufacturers for our fleet do. The non-approval does not necessarily mean that that HVO has been tested and failed, but more likely that certain manufacturers have not tested the product at all, and this will come in the future. It is important to note that non approval is often because the test procedure for the manufacturers to approve everything is extremely time-consuming and expensive. Mercedes, Volvo, Dennis Eagle, DAF, Ford, Citroen, Peugeot are makes of vehicles that the council operate that have been approved for HVO use as long as it meets EN15940 standards. Isuzu, Fuso and some Renault vehicles have not yet been approved for HVO use and these will continue to operate on traditional diesel.
- 2.13** Given only approximately half of our fleet will operate on HVO, a separate fuel tank and systems will be required for all vehicles that could operate on HVO therefore a new fuel tank will be required to facilitate separating out the two fuel types. HVO fuel, which is freely available in Gloucestershire, will be held in one tank and traditional mineral B7 diesel in the other. The new fuel tank will be installed at Swindon Road depot for a cost of approximately £55,000 including fuel pumps, telemetry points, dispensing ID and integration with the existing fuel management software system (Triscan). The governance of the fuel transaction and the dispensing of the correct fuel will be controlled by the fuel management system and to further improve the fuel monitoring data an 'ad blue' pump system will also be installed.
- 2.14** Whilst the cost of HVO is currently 15-20% higher than diesel, it is considered that the environmental benefits outweigh this small additional cost which will be considered by Council as part of the budget setting process. Some of this additional revenue cost may be offset by the

continued roll out of telematics and driver performance analysis going forward.

- 2.15** It should be noted that biofuels can be manufactured from palm oil but they don't have to be and there are manufacturers that do not use palm oil in the manufacture of biodiesel. The use of palm oil in biofuels is believed to have been a driver for deforestation of tropical rain forests. Deforestation is understood to have a significant negative impact on greenhouse gasses as well as depleting natural habitats for wildlife. Ubico will not source HVO manufactured from palm oil.
- 2.16** The production of renewable fuels is highly complex and environmental performance varies significantly with feedstock. Cheltenham Borough Council and Ubico would only source biofuels produced from sustainable feedstock and would seek procurement routes where hydrogen had been manufactured from sustainable off-shore wind or similar future sustainable technologies (green hydrogen).
- 2.17** Officers are currently working with Ubico on longer term solutions for heavy goods vehicles as part of our annual capital replacement plan for fleet, taking into account changes which will be required in response to the Environment Bill in the coming years.

The following list of vehicles/plant urgently require replacement this financial year and following approval of this report they will be ordered. These are all internal combustion engine vehicles or plant which will burn traditional mineral B7 diesel fuel because there are either no electric vehicle alternatives available on the market or they can't initially be fuelled by HVO: Waste materials handler; 2 x Chassis cab vehicles with plant and go body conversion; panel van (specific payload); 2 x 4WD pick-ups.

3. Alternative options considered

- 3.1** The council has considered the infrastructure requirements and costs for electric vehicles with a view to swapping out all vehicles when due for replacement to electric where appropriate however the Swindon Road depot does not have adequate infrastructure to enable this to happen. Additionally the cost of electric vehicles is at least double that of like for like internal combustion engine vehicles. This option, however desirable, is unaffordable at this time as well as not being possible due to the lack of appropriate infrastructure. Our preferred option, moving to HVO where possible, is expected to deliver up to a nett 91% reduction in well to wheel greenhouse gas emissions immediately.
- 3.2** The Council could choose to remain operating diesel internal combustion engines until such times as both infrastructure for appropriate electric supply and electric vehicles themselves are affordable. It is uncertain how long it will take for the market to produce sufficient electric vehicles at an affordable cost or how local authorities will be able to afford the significant costs of electric charging infrastructure for heavy goods vehicles. Due to this uncertainty, and the carbon reduction imperative, action is needed now consequently this option has been discounted.
- 3.3** Biomethane is a renewable equivalent biofuel for vehicles that run on natural gas. None of our vehicles currently run on natural gas therefore, Bio-methane is not considered a suitable alternative at this time.
- 3.4** The two biofuels potentially available to us to operate the diesel vehicle fleet are Traditional FAME biodiesel (Fatty Acid Methyl Ester) – a first generation biodiesel; and HVO biodiesel (Hydro treated Vegetable Oil) – a second generation bio diesel. Biodiesel fuels are a replacement for traditional mineral B7 diesel fuels. Biodiesels are produced from any carbon source that is easy to replace. Natural vegetable oils and fats are probably the most well-known example or renewable organic materials used to create biodiesels. Biodiesel is a liquid fuel produced from these renewable organic materials.
- 3.5** Biodiesels used in vehicles burn much cleaner than petroleum based diesel fuel and produce lower harmful emissions. FAME biodiesel and HVO biodiesel are different products even though

they can both be produced from renewable organic materials. FAME is a first generation biodiesel and can retain moisture in its production process that when used in higher blended percentages may not be ideal for modern engines. HVO is a second generation biodiesel where contaminants are removed during the production process creating the same chemical composition as traditional mineral diesel.

- 3.6 UK legal requirements for current traditional mineral B7 diesel is a 7% FAME blend (known as B7, which means the fuel is made up of a maximum 7% FAME and 93% mineral diesel)
- 3.7 The potential problems associated with FAME Biodiesel and the lack of vehicle manufacturer support of the existing Council owned vehicle fleet make up effectively meaning that FAME biodiesel in any high blend above 7% should not be considered by Ubico as a replacement for traditional mineral B7 diesel and HVO is a suitable alternative and is therefore recommended in this report.

4. How this initiative contributes to the corporate plan

- 4.1 Whilst the council’s recycling rate continues to increase year on year and work is being done to maximise efficiencies in waste collection generally to support key priority 3 of the corporate plan - achieving a cleaner and greener sustainable environment for residents, businesses and visitors, the Council has also declared a climate emergency and reducing carbon emissions on the path to net zero is a significant part of its future ambitions which is woven into all of its key priorities currently.

5. Consultation and feedback

- 5.1 The Council has reviewed case studies and taken advice from Ubico and other industry experts as well as other local authorities who have already implemented trials or a complete move to HVO fuel instead of diesel.
- 5.2 Councils which have already recently moved to, or are trialling HVO, include Hounslow, Bournemouth, Christchurch and Poole, Mid Suffolk, East Suffolk, Hackney and Portsmouth.

6. Performance management –monitoring and review

- 6.1 The Council’s client function, managed by the environmental partnerships manager, oversees the fleet replacement plan and procurement of any vehicles, plant or equipment in line with the constitution and contract rules. As part of this function, any procurement is challenged to ensure it is delivering the most sustainable outcomes possible within available financial resources. This is monitored regularly by finance and delivered in conjunction with Ubico, benefiting from their industry expertise. In addition, the Council’s climate change team regularly report on emissions using data provided by Ubico. This data, will in future be part of the quarterly review meetings with Ubico.

Report author	Contact officer: Karen Watson, Environmental Partnerships Manager, karen.watson@cheltenham.gov.uk , 01242 264397
Appendices	1. Risk Assessment
Background information	1. https://www.sciencedirect.com/science/article/pii/S0016236117314151

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If action is not taken rapidly to reduce CO2 emissions from the Council owned fleet operated by Ubico, the Council will be less able to reach net zero by 2030 and air quality improvements will not be realised.	Tim Atkins	10/11/2021	4	4	16	Reduce	Cabinet approves the move to certified palm oil free HVO and electric vehicles where possible and within available financial resources	2030	Karen Watson	
	If HVO is unavailable locally, diesel will continue to be used.	Tim Atkins	10/11/2021	4	1	4	Reduce	Ubico has established that supplies are readily available in Gloucestershire and the procurement framework facilitates more secure procurement.	April 2022	Karen Watson	
	If, during the transition to HVO, vehicles are damaged, the financial costs will have to be funded by the Council.	Tim Atkins	10/11/2021	4	1	4	Reduce	Ubico has established that other authorities operating with the same vehicles have already transitioned to HVO successfully without issues. Vehicles will only be transitioned to HVO where there is minimal risk of any issues in line with the experiences of others or the advice of manufacturers.	April 2022	Karen Watson	
	If the price of HVO increases there will be a	Tim Atkins	10/11/2021	2	2	4	Accept	Procurement frameworks will seek to	April 2022	Karen Watson	

	greater negative impact on revenue costs							safe guard pricing however, as with diesel which is increasing in price currently, we are exposed to market conditions and have little influence but Ubico believe the price of HVO to be stable.			

Explanatory notes

Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)

Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)

Control - Either: Reduce / Accept / Transfer to 3rd party / Close

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Cheltenham Borough Council

Cabinet – 30th November 2021

St Peter’s Playing Field – Grant of New Lease to Cheltenham Saracens Association Football Club (AFC)

Accountable member	Cabinet Member for Finance & Assets – Councillor Peter Jeffries
Accountable officer	Gemma Bell, Head of Property, Finance & Assets
Ward(s) affected	St Peters
Key/Significant Decision	No
Executive summary	<p>The Council is being asked to consider disposal of the land known as St Peter’s Playing Field, St Peter’s Close, Cheltenham by way of a simultaneous surrender and re-grant of a new lease to Cheltenham Saracens AFC (current tenant) in order to provide eligibility for future funding applications and club-led regeneration of the property.</p> <p>This report updates members of the intentions of Cheltenham Saracens AFC to make improvements to the property, developing the current offering of sports and neighbourhood facilities at the property. The report seeks approval from members to continue working with CSAFC to help secure their future at the ground and enhance outdoor recreational provisions for the local community.</p>
Recommendations	<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none"> 1. Approvals the Saracens’ proposals for the improvement of the sports and community facilities at St Peters Recreation Ground; 2. Authorises officers to advertise the proposed disposal of public open space at St Peters Recreation Ground and instructs the officers to report back to the Cabinet with any objections that may be received; 3. Approves the surrender and grant of a new lease to the Saracens for 25 years at £4,000 per annum as set out in Appendix 2, provided that no objections are received to the proposal to dispose of public open space.

Financial implications	Should the tenant fail to secure a new lease, their access to funding for improvements to the asset will be severely limited. Consequently, the condition of the asset may deteriorate which will have a detrimental impact on value. Financial interventions may be required either for management or repair by the Council. This would have capital and revenue implications for the Council.
Legal implications	<p>Under Section 123 of the Local Government Act 1972, the Authority has an obligation to secure best consideration reasonably obtainable when disposing of a property by way of a lease for more than 7 years. This obligation can be waived with the consent of the Secretary of State, who has given a General Consent to such disposals where, in the reasonable opinion of the Local Authority, the disposal is for social, economic or environmental benefit of the inhabitants of the Authority's area or any of them.</p> <p>Section 123 (2A) also provides that before disposal of public open space by way of lease, the Authority must first advertise such proposed disposal in a local newspaper for 2 consecutive weeks, and consider any objections.</p> <p>Under Section 123, leases granted for more than seven years must also be for 'best consideration'. In March 2016, the Council's updated Policy for Property Lettings and disposals to the third sector adopted the principle that all lettings by the Council will start from the basis of a commercial or market rent in order to have full regard to its general fiduciary duty. A grant may subsequently be provided against the rent where appropriate, through a defined process. This makes any subsidy overt and the support the Council gives to charitable users around the town in more obvious.</p> <p>Contact officer: Andrew Perry, Senior Lawyer Andrew.perry@tewkesbury.gov.uk, 01242 272 698</p>
HR implications (including learning and organisational development)	None.
Key risks	<p>There is a risk that following grant of a new lease, the Club may subsequently fail to secure sufficient funding.</p> <p>There is a risk that the club may fail to complete any works, or that works undertaken are not completed satisfactorily</p> <p>At the end of the lease, the property may not be returned to the Council in an appropriate condition</p>
Corporate and community plan Implications	As set out in the report.
Environmental and climate change implications	Improvement works to the facilities, where applied for, should take into consideration any environmental impact and sufficiently address issues of sustainability and climate change.

Property/Asset Implications	Contact officer: Gemma.Bell@cheltenham.gov.uk
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1. Background

- 1.1 Cheltenham Saracens AFC, under a lease granted in 2003 for a term of 20 years from the Borough, has had beneficial occupation of land and premises at St Peter's Playing Field.
- 1.2 During occupation, the club has undertaken some improvement works to provide a better environment for its membership but there are further works to be carried out which would require substantial funding (from sources other than the Council).
- 1.3 To be eligible to receive this funding, and subsequently be in a financial position secure enough to regenerate and improve the facilities, the Club need to be able to demonstrate the longevity of their proposals and occupation.
- 1.4 An accepted demonstration would be to hold a long leasehold in the Club's name.
- 1.5 The Club's membership and profile has increased significantly since the 2003 lease was granted which has in turn increased the usage of the facilities and placed an even greater emphasis on the need for further improvement works.
- 1.6 The pavilion and playing surface form part of the Council's Open Space, and any decision to grant a lease of that Open Space must first be advertised for 2 consecutive weeks pursuant to Section 123 (2A) of the Local Government Act 1972 in the Public Notice Section of a local newspaper.
- 1.7 Any comments or representations received in response to the Notice are to be considered and addressed before the Lease is granted.
- 1.8 There is always a perceived concern over the potential loss of public open space and it is therefore important that proposal to grant a new lease is recognised as being demonstrative of the Council's commitment to working with the Club who themselves are of great benefit and importance to the wider community through their provision of outdoor recreational facilities and community offerings.
- 1.9 There are wider plans currently being considered for development of the area through a collaborative project with Big Local and St Peters & the Moors. Cheltenham Saracens AFC are integral to those plans and therefore securing their future at the site has greater emphasis.

2. Reasons for recommendations

- 2.1 For a number of years, the Saracens have been attempting to improve the quality of facilities at St Peter's Recreation Ground. In doing so, they have demonstrated a commitment to both the asset and the community.

- 2.2 The Saracens have security of tenure under the Landlord and Tenant Act 1954. The Council would be lawfully bound to offer them a new lease on determination of their current term.
- 2.3 Applications for external funding are conditional upon the Saracens securing a longer term lease.
- 2.4 Without funding, the club will not be in a financial position to undertake any improvements to the asset.
- 2.5 Granting a lease on full repairing terms reduces the amount of officer time spent managing the asset.
- 2.6 The area is prone to petty crime, anti-social behaviour and vandalism. By granting a lease, the Council is reducing their exposure to the risks posed while the building remains vacant.
- 2.7 The Club are well known and well established within the community. They offer sports and community facilities that potentially could otherwise not be provided.
- 2.8 The Covid-19 pandemic has led to an increase in value (social) for amenity space. Regeneration, refurbishment and improvements of these facilities, led by a key figure within the community will afford some protection to that amenity value and give the club certainty about its future.
- 2.9 The Saracens have outlined that in addition to the main sporting use, the property will be used for wider neighbourhood events, strengthening the assets' relationship with the community it serves.

3. Alternative options considered

- 3.1 The Council could decline the request for the surrender and re-grant of a new lease but this would lead to further delays in the Saracens securing the funds needed to regenerate and improve the asset and would not be in line with the Council's corporate vision or community aims.

4. How this initiative contributes to the corporate plan

- 4.1 Enhancing and Protecting Our Environment – using a Council asset effectively for the benefit of the community;
- 4.2 Strengthening Our Economy – the Council would be contributing to the work of regional and local partnerships;
- 4.3 Strengthening our Communities – the Council would be working in consultation with the community, neighbourhood groups and the voluntary sector.
- 4.4 In granting the lease, the Council would be recognising, promoting and assisting an established community group.

4.5 By granting a lease, the Council demonstrates recognition that sport makes a major contribution in society in policy areas such as health, education, quality of life, tackling crime and addressing social inclusion.

5. Consultation and feedback

5.1 A number of departments and parties have been consulted for their input in respect of the proposal:

Graham Roberts – Cheltenham Saracens AFC

Adam Reynolds – Green Space Manager

Simon Hodges – Principle Surveyor

Malcolm Walls – Green Space and Development Officer

Darren Knight – Executive Director of People & Change

Richard Gibson – Strategy & Engagement Manager

Emma Morgan – Project Manager / Business Analyst

Kelly Patterson – Big Local Project Co-ordinator

Ward Councillors: David Willingham & Victoria Atherstone

Asset Management Working Group met 25th October 2021 and were supportive of the proposal to grant early surrender and new lease.

6. Performance management –monitoring and review

6.1 To ensure the process for publication of the Section 123 Notice is followed correctly and to address any representations accordingly prior to grant of lease.

Report author	Contact officer: Claire Pockett claire.pockett@cheltenham.gov.uk 01242 264380
Appendices	1. Risk Assessment 2. Heads of Terms and supplied plan
Background information	1. Asset Management Working Group, 25 th October 2021 – Briefing Note (available on request)

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	The Club may be unable to secure appropriate levels of funding to undertake improvement works.	GB		5	1	6	Reduce	To work with the Club to identify avenues of funding and provide appropriate support for applications where necessary.		CP	
	The Club may undertake improvements but be unable to complete the works, leaving the Council with a part-finished project	GB		5	1	6	Accept & monitor	Appropriate warranties to be put in place to ensure the Council are not exposed to Cost-Risk		CP	
	At the determination of the lease, the premises may not be returned to the Council in an appropriate condition	GB		2	2	4	Accept & monitor	Appropriate warranties to be put in place to ensure the Council are not exposed to Cost-Risk		CP	
<p>Explanatory notes</p> <p>Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p>Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p>Control - Either: Reduce / Accept / Transfer to 3rd party / Close</p>											

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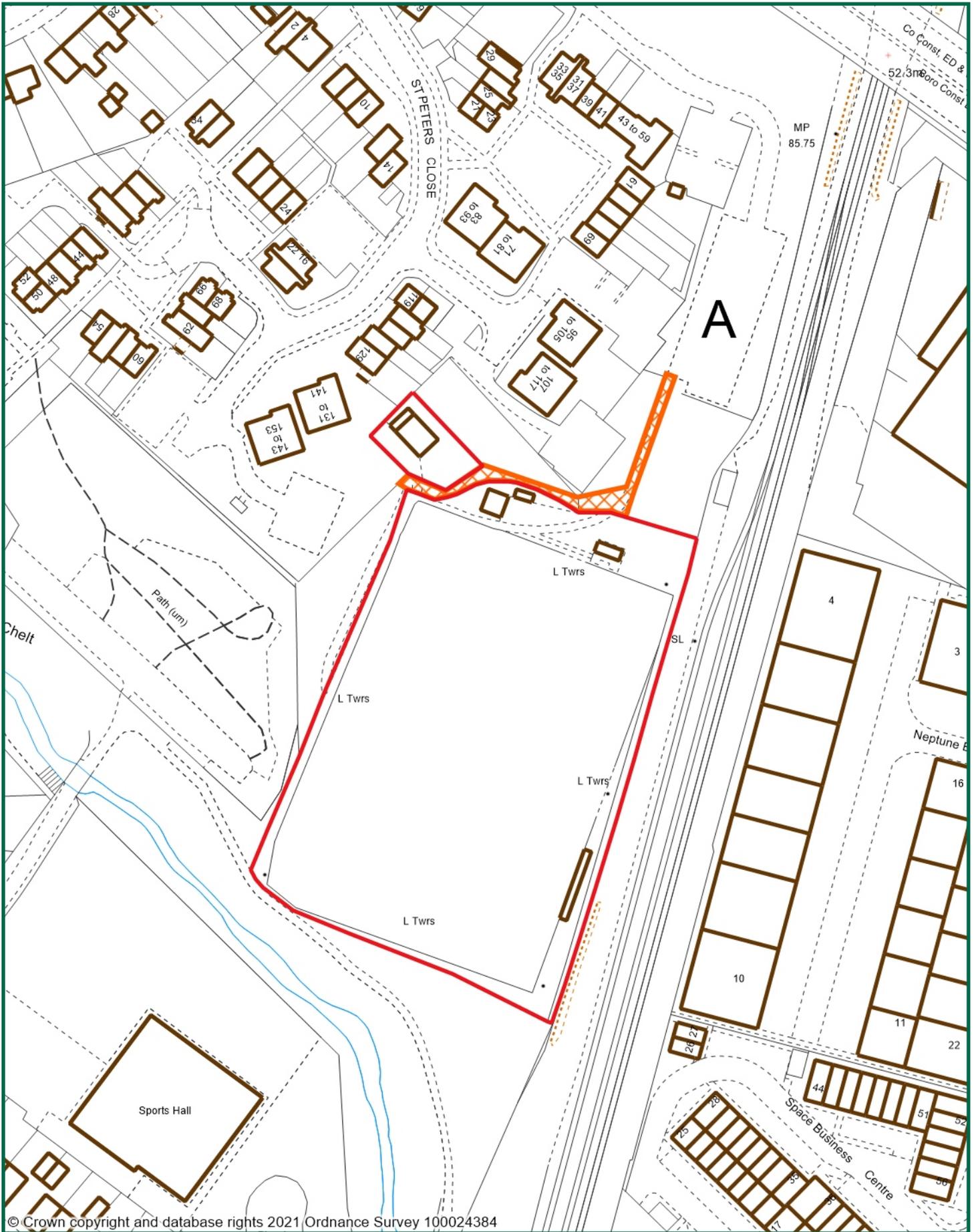
Appendix 2: Heads of Terms

If no objections are received to the disposal of public open space, it is proposed to grant the Saracens a lease on the following main terms:

Term:	25 years
Demise:	All that premises known as St Peter's Playing Field shown on the supplied plan
Rent:	£4,000 per annum subject to upward only review to market value at five yearly intervals
Break:	Break option at Y10 in Landlord and Tenant's favour
Conditions:	Fully repairing and insuring
Use:	Use of the property for the normal ancillary activities of a football clubs together with normal ancillary purposes

These terms have been provisionally agreed with the Saracens, subject to contract.

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Lease Plan



1:1250

05 August 2021



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