

Cabinet

**Tuesday, 10th February, 2015
6.00 - 6.45 pm**

Attendees	
Councillors:	Steve Jordan (Leader of the Council), Rowena Hay (Cabinet Member Healthy Lifestyles), Peter Jeffries (Cabinet Member Housing), Andrew McKinlay (Cabinet Member Development and Safety), Jon Walklett (Cabinet Member Corporate Services) and Chris Coleman (Cabinet Member Clean and Green Environment)
Also in attendance:	Councillor Matt Babbage, Councillor Tim Harman, Councillor John Payne and Councillor Diggory Seacome

Minutes

- 1. APOLOGIES**
Councillor John Rawson
- 2. DECLARATIONS OF INTEREST**
There were no declarations of interest.
- 3. MINUTES OF THE LAST MEETING**
The minutes of the meeting held on 13 January were approved and signed as a correct record.
- 4. PUBLIC AND MEMBER QUESTIONS AND PETITIONS**
None
- 5. SCRUTINY TASK GROUP PUBLIC ART PANEL**
The Chair of Overview and Scrutiny introduced the report which set out the findings and recommendations of the scrutiny members which had reviewed the governance of the Public Art Panel (PAP). This report had been discussed at the Overview and Scrutiny Committee on 12 January and was positively received. Councillor Payne added that he and Councillor Ryder had attended a meeting of the PAP and were given the opportunity to ask questions with regard to the process of commissioning public art. He explained that the PAP comprised only 2 elected members with the rest of the group representing a range of organisations. He explained that the recommendations focussed on a framework for understanding the decision making process which was key to comprehending the details of project management and he hoped the details would evolve over the next 12-18 months.

In response the Cabinet Member Healthy Lifestyles thanked the members for their input and believed the revised terms of reference for the Public Art Panel gave clarity and transparency. She now wished to give Cabinet the opportunity to discuss the recommendations in more detail and in particular recommendations 5 and 8. She reported that changes had already been made

with regard to making the decision making process more transparent. The Cabinet Member also wished to thank the Public Art Panel for meeting with members of scrutiny.

The Leader thanked scrutiny for its report and awaited a more formal report in due course.

RESOLVED THAT

The recommendations of the Scrutiny Task Group be noted and a report outlining Cabinet's detailed response be brought to a future meeting of Cabinet.

6. SCRUTINY TASK GROUP MEMBERS ICT

The Chair of Scrutiny, Councillor Tim Harman, introduced the report which had been considered by Overview and Scrutiny at its meeting on 12 January 2015. He explained that whilst there remained some training issues for some Members the move to I pads had been a success and was saving money. Cllr Babbage added that a commitment to the draft policy was now being sought by Cabinet.

In response the Cabinet Member Corporate Services thanked the ICT scrutiny task group for its report. He commented that the Ipad pilot had been introduced following problems members were experiencing with Citrix and it was rolled out to new members following the elections in May 2014. He reported that the pilot had been a resounding success and personally supported the draft policy which he felt helped members to understand what was being provided and their personal commitments. He highlighted that the cost of printing committee papers was about £100 per member per annum and highlighted the importance of generating savings to fund the future purchase and replacement of iPads.

Cabinet felt there were some issues to follow up in relation to training and equality so noted the scrutiny report at this stage and undertook to bring back a Cabinet response to the recommendations in the form of a Cabinet report as soon as practicable.

The Leader thanked the STG for its useful contribution. He highlighted the balance that needed to be struck between all Councillors being able to perform their role and being effective and efficient at the same time.

RESOLVED THAT

The recommendations of the Scrutiny Task Group be noted and that a report outlining Cabinet's detailed response be brought back to a future meeting of Cabinet.

7. FINAL GENERAL FUND BUDGET PROPOSALS 2015/16 (INCLUDING SECTION 25 REPORT)

In the absence of the Cabinet Member Finance the Leader introduced the report which summarised the revised budget for 2014/15 and the Cabinet's final budget proposals and pay policy statement for 2015/16.

The Leader added that further changes had been made since the draft proposals were agreed in December. These included :

- £50 000 allocation for the purposes of demolishing the existing concrete bus shelter and waiting room and provision of services to supply new café facility
- Additional budget to improve the control of urban gulls
- £100 k allocation to the Local Plan which would be brought alongside the JCS
- £50 000 allocation to the Community Pride Fund
- 3 year contract with Cheltenham Housing Aid Centre
- Freeze Lifeline charges for 2015/16

The Leader highlighted that the buoyant local economy had resulted in increased revenue of £340k over and above the anticipated level from the devolved business rates pooling scheme.

In terms of the general position, he reiterated that a Council tax freeze was proposed for the 5th consecutive year, as were parking charges and front line services would be protected. He paid tribute to the huge amount of work officers across the Council had undertaken to achieve this.

In summing up the Leader believed this was a very positive package, enhanced by the consultation. Responses to the consultation on the capital programme had been high and feedback had been welcomed. A report on this would come forward for consideration in due course.

RESOLVED THAT it be recommended to Council that :

- 1. The revised budget for 2014/15 be noted and the one-off contribution from general balances of £178,250 as detailed in Section 3.2 be approved.**

Having considered the budget assessment by the Section 151 Officer at Appendix 2 the following recommendations be agreed :

- 1. the final budget proposals including a proposed council tax for the services provided by Cheltenham Borough Council of £187.12 for the year 2015/16 (a 0% increase based on a Band D property) be approved.**
- 2. the growth proposals, including one off initiatives at Appendix 4 be approved.**
- 3. the savings / additional income and the budget strategy at Appendix 5 be approved.**
- 4. the use of reserves and general balances be approved and the projected level of reserves, as detailed at Appendix 6 be noted.**
- 5. the proposed capital programme at Appendix 7, as outlined in Section 10 be approved, including the additional underwriting of £90,000 to support the Art Gallery and Museum redevelopment**

scheme.

6. **the Pay Policy Statement for 2015/16, including the continued payment of a living wage supplement at Appendix 8 be approved.**
7. **a level of supplementary estimate of £100,000 for 2015/16 as outlined in Section 15 be approved.**
8. **there be no change to the Local Council Tax support scheme in 2015/16 (para 4.19).**
9. **it be noted that the Council will remain in the Gloucestershire business rates pool for 2015/16 (para 4.9).**

8. FINAL HOUSING REVENUE ACCOUNT REVENUE BUDGET 2015/16

In the absence of the Cabinet Member Finance the Leader introduced the report which summarised the Housing Revenue Account (HRA) revised forecast for 2014/15 and the Cabinet's interim budget proposals for 2015/16 for consultation. He said that this was a positive story and thanked CBH for its work. He was pleased to report that a surplus for the current year of £58,000 compared to the original estimate was predicted despite an increase in repair and maintenance costs caused by storm damage earlier this year.

The Leader reported that the budget for the coming year provided expenditure on repairs and maintenance of over £4m. It provided for investment of £6.7m in property improvements and major repairs. In addition over £400,000 was proposed to be invested in services for tenants, especially vulnerable people and those who were in difficulty because of the Government's welfare reform.

He also stated that the reserves were sufficient enough to allocate £2 million transfer to an earmarked revenue reserve to finance future new build in the HRA.

The Leader then reported that there was an expected £188k of income generated from the feed-in tariff which was the result of the investment into solar panels in the past year.

The Leader informed that the proposed rent increase continued to follow Government guidelines, which made it 2.2%. He also said that it was proposed that rents would align with the Government's formula rent when tenancies changed hands.

The Cabinet Member Housing added that the advice services provided by CBH were key to tenants. The continued new build programme and investment in stock was very much welcomed in the town and CBH should be congratulated for its valued work.

RESOLVED THAT

1. the rent for all properties be converted to formula rent on re-letting.

it be recommended to Council that :

- 1) the revised HRA forecasts for 2014/15 be noted.
- 2) the HRA budget proposals for 2015/16 including a proposed rent increase of 2.2% and increases in other rents and charges as detailed at Appendix 5 be approved.
- 3) It be noted that the rent for all properties be converted to formula rent on re-letting.
- 4) the proposed HRA capital programme for 2015/16 as shown at Appendix 3 be approved.
- 5) Approve the transfer of £2m to an earmarked revenue reserve to finance future new build in the HRA.

9. TREASURY MANAGEMENT AND ANNUAL INVESTMENT STRATEGY 2015/16

The Leader introduced the report which set out its Treasury Management Strategy Statement for borrowing and to prepare an Annual Investment Strategy for Council approval prior to the start of a new financial year. He stated that the priority remained security and liquidity of Council investments and highlighted that the Council was well within its Prudential Indicators. He paid tribute to the sound financial management by officers and stated that at this stage any variance in interest rates was not assumed.

RESOLVED THAT it be recommended to Council that the Treasury Management Strategy Statement and Annual Investment Strategy for 2015/16 at Appendix 2 be approved including:

1. The general policy objective 'that Council should invest prudently the surplus funds held on behalf of the community giving priority to security and liquidity'.
2. That the Prudential Indicators for 2015/16 including the authorised limit as the statutory affordable borrowing limit determined under Section 3 (1) Local Government Act 2003 be approved.
3. Revisions to the Council's lending list and parameters as shown in Appendix 3 are proposed in order to provide some further capacity. These proposals have been put forward after taking advice from the Council's treasury management advisers Capita Asset Services and are prudent enough to ensure the credit quality of the Council's investment portfolio remains high.

4. For 2015/16 in calculating the Minimum Revenue Provision (MRP), the Council will apply Option 1 in respect of supported capital expenditure and Option 3 in respect of unsupported capital expenditure as per section 21 in Appendix 3.

10. CORPORATE ADVERTISING AND SPONSORSHIP

The Cabinet Member Development and Safety introduced the report which recommended an amendment to the Corporate Advertising and Sponsorship policy and the engagement of an advertising agency to develop and manage advertising opportunities for council assets. He explained that further to the consultation it was felt that more explanation was required in the policy as follows :

Additional paragraph at the beginning of the background section, by way of explanation:

Officers have been working on increasing corporate sponsorship and advertising revenue following establishing the policy in 2012. In the process, members were concerned that, in opening it up to potentially a wider range of advertisers, the current policy did not prevent advertisement of sexual establishments as defined by the Local Government (miscellaneous Provisions) Act 1982 or any other events of an overtly sexual nature. As such, a revision to the policy is proposed to make this clear.

A footnote would be added to the policy which says :

No advertising of any sexual establishments as defined by the Local Government (miscellaneous Provisions) Act 1982 or any other events of an overtly sexual nature, in accordance with the Council's Sexual Entertainment Venues Policy and the Advertising Agency standards.

The Cabinet Member explained that when the policy was adopted in 2012 four Corporate Advertising and Sponsorship recommendations were approved that covered :

- The approval of the introduction of the Advertising and Sponsorship policy and procedures:
- Management of revenue from advertising and sponsorship
- The Cabinet Member Development and Safety approval of the list of council assets appropriate for advertising and sponsorship opportunities, developed by the Advertising and Sponsorship Task Group
- Delegated authority to the Director of Resources to tender for and select a specialist marketing agency to source and generate opportunities for the council.

The Cabinet Member reported that since then much progress had been made and outlined the information laid down in the appendices- market testing

(Appendix A), Key Performance Indicators (Appendix B), List of Assets (Appendix C) and detailed policy in Appendix E.

Members were now asked to approve the amended policy. The Cabinet Member said that when the Council adopted the policy it was ground breaking for the Council to use its assets to maximise income and had generated significant interest. He hoped that there would be no false starts and that the policy would be successful and contribute to CBC finances without overly affecting the Council assets being used.

RESOLVED THAT

- 1. an amendment to the Advertising & Sponsorship policy be approved to include a clause to explicitly prohibit agreements with organisations involved in business of a sexual nature.**
- 2. an amendment to the Advertising & Sponsorship policy be approved to include a clause to explicitly prohibit agreements with organisations whose advertising content is of a sexual nature.**
- 3. authority be delegated to the Director of Resources to tender for and select a specialist marketing agency to source and generate advertising and sponsorship opportunities for the council, in line with the terms set out in the amended Advertising & Sponsorship policy.**
- 4. the comments on the corporate and community plan implications and environmental implications be noted and that it be requested that they be taken into account and addressed, as far as possible, within the procurement process.**

11. COUNTER FRAUD UNIT-AN EVOLUTIONARY APPROACH

The Cabinet Member Corporate Services introduced the report and informed the meeting that in 2012 the Government outlined the Fighting Fraud Locally Strategy and with it came the Local Government Fraud Strategy which recognised that fraud cost the UK in the region of £73 billion per year.

The Cabinet Member explained that the report looked at the impact of the Single Fraud Investigation Service (SFIS) which would take on the benefit fraud investigation work that was originally done by local government. The SFIS would result in removing all revenue funding for CBC's existing benefit fraud staff who were due to TUPE across to DWP ON 1st April. He said however that there remained an expectation that local authorities would provide information to DWP to aid their investigations. He added that there was the ongoing requirement for CBC to continue investigating Corporate Fraud which covered Procurement, Payroll and Single Persons council tax discounts.

The Cabinet Member then informed that Audit Cotswold had developed an evolutionary approach to establish a Counter Fraud Unit that would serve local districts and county. He explained that funding for this approach would by 2015/16 come from a variety of sources - including 1 FTE effectively funded

from the HRA revenue account via Cheltenham Borough Homes plus support in areas of operation where greater benefit was received by County compared to Districts. He also informed that Audit Cotswold had been successful in being awarded £403 000 of funding from DCLG via a collective bid. This funding would provide support to the wider Gloucestershire Hub vision as set out in the report. He explained that the key use of the fund would be to accelerate the evolutionary approach as outlined in this report.

The Cabinet Member Housing added that CBH and CBC worked tirelessly in this area and informed the meeting that there had been successful prosecutions the previous week in the area of tenancy fraud. He welcomed the continuation of joint working in this area.

RESOLVED THAT

- 1. an evolutionary approach for the establishment of a Counter Fraud Unit to be managed by the internal audit provider Audit Cotswolds, as outlined in this report, be approved, which includes the creation of the new Counter Fraud Officer post as part of Phase 1**
- 2. the Director of Resources be authorised to enter into such documentation as is necessary (including an agreement with Cotswold District Council as host authority for Audit Cotswolds) to enable the establishment of the Counter Fraud Unit**

12. BRIEFING FROM CABINET MEMBERS

The Cabinet Member Clean and Green Environment updated Members on the "Thanks a million" recycling campaign. It comprised three strands-to inform the public what recycling services were available, what happens to waste and recycling and thanking the public for dividing their waste. He informed that there had been changes to bin collections across Cheltenham at the start of the month, the details of which had been widely publicised in the Echo, on the council's website and on social media. He reported that the bag splitting initiative by Ubico was going well, the aim of which was to breakdown the amount of waste which was destined for landfill by means of looking in the bin bags of the public presented at the Depot. The Cabinet Member explained that this was an entirely voluntary scheme but take up had been high and a significant percentage of recycling had been retrieved. He reported that between Monday and Thursday of the previous week 300kg of paper, 500 kg of material, 220 kg plastic, 15kg of batteries and 10kg of light bulbs had been retrieved which meant that this could be sold and landfill costs could be saved. He thanked those members who had been involved in the initiative, particularly Cllrs Payne, Seacome, Williams, Nelson and Reid.

The Cabinet Member informed the meeting that Ubico would shortly be taking on the delivery of new recycling vehicles which would save £1 million in landfill costs. A case study would also be undertaken following the waste collection crews which was being supported by the Echo. A draft leaflet would be delivered to every house in the town for free thanks to the help of both Members and members of the community who had offered to assist with delivery. Finally

he wished to put on record his thanks to Members, officers from Ubico including the waste crews, the Echo and the Joint Waste Team.

The Cabinet Member Housing reported that in terms of St Paul's Phase 2 new build programme the first properties would be available for tenants to move into at the end of February. A member seminar and walk around was also being organised for the St Pauls Phase 2 transformation improvement works.

13. DECISIONS OF CABINET MEMBERS

The Leader informed that he had taken the following three decisions since the last meeting of Cabinet :

- Authorise the Chief Executive to confirm decision of Full Council to GCC
- Ordinary Resolution in respect of Ubico Limited- Extension of Partnership further to Cabinet's decision in January 2015
- Ordinary Resolution in respect of Ubico Limited-Executive Director's Terms of Employment

The Cabinet Member Healthy Lifestyles reported that she had taken a decision to grant St Pauls's Residents Association £7 000 for public art following a decision by the Public Art Panel.

Chairman