

## Council

**Monday, 19th February, 2018**  
**2.30 - 6.50 pm**

Attendees	
<b>Councillors:</b>	Klara Sudbury (Chairman), Bernard Fisher (Vice-Chair), Matt Babbage, Paul Baker, Garth Barnes, Nigel Britter, Flo Clucas, Chris Coleman, Mike Collins, Wendy Flynn, Steve Harvey, Colin Hay, Rowena Hay, Alex Hegenbarth, Karl Hobley, Sandra Holliday, Peter Jeffries, Steve Jordan, Adam Lillywhite, Chris Mason, Helena McCloskey, Paul McCloskey, Andrew McKinlay, Chris Nelson, Dennis Parsons, John Payne, Diggory Seacome, Malcolm Stennett, Pat Thornton, Jon Walklett, Simon Wheeler, Roger Whyborn, Max Wilkinson, Suzanne Williams and David Willingham

## Minutes

### 1. APOLOGIES

Apologies were received from Councillors Harman, Nelson, Oliver, Ryder and Savage

### 2. DECLARATIONS OF INTEREST

Councillor Barnes declared an interest in agenda item 10 as Chair of the Cheltenham Festival of Performing Arts which was being allocated £20k in the annual budget.

Councillor Hobley declared an interest in agenda item 10 as a Council nominated Trustee to the Cheltenham Trust.

Councillor Babbage declared an interest in agenda item 10 as he owned a property in the vicinity of the High Street. He would withdraw from the chamber during the debate of an amendment.

### 3. MINUTES OF THE LAST MEETING

The minutes of the meeting held on 23 January 2018 were approved and signed as a correct record.

### 4. COMMUNICATIONS BY THE MAYOR

The Mayor updated Council on her recent engagements.

### 5. COMMUNICATIONS BY THE LEADER OF THE COUNCIL

The Leader wished to pay tribute to Cliff Ride, a former Director of Environment at the council, who recently passed away.

The Leader informed Members that Ian Bickerton had resigned as a councillor. He wished to put on record his thanks to his contributions to the Council whilst he was a Member.

The Leader reminded Members that Highways England had launched its consultation on the options for the A417 until 29 March. A consultation event was taking place at St Andrews Church on 24 February between 11am and 6pm.

The Cabinet Member Clean and Green Environment was then invited to make a statement on the crematorium. He explained that on 9 February a Health and Safety review was undertaken at the crematorium and due to the cremators operating under positive pressure at times and subsequently emitting smoke into the crematory area the decision was taken to stop cremating from Monday 12 February. The welfare of staff was paramount in taking this last resort decision. Emergency meetings would be held with service engineers and inspections done as a matter of urgency to determine the way forward in order to become fully operational as quickly as possible. Until then all future bookings had been cancelled and with the funeral directors help all currently booked cremations would be moved to alternate crematoriums. He was aware the distress this would cause to families involved and stressed that if he had any other option he would be taking it.

The Cabinet Member Clean and Green Environment went on to say that the service continuity plan was put into operation straight away and last Tuesday morning, all of the five coffins from Monday's services were transported to Newport, where they were cremated at Westerleigh's new crematorium. He wished to reassure everyone that the process would be as dignified as to be expected. The coffin would leave Cheltenham Crematorium via the catafalque, through the chapel, and out of the main doors, where it would be placed into private ambulance ready for transportation. Upon arrival at Newport, the coffins would be carried into the chapel, placed on the catafalque where the curtains would be closed and the coffin taken into the crematory or storage area waiting for cremation. The ashes from the previous day's cremations would be ready to collect and return to Cheltenham. He advised of a maximum time frame of 72 hours. Cremated remains would be available for collection from Cheltenham Crematorium in the usual manner once ready.

Inspection works and repairs had taken place on both cremators and contractors were on site. A part was awaited from abroad so it was likely that the service would be non operational for next week.

He wished to put on record his thanks to staff who had taken the decision hard. He was confident however that it was the right decision. All Members had received updates via press releases at the same time as those affected i.e. members of the public and funeral directors. He confirmed that the events had not affected the crematorium project which remained on track.

Finally, he said that on a personal level he was acutely aware of the impact on families and wished to apologise to them. He assured them that the council was working as hard as it could to offer the full cremation service again from the week commencing 5 March.

**6. TO RECEIVE PETITIONS**

None received.

**7. PUBLIC QUESTIONS**

<b>1.</b>	<b>Question from Ben Stone to Cabinet Member Clean and Green Environment, Councillor Chris Coleman</b>
	<p>Residents in All Saints Villas Road have recently been experiencing problems with the Council's Garden Waste collection service and have reported a number of missed collections. Residents have been told that this is due to issues with getting the collection vehicle down their narrow street. Given residents have to pay for this scheme, this is clearly very poor service.</p> <p>How will the Council address the specific problems on All Saints Villas Road and numerous other town centre streets which are notoriously narrow?</p>
	<b>Response from Cabinet Member</b>
	<p>There have always been access issues in All Saints Villas Road due the narrowness of the road and parking on the corners and bend. A smaller vehicle is now being used to make garden waste collections in this road and other narrow roads in the town.</p>
<b>2.</b>	<b>Question from Tess Beck to Cabinet Member Development and Safety, Councillor Andrew McKinlay (present)</b>
	<p>Can it be inferred from the decision taken by the Licensing Committee on 2/10/2018 that they agreed with the statement made on behalf of the Two Pigs Management that any unaccompanied women are likely to be prostitutes, and should therefore be refused entry to a pub?</p> <p>Does the council agree with this and if so how is this compatible with the council's public sector equality duty?</p>
	<b>Response from Cabinet Member</b>
	<p>The Council recognises that Parliament has made it lawful to operate a sex establishment and that such businesses are a legitimate part of the retail and leisure industries. It is this council's role as the Licensing Authority to administer the licensing regime in accordance with the law.</p> <p>To this end, the council is under a duty to determine applications for sex establishment licences. Each application is determined on its individual merits taking into account a wide range of factors such as; its adopted policy, local comments and objections, primary legislation and submissions by the applicant before the relevant Licensing Committee.</p> <p>The Licensing Committee did not concur with the supposition that unaccompanied women were likely to be prostitutes when entering the establishing of Two Pigs. The Licensing Committee were keen to relay to the representatives of the establishment that an inference should not be drawn by lone women entering the establishment that they were prostitutes. The Committee reminded the representatives of the Equality</p>

	<p>Duty and not displaying any discriminatory practices or treatment towards women.</p> <p>The council is fully aware and follows its Public Sector Equality Duty and its obligations under it which is relevant when determining any licensing application.</p> <p>In a supplementary question Tess Beck asked the Cabinet Member whether he agreed with the representative of the Two Pigs management that lap-dancing increases the risk of prostitution on their premises.</p> <p>The Cabinet Member responded that it was entirely up to the Two Pigs management to ensure their premises are licensed in accordance with the regulations and he did not agree with the statement made by the questioner.</p>
<b>3.</b>	<b>Question from Lisa Belshaw to Cabinet Member Development and Safety, Councillor Andrew McKinlay on behalf of the Cheltenham Labour Party Women's Group</b>
	What are the economic and social benefits for Cheltenham of sexual entertainment clubs during race week? Given previous objections to the licenses what would result in them being refused?
	<b>Response from Cabinet Member</b>
	<p>The council's role is to license and regulate the operation of sexual entertainment venues locally recognising that Parliament has made it lawful to operate such venues and that such businesses are a legitimate part of the retail and leisure industries.</p> <p>The council is bound by strict statutory rules with regards to what it is allowed to consider relevant when determining licence applications of this type. The economic and social benefits of sexual entertainment venues are not a relevant consideration in law and as such are not considered by the council when determining applications.</p> <p>The council is bound to consider and have due regard to, among other things, objections raised by residents and other local people when determining licence applications. Each application is determined on its individual merits including reasons for refusal.</p>
<b>4.</b>	<b>Question from Laura Kennedy to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	Are there going to be adequately resourced gull prevention measures and treatments in key areas of Cheltenham, including in the Tivoli area?
	<b>Response from Cabinet Member</b>
	<p>I met with the 'Gulls Working Group' on the 22nd November, 2017, to discuss the issue of gulls in Tivoli. I suggested that the Working Group put a bid into the budget process to fund the remedial works being advocated, but I am not aware of any such bid for funding being submitted.</p> <p>Historically, during the egg replacement programme carried out annually by the Council, the vast majority of eggs have been replaced on</p>

	<p>commercial buildings within certain areas of town. This is a discretionary service with a limited budget and to achieve maximum benefit within the resources available, we propose to target those buildings where we know most nests will be found. This does not include properties in the Tivoli area.</p> <p>For all other property owners who wish to install bird proofing measures or replace eggs in nests, the services of private pest control contractors are available. Officers will continue to give advice in this respect where we receive enquiries from members of the public.</p>
<b>5.</b>	<p><b>Question from Mary Nelson to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b></p> <p>In CBC's 2017 Air Quality Annual Status Report dated <u>June 2017</u>, it states the following:</p> <p><b><i>"the Council is now considering revoking the current borough-wide AQMA in favour of a much smaller linear route across the north of the town centre, which has consistently given poor air quality results."</i></b></p> <p><b><i>The new AQMA would:</i></b></p> <ul style="list-style-type: none"> <li>• <b><i>Illustrate to visitors, residents, and prospective purchasers of properties within Cheltenham that the whole of the Borough is NOT an area of poor air quality</i></b></li> <li>• <b><i>Allow more concerted and targeted action, by the District and County Councils and their partners, to address the known areas of poor air quality.</i></b></li> </ul> <p><b><i>The proposed new AQMA is under consideration and will be subject to the necessary procedures before it can go to Council for approval.</i></b></p> <p><b>Question:</b></p> <p>Given:</p> <ol style="list-style-type: none"> <li>1. CBC's published intentions to make the above <b>major</b> changes to its Air Quality Plan in Cheltenham <u>and</u></li> <li>2. the long expressed concerns by many of Cheltenham's residents of the likely increase in air pollution in residential areas from the closure of the inner ring road through Boots Corner <u>and</u></li> <li>3. the impact that JCS housing development will have on Cheltenham's <b>radial</b> road network, with no new ring road infrastructure being provided</li> </ol> <p>Why is there no Air Quality Policy in the Local Plan (just released for public consultation), and not even a single mention of the word 'Air Quality' anywhere in the text of the Plan?</p>

	<b>Response from Cabinet Member</b>
	<p>The Cheltenham Plan does not contain any specific policies on air quality because the Gloucester, Cheltenham and Tewkesbury Joint Core Strategy (JCS) already covers this in policies SD3 and INF1. These policies require applicants to assess any potential impacts on air quality. Several other policies in the JCS and Cheltenham Plan focus development into the most accessible areas and require proposals to increase the use of sustainable modes of transport. The development plan for Cheltenham consists of both the JCS and the Cheltenham Plan and as such the Cheltenham Plan, now being consulted upon does not duplicate either the JCS or planning policy set out via the National Planning Policy Framework.</p> <p>Cheltenham Plan is currently available for public comment until 9th April, comments are welcomed.</p>
<b>6.</b>	<b>Question from Mary Nelson to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	<p>In <b>July 2017</b> the government produced a report entitled “<b>UK plan for tackling roadside Nitrogen dioxide concentrations</b>”, as vehicles contribute 80% of NO2 pollution at the roadside, exacerbated by the huge growth in the number of diesel vehicles over the last 10 years.</p> <p>This report stated that the government requires local authorities who have areas or hot spots where air pollution has exceeded acceptable limits, to set out a draft air quality plan by the end of March 2018, with a final plan in place by the end of December 2018. To assist local authorities in meeting these timescales the government made an Implementation Fund of £255 million available, with £40 million available immediately, in addition to central government expertise.</p> <p><b>Question:</b></p> <p>Can you please say whether CBC has benefitted from this government Implementation Fund (and if so by how much), and whether it could have used these funds to increase the number of air pollution monitoring sites within the town to provide sufficient evidence to justify removal of the whole town AQMA, or whether CBC has utilized any of this funding to make changes to their existing Air Quality plan from a whole town AQMA to only a narrow <u>linear route</u> across <u>one area</u> of the town?</p>
	<b>Response from Cabinet Member</b>
	<p>No money has been received from this source. The Government directive of July 2017 was issued in response to the 2nd Client Earth court case challenging the Government's policies on air quality. This directive was itself then challenged by Client Earth. The directive announced funding, but no indication of how to apply or what projects would be eligible. The DEFRA LAQM funding page has not been updated since October 2016. Funding was confirmed in November 2017 budget, with consultation running until January 2018, however the results</p>

	of this have not been published and guidance still not issued, so we are unable to say what the fund could be used for. We intend consulting on updating our Air Quality Action Plan this coming financial year notwithstanding the outcome of the funding.
<b>7.</b>	<b>Question from Ken Pollock to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	<p>Sarah Clark, CBC 'team leader for environmental health', states in reply to an AQMA query that:</p> <p>"Our intention is to <u>revoke the town wide AQMA</u> subject to consultation and replace it with a smaller AQMA based on the area with the poorest air quality as evidenced by ongoing monitoring trends." [my underlining].</p> <p><b>Why has this long-established "intention" by CBC been kept <u>out</u> of the "final version" of the Cheltenham Local Plan, published yesterday, thereby evading public consultation before the scheme is <i>de facto</i> implemented (with consequent reduction of monitoring areas) ?</b></p>
	<b>Response from Cabinet Member</b>
	The potential changes to the Air Quality Management Area are not included in the Cheltenham Plan consultation document. Although these changes were mentioned in the 2017 Air Quality Annual Status Report no formal proposal has been put forward or been consulted on as of yet. The legislation which governs AQMAs is separate from that which the Cheltenham Plan sits under so the plan cannot make changes to the AQMA.
<b>8.</b>	<b>Question from Ken Pollock to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	<p>The <b>A46 (Bath to Cheltenham section)</b> terminates in the Cheltenham 'Inner Ring Road' loop, which thereby <u>connects</u> to the onward routes of <b>A435</b> (to Bishops Cleeve &amp; Evesham), then to <b>B4079</b> (to expanding Ashchurch), to <b>B4632</b> (Winchcombe) and to the <b>A4019</b> (east-west Northern Relief Road).</p> <p><b>How can this hub of Cheltenham's extraordinarily deficient road network be <u>cut</u> for general traffic, when no viable alternative corridors exist, and Cheltenham has no middle or outer 'ring roads' ?</b></p> <p>The main alternatives, College Road and Gloucester Road, are no longer viable (nor widenable) for vital <b>south-north traffic</b> flows.</p> <p>The hub of a transport <u>network</u> cannot be glibly "dispersed" (as CTP has claimed).</p>
	<b>Response from Cabinet Member</b>
	<p>To date the phased implementation of the Cheltenham Transport Plan has had no impact upon traffic flows around the town, as measured by the highways authority 26 data collection points.</p> <p>Monitoring will continue during the trial closure of Boots Corner. This approach allows changes to be made if adverse effects occur.</p>

## 8. MEMBER QUESTIONS

<b>1.</b>	<b>Question from Councillor Wilkinson to the Cabinet Member</b>
-----------	---

	<b>Development and Safety, Councillor Andrew McKinlay</b>
	What assessment is being made of the impact on the housing market and on communities due to the increase in Airbnb rentals?
	<b>Response from Cabinet Member</b>
	<p>It is unclear at present what impact, if any, Airbnb rentals are having specifically on the local housing market and on our communities.</p> <p>Airbnb is in effect a lodgings agency that specialises in facilitating access to short term B and B accommodation. As such it is likely to have more impact on the Hospitality sector than the Housing sector. As a result the activities of Airbnb fall outside of the Housing Licensing regime.</p> <p>What is clear is that private rents have increased significantly in Cheltenham in recent years, with the result that many low income households are being priced out of the private rented market.</p> <p>The upward pressure on private rents suggests that demand for private rented accommodation is exceeding supply. This is likely to be attributable to a number of factors, such as high house prices, which is resulting in many more households remaining within the private rented sector for longer.</p> <p>The council will be looking to jointly commission with other districts across the county a new Strategic Housing Market Assessment (SHMA), once the government have provided further clarity about the methodology that needs to be followed by local authorities when commissioning this type of work. Included within the SHMA will be an assessment of the need for private rented accommodation.</p> <p>It is envisaged that specific issues and pressure points, such as any potential impact Airbnb rentals are having on the local housing market, could well be identified then.</p>
<b>2.</b>	<b>Question from Councillor Mason to the Cabinet Member Finance, Councillor Rowena Hay</b>
	When is the Borough Council scheduled to move into Delta House?
	<b>Response from Cabinet Member</b>
	<p>Work is ongoing to develop the relocation strategy which is responding to a changing landscape.</p> <p>The council is undergoing significant transformation in the way in which staff work and has created agile workspace and promoting flexible working which is reducing the space needs and is informing the strategy for the relocation from the Municipal Offices.</p> <p>The council has been actively working with other public sector agencies on the potential of a public sector hub to serve residents.</p> <p>Options for relocation into alternative accommodation either temporarily or permanently are kept under continuous. As yet, due to the shortage of suitable offices, no viable option has been identified. As such, should this</p>



	position not change, the council will relocate to Delta Place in 2024.
<b>3.</b>	<b>Question from Councillor Harman to the Cabinet Member Housing, Councillor Peter Jeffries</b>
	Gloucester City Council has recently announced a 35 per cent reduction in the number of rough sleepers. Understanding fully that this is only one part of a complex and very human issue, can the Cabinet Member confirm what progress is being made in Cheltenham on this issue
	<b>Response from Cabinet Member</b>
	<p>Nationally rough sleeping has increased by 15%, figures for the South West show an overall increase of 8%, For Gloucestershire numbers in the Forest of Dean and Stroud areas stayed the same, Tewkesbury figures increased, and Cotswold, Gloucester and Cheltenham areas went down.</p> <p>There has been a 28.5% reduction in rough sleeping across the county (the numbers across the county were 42 in 2016 and 30 in 2017). This is based on the rough sleeper count undertaken on 1st Nov last year, which noted a reduction in those people existing on our streets by 12 over a 12-month period.</p> <p>Cheltenham also noted a reduction, from 11 to 9 – 19% over the same period. These estimates were based on a street count by P3 of known hotspots for rough sleepers and were combined with other rough sleepers known or believed by agencies to be sleeping rough on that night.</p> <p>These local outcomes suggest that the county-wide commissioning of assertive outreach services to reduce rough sleeping is beginning to have positive effects. It should be noted however that these rough sleeper counts are based on a snapshot in time, so the actual number of rough sleepers will vary throughout the year. It should also be noted that rough sleepers can move from one local authority area to another, so a better understanding of the overall picture would be provided by looking at the combined outcomes of local authorities, rather than looking at the outcomes of each local authority in isolation.</p> <p>This year I volunteered and accompanied the P3 outreach team when they undertook the count in Cheltenham, it was enlightening to witness first-hand the process by which these estimates are produced and interaction with rough sleepers. Meeting people who were existing on our streets was extremely humbling, especially given the range and complexities of some of the individual needs and circumstances. Our continued commitment to help and support rough sleepers in Cheltenham with our partners is paramount, as you rightly point out this is a “very human issue”.</p>
<b>4.</b>	<b>Question from Councillor Walklett to the Chair of the Licensing Committee, Councillor David Willingham</b>
	Woody's Henrietta St car park
	On 12th January 2017 Licensing Committee members agreed the

	<p>following:</p> <p><b>RESOLVED THAT, no further action be taken in relation to Mr Adrian Wood t/a Woody's Fruit &amp; Veg street trading consent and that he continue to work with officers to reduce risk.</b></p> <p>However one of the outstanding issues (or risks) was the sighting of bicycle racks which restricted access and caused difficulty in erecting stalls. Unfortunately the bicycle racks are still in place and apart from a visit by Licensing Dept during Summer 2017 little appears to have been done to either remove or re-site them. I would ask that Licensing confirm their commitment to fulfilling the Committee members' resolution with a published timeline for necessary action.</p>
	<p><b>Response from Cabinet Member</b></p>
	<p>I would like to thank Cllr Walklett for raising this matter. Having a vibrant economy in the Lower High Street area and promoting independent retailers are aspirations that I am sure both he and I share. The Licensing Committee of 12th January 2017 was also of that opinion when it decided not to follow the officer recommendation, which was to revoke the licence, but agreed to continue the licence while requiring the applicant worked with the council to reduce the risk.</p> <p>There are clearly a number of complex competing issues, including the provision of a safe, long-term street trading location for Woody's, the provision of adequate cycle parking in that part of town, as well as the safety of pedestrians accessing the car park and those shopping at Woody's.</p> <p>Whilst there may be some risk, the primary entrance to the car park should be from the A4019 Swindon Road, and if someone is not able to drive slowly across a pavement and past a very visible fruit and veg stall without hitting a pedestrian, people might question whether they ought to be driving at all.</p> <p>The primary role of the Licensing Committee in this matter was to determine whether they felt this was an acceptable location for street trading, which it was deemed to be. The prioritisation and delivery of the requested changes is not within the direct remit of either licensing officers or the Licensing Committee. I understand that within the Borough Council, the responsibility for delivering the changes requested by the Licensing Committee falls between Townscape, Property Services, Car Parks and Legal Services, and that the changes may require planning permission as well as some level of approval from Gloucestershire County Council in its role as Highways Authority.</p> <p>Although, this matter is now not primarily one for the Licensing Committee, I am more than happy to work with the St Paul's councillors, the applicant and the council to try to find a safe, mutually agreeable and long-term solution.</p> <p>In a supplementary question Councillor Walklett stated that after a straightforward licensing decision 13 months ago, clearly very little action had taken place on this matter and he asked the Chair of Licensing</p>

	<p>Committee whether he considered that a senior leadership role in the Council should now be taking ownership of the problem.</p> <p>The Chair advised that this was not primarily a licensing matter however he was more than happy to champion the action required. He confirmed that he had raised it at a senior level of management in the council in the interests of seeking a low-cost and expedient solution. There were some issues which officers needed to investigate and he had suggested an on-site meeting with Ward councillors and relevant councillors to find a solution that is acceptable to them all and also works for Woody's.</p>
<b>5.</b>	<b>Question from Councillor Lillywhite to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	<p>Please share what was learnt from the traffic experienced through the CTP works in Cheltenham over the Xmas period and outline how this information was captured and informed the decision to implement further phases?</p>
	<b>Response from Cabinet Member</b>
	<p>My understanding is that traffic is monitored by Gloucestershire County Council as the Highways Authority over 26 monitoring points across the town not simply through areas that have been subject to change through the phased implementation of the Cheltenham Transport Plan.</p> <p>Modifications were made to the signal crossing at the Rodney Road / Oriel Road / Imperial Square junction in November 2017, following reports and an investigation into intermittent queueing. No further issues or concerns have been raised to the Highway Authority since the introduction of the modifications.</p> <p>In a supplementary question Councillor Lillywhite asked why phase 3 of the CTP had been performed when clearly the issues of phase 2 into the Regent Arcade had not been resolved, over Xmas frequently queueing back up Bath Road and into the High street, there appears to be a refusal even to acknowledge that they still exist, you are the person that claimed "my fingerprints are all over this scheme" who is responsible for allowing the progression to phase 3 and why are these problems not being addressed first, as specified to the TRO committee?</p> <p>The Cabinet Member acknowledged that Councillor Lillywhite could blame him if he needed someone to blame but he did not agree with the assertion made. He acknowledged there had been problems in Oriel Road in November and there had been traffic issues in the lead up to Christmas however these were not unique at this time of year and he did not accept this was an ongoing problem.</p>
<b>6.</b>	<b>Question from Councillor Lillywhite to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	<p>The fundamentals principle of the CTP is that visitors and residents travelling by car have such a poor experience that the next time they visit, they will opt for a different mode of transport. How is data being collected</p>

	to determine the ones that would rather stay in their car and visit somewhere else?
	<b>Response from Cabinet Member</b>
	<p>I don't agree with the premise so it is difficult to respond.</p> <p>Census data shows that around 50% of trips to work are less than 3 miles. This category represents around 30% of trips undertaken on the network, showing there are huge opportunities for modal shift.</p> <p>The Cheltenham Transport Plan is simply encouraging alternatives other than car into the very heart of the town (for those who have a choice), given that more people travel by bus than private vehicle for this journey and that the changes to date have also encouraged cycling.</p> <p>If a car borne visitor arrives and can access a car park without entering the previous labyrinthine one way system and can then leave I am perplexed as to why they would drive to a different destination, unless of course they were looking for a very different offer to that available in Cheltenham.</p> <p>In a supplementary question Councillor Lillywhite said that he was particularly concerned with the ongoing viability of Cavendish House, a regional store, and the ability of out of town shoppers to access it via the Regent Arcade car park. He believed it would disastrous to lose this key store from the town centre and he asked how would the access impacts on this store, recently seen before Xmas, after Xmas and into the New Year, be monitored through the trial?</p> <p>The Cabinet Member advised that the traffic monitoring put in place monitored the movement of traffic and not footfall into shops. Cavendish House may be struggling in the current retail climate but he did not believe that the ongoing viability of Cavendish House would be affected by the implementation of the Cheltenham Transport Plan as this had not been replicated by other businesses in the town centre.</p>
<b>7.</b>	<b>Question from Councillor Lillywhite to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	Please explain why the contraflow on Clarence Street and Parade has been dropped from phase 3 of the CTP and will it be attempted (on a reversible "trial" basis) in Phase 4?
	<b>Response from Cabinet Member</b>
	<p>Given the commitment to phase the introduction of the Cheltenham Transport Plan I believe that the highways authority has taken every opportunity to review each stage and have adjusted their delivery accordingly.</p> <p>The initial extent / concept for Phase 3 included returning two-way traffic to Clarence Street and Clarence Parade. Detailed consideration and analysis of the extent of the changes for Phase 3 was undertaken during the second half of 2017. However, further investigation of various infrastructure configurations demonstrated that changes on Clarence Street and Clarence Parade were unlikely to be successful without the closure of Boots Corner.</p>

	<p>Subsequently, phase 3 of the Cheltenham Transport Plan was revised to pause the changes to Clarence Street and Clarence Parade. Clarence Street and Clarence Parade will remain one-way during the trial, as they would require significant construction works which may need to be reversed if the trial is not successful.</p> <p>Clarence Street and Clarence Parade are planned to be returned to two-way operation if the Boots Corner closure is made permanent following the experimental traffic regulation order.</p> <p>In a supplementary question Councillor Lillywhite stated that many of the elements of the CTP were not in place, such as the bus lane directly across the front of Boots into the Lower High Street, the banning of private vehicles on Pittville Street or the mandatory pedestrian crossing that they cannot determine where to put, even recent media releases state, "Council bosses stressed that any work carried out might be different to that suggested in those illustrations." Can you please confirm that these changes will be implemented prior to any trial of Phase 4 to ensure the public are fully aware of what is being considered? Or are these elements that are now excluded from the scheme?</p> <p>The Cabinet Member advised that to the best of his knowledge nothing had been excluded from the scheme and the order of work was determined by the county council as it implemented Phase 4. Clearly there were certain aspects which were dependent on the closure of Boots Corner, for example they could not implement a bus lane in the lower High Street before Boots Corner was closed.</p>
<b>8.</b>	<b>Question from Councillor Lillywhite to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	<p>It is now being claimed by a number of studies that the 'stop/start' nature of congested and queuing traffic emits up to four times more pollutants than when passing through at a steady speed. Can you please explain why traffic is intentionally being 'dispersed' into residential areas on longer, more congested stop/start journeys, increasing pollution where the residents are captive, as opposed to allowing it to flow more cleanly and freely past a transient, visiting, voluntary population on the present, far shorter journey through the town centre.</p>
	<b>Response from Cabinet Member</b>
	<p>Again I am not sure to which studies, or the funding / bias of their authors, the question refers to. My understanding is that car manufacturers have introduced stop-start technology as an aid to reducing pollution not increasing it. Councillor Lillywhite should stop trying to scare residents with predictions of congestion and air quality issues in residential streets.</p> <p>The principles of the CTP were agreed by the GCC Traffic Regulation Order committee in 2015 and endorsed by GCC cabinet and this council.</p> <p>The modelling work undertaken for the scheme shows traffic dispersing across the whole network with no significant increases in congestion on</p>

	<p>residential streets or increased air pollution issues. Removing the traffic from the town centre also removes air pollution issues on the High Street.</p> <p>My understanding is that the results of the modelling have been borne out by the GCC traffic monitoring, which to date has identified no dispersal of traffic from the phased implementation of the Cheltenham Transport Plan. Equally that is why phase 4 is an experimental order, to allow monitoring across the town to understand if any impacts occur.</p> <p>In a supplementary question Councillor Lillywhite commented that, given the initial consultation on Boots Corner, it is astounding that you mention a funding bias! It is questionable if the wealth of the developers who are supposedly insisting on the closure of Boots corner will be increased, yet the health of the residents and school children is already being impaired, please justify this trade off in the light of an estimated 40,000 premature deaths last year in the UK due to pollution, primarily from traffic. Please do not try and claim, yet again, that the increased traffic does not exist given the recent letter from a resident objecting to the increased traffic and pollution, particularly on Pittville Circus.</p> <p>The Cabinet Member advised that the evidence to date suggested a significant reduction in pollution as a result of the implementation of phases 1 and 2, mainly as cars no longer have to drive round the inner ring road and clearly there would be a further reduction in the town centre once Phase 4 was completed as there will no longer be traffic flowing through the centre of town. The traffic modelling already carried out did not predict an increased impact of pollution in outlying areas of the town and if any was detected there was a fund which could finance any mitigating actions required.</p>
<b>9.</b>	<b>Question from Councillor Lillywhite to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	<p>In the CBC Air Quality Annual Status Report dated June 2017, it states the following: "the Council is now considering revoking the current borough-wide AQMA in favour of a much smaller linear route across the north of the town centre, which has consistently given poor air quality results". There must be no doubt over the impact of the conscious decision made by the Liberal Democrat majority on this Council to increase the pollution from each vehicle and move it into more vulnerable residential areas on longer journeys. What is the status of this consideration and why are we decreasing instead of increasing the area of our monitoring to understand this fundamental change?</p>
	<b>Response from Cabinet Member</b>
	<p>Please identify in the minutes of Council where a conscious decision to increase the pollution from each vehicle was passed.</p> <p>I do not believe that the proposal to change the AQMA area has any impact upon the extent of air quality monitoring, simply that the challenges remain in a focussed area and thereby it is disingenuous to suggest that it is a borough wide problem as it is clearly not the case.</p>



	<p>The County Council and the Borough Council are working together throughout the trial period and will be monitoring air quality and traffic flows on both town centre and residential streets to be able access the impact of the scheme. Assessment with real data is key and not un-evidenced guess work.</p> <p>In a supplementary question Councillor Lillywhite said that, the TRO committee had been assured that the impacts of the changes of each phase would be monitored, yet now it seems there is an intention to reduce the environmental monitoring, excluding three of the five areas of NO2 exceedance in the town, one of which is predicted to see over a 100% increase in traffic, why does there appear to be an intention to fail to undertake this necessary evaluation of the scheme? Particularly why other areas of the town are likely to receive considerably more traffic?</p> <p>The Cabinet Member advised that the overall monitoring areas had been reduced but not in the sense that any key areas had been cut out but only to exclude areas of the town where there was not likely to be a problem. If Councillor Lillywhite could supply him with the details of the areas which were not included which may have a potential problem with air quality he would provide him a written response within two weeks as requested.</p>
<b>10.</b>	<b>Question from Councillor Lillywhite to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	<p>What steps are being taken to ensure up to date accident statistics are available without a six month delay in registering them so that decisions made on the CTP are better informed?</p>
	<b>Response from Cabinet Member</b>
	<p>Recording and reporting data from personal injury collisions on the highway network is undertaken by the police. The County Council, Police and Borough Council will monitor the accident statistics during the trial.</p> <p>Each phase of the CTP has undergone independent road safety audits during design and after construction, to review the scheme and identify any opportunities for improvement.</p> <p>In a supplementary question Councillor Lillywhite referred to Appendix A of the TRO Committee recommendation which specifies that junctions works to the Royal Well Road and Crescent Terrace are dependent on restrictions at Boots corner. Yet without these necessary works for this consent, these changes have taken place, Taxi drivers have complained in the press of the danger of this change and there has been at least one accident involving a stagecoach bus. What action is to be taken in the light of this?</p> <p>The Cabinet Member advised that the impact of Phase 3 was currently being evaluated by Gloucestershire County Council and the results will be reported in due course. He clarified that the works performed by the county traffic team had in fact been run in front of and agreed by the TRO committee to ensure that they would be effective and appropriate, and if</p>

	Councillor Lillywhite had any concerns with this he should raise them with the relevant county council officers.
<b>11.</b>	<b>Question from Councillor Lillywhite to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	Why is it now necessary to signpost Evesham and Winchcombe from the town centre along a route that you are determined to close, yet when an explanation of signposting was previously requested it was claimed that traffic will 'disperse' or 'find its own way'?
	<b>Response from Cabinet Member</b>
	<p>Simply because on a phased implementation plan, that currently is the route; Boots Corner remains open to through traffic. When the phase 4 experimental traffic order is implemented I believe that there will be a parallel exercise to amend signing as required</p> <p>In a supplementary question Councillor Lillywhite rephrased his original question. When putting this scheme to the public there was a refusal to identify alternate routes, yet now it is considered necessary to signpost the route even though it has not changed! Where in Cheltenham could you conceivably signpost and route the traffic to "Evesham and Winchcombe", Surely not through the overloaded College Road into High Street bottleneck, nor through the Gloucester Road into Tewkesbury Road jam-up. As the person whose fingerprints are all over this scheme, why do you refuse to acknowledge these implications?</p> <p>The Cabinet Member was happy to acknowledge the implication that once Boots Corner was closed you could not put traffic through it. At the moment there was a route through so it was signposted and when the route ceases to be there it will not be signposted and alternative routes will then be signposted from further out of town. That was in the hands of the County Council at this stage but he would certainly expect that signposting to be in place prior to the closure of Boots corner.</p>
<b>12.</b>	<b>Question from Councillor Ryder to the Cabinet Member Clean and Green Environment, Councillor Chris Coleman</b>
	Given the sensitive matter of the cremators being down at this present time (13/2/18) at the Crematorium, do you envisage that the two cremators will be repairable to a sufficient standard that will support our clients, the Funeral Homes over the next 15 month or so, until the New Crematorium is in use?
	<b>Response from Cabinet Member</b>
	<p>Cllr Ryder will be aware of the longstanding issues with our cremators at the Bouncers Lane site, which were installed by a company which went into liquidation before the contract was completed. In common with 11 other local authorities that had equipment provided by the same company, we have experienced recurring problems with the unreliability of the plant and higher than expected maintenance costs. The issues with the current plant are one of the primary reasons for the construction of the new crematorium, which is due to be completed in Spring 2019.</p> <p>Our maintenance contractor ATI, who are a major player in the cremation</p>



	industry, is currently undertaking works to the existing cremators which we anticipate will allow our ability to cremate at the site to be reinstated.
	I will be providing a verbal update on the current situation to Council.

## 9. EXECUTIVE BOARD RESTRUCTURE

The Chief Executive introduced the report and reminded Members that in July 2017 Council had resolved that a phased approach to the review of the authority's senior leadership team and service managers be undertaken. This report aimed to put in place the key building blocks for an executive board structure with the necessary skills, capacity and capabilities for the future.

She highlighted that going forward it was important for Members to have confidence that the council's finances continued to be managed well and that officers safely navigated through issues such as business rate retention and the fair funding regime. It was also important that the necessary skills were in place to strike a balance between taking more commercial opportunities whilst maintaining our reputation of strong financial stewardship. The first key building block therefore related to financial sustainability and was reflected in the post of Executive Director-Finance and Assets.

The Chief Executive went on to say that the proposed executive board structure reflected the broader approach to place shaping in its widest sense which was not simply limited to economic growth and developing the physical place in a way that was sustainable but also reflected an ambition for inclusive growth as well as contributing to the sense of place and how Cheltenham felt as a place. This was reflected in the second key building block in the post of Managing Director Place and Growth.

She then highlighted that gaps had been identified in the current executive board team principally in relation to capacity coupled with experience and capabilities in authority-wide service modernisation and organisational change. Work was currently underway to consider what the future service management organisational model could look like and that a very high level initial business case was being developed. She highlighted that the potential level of change should not be underestimated and therefore the third key building block was reflected in the new post of Executive Director People and Change.

The final issue which arose from her assessment was that of capacity at executive director level to both manage and deliver key corporate projects whilst also delivering authority wide modernisation. The need to address both these issues had therefore informed the proposal to create the new Executive Director post. This would result in the Director of Resources and Corporate Projects post being deleted, and with his agreement, the current post-holder flexibly retiring and his appointment to a new transitional, part-time role of Director-Corporate Projects.

The Chief Executive reported that formal consultation had taken place with those directly affected and this was reported to the Appointments and Remuneration Committee in January. The financial implications of this phase 1 review were outlined in the report with the flexible retirement approach being of less cost to the authority than compulsory redundancy as well as retaining for a period of time a very experienced director. In addition, she explained that the

budgetary cost of recruitment to the new Executive Director post would also need Council approval.

Finally she stressed how vital it was that the senior officer leadership foundation of the authority had the necessary skills, capacity and capabilities for the future.

The following questions and comments were raised and responses given :

- A Member asked whether this new role would be being proposed if revenues and benefits had been transferred to Publica. In response the Chief Executive said that in any case a different organisational structure would have been in place if that had been the case.
- Some Members felt that this was a sensible way forward, recognising the unprecedented level of change local government had been subject to. It was now vital that the business was fit for purpose.
- A Member believed that the proposed structure would enable the authority to grow and this was particularly important given the potential impact of Brexit in terms of the economic growth of the town and the role of young people.
- The flexible retirement approach for the existing Director Resources and Corporate Projects was commended as this would mean in the transition period the authority would still get the benefit of his experience and in return the postholder would regain a work-life balance.
- Some Members believed this to be a piecemeal approach and believed there was no overview of where the authority would be in 3-5 years' time. In response the Chief Executive explained that the Appointments and Remuneration Committee had received two reports on the proposals for the restructure in December 2017 and January 2018 respectively. The proposals did take a whole authority view and her view was that it did present a cohesive and coherent structure. She added that a commercial focus was key over the coming years the ambition for the authority had changed.
- A Member questioned why one Director was being flexibly retired whilst another was being recruited. He referred to costs of £400k spent on restructuring roles in the last two years which included increments for responsibility. He had no confidence in the proposals which he expected may change further in six months' time.
- A Member expressed concern that where a Member was unable to attend a committee then substitutes should be arranged. It was important to acknowledge that the organisation should evolve with this. Each time the Appointments and Remuneration committee had met it had considered a proposal it was accompanied by a business case and explanation.
- In response to a question the Chief Executive confirmed that there were three elements to the cost of the flexible retirement of the Director Corporate Projects. Firstly, the salary for the individual for agreed

period, secondly the redundancy at the end of the 2<sup>nd</sup> year and the pension one off cost.

- The Chair of the Appointments and Remuneration Committee highlighted how vital it was that the organisation was fit for purpose. The council had an ambitious programme which would benefit the people of the town and the senior leadership team would be the best it possibly could be. The council was now operating in a different world driven by cuts in central funding. She welcomed the proposals which would add to the financial sustainability of the authority.

## **RESOLVED THAT**

**1. the new Executive Board structure as set out in section 4 and Appendix 2 of this report be approved in accordance with the recommendations of the Appointments and Remuneration Committee at its meeting on 29 January 2018.**

**2. a budget of £18,000 be approved to enable the recruitment of the new Executive Director post to be funded via the Pension and Restructuring earmarked reserve.**

**Voting- For 32, against 1, abstentions 0.**

## **10. FINAL GENERAL FUND REVENUE AND CAPITAL BUDGET PROPOSALS 2018/19 (INCLUDING SECTION 25)**

The Cabinet Member Finance introduced the report which summarized the revised budget for 2017/18 and the Cabinet's final budget proposals and pay policy statement for 2018/19. Her introduction is attached in full to these minutes.

The budget was seconded by Councillor Jordan.

A question was raised by a Member as to how the budget was prepared in chaotic circumstances owing to the wrong figures being published by the Valuation Office Agency. In response the Cabinet Member Finance said that apparently the Minister was aware the figures were incorrect before he published and as the consultation period had closed there was no opportunity for local authorities to comment on the fact that this authority had received momentarily an increased tariff of £454k from the proposed provisional settlement as detailed in section 5 of the Section 151 Officers report.

Group Leaders were invited to address Council.

In the absence of Councillor Harman, Conservative group leader, Councillor Babbage spoke on behalf of the Conservative group. He paid tribute and thanks to those who had been involved in producing this draft budget. He also thanked officers for their support to the budget scrutiny working group. He informed Members that two amendments to the budget would be put forward by his group.

On behalf of the People Against Bureaucracy group Councillor Stennett recognised the professionalism of the finance team particularly in this new changing environment of reducing government support.

Councillor Babbage proposed the following amendment :  
Amendment 1 (Revenue)

Reduce number of councillors by 10: £54k pa saving  
Move to four-yearly election cycle: £30k pa saving  
Consolidate Revenue, Benefits & Customer Services within Publica: £79k pa saving  
Additional emptying of Recycling Banks at peak periods to avoid littering: £10k pa cost  
Reverse proposed car parking charge increase: £150k pa cost

The amendment was seconded by Councillor Mason

The following questions and comments were raised on the amendment and responses given :

- It was questioned as to how soon a reduction in the number of councillors and the move to 4 yearly elections could be implemented bearing in mind this would involve changes to electoral arrangements to be agreed with the Electoral Commission. The potential savings from the amendment were proposed to be spent in 2018/19 and would this be possible without a further increase in council tax ?
- Some Members felt that this proposal should have been raised prior to this meeting as the implications of the changes could have been worked through. Changes to revenue amounted to £300k and it was difficult to see how this could be done without putting at risk some services which were important to the town, e.g. Leisure @
- Some Members felt that with regard to car parking charges it would be sensible if the Cabinet Member of the County Council and the CBC Cabinet Member could discuss an integrated parking solution for Cheltenham rather than a piecemeal approach.
- The Cabinet Member Development and Safety referred to the support given to the Arup report on car parking. Money raised from charges had been invested in car parks and formed part of a wider strategy which was a five year plan for more sustainable transport.
- A Member felt that by reducing the cost of democracy the council would move further away from residents and there would be a higher workload for councillors representing wards and potentially a poorer service. Having elections every two years represented a test for councillors which did not make them complacent.
- The Cabinet Member Clean and Green Environment commented that the introduction of the new recycling service had been a success in terms of take up and widening of the range of new materials. He highlighted that as a result the use of bring sites there had been changes in terms of number of users and the profile of the recyclate received. In any case there were increased collections from bring sites during peak periods, particularly Christmas. He added that a review of bring sites was planned to ensure that they were in the

right locations and that it was vital they were kept clean and tidy. He believed additional funds were not necessary and questioned how the £10k would be sourced. Recycling however was a clear priority and there needed to be an evidence based decision on bring sites.

As seconder of the motion Councillor Mason questioned why a Member believed that the reduction of councillors would mean a reduction in democracy bearing in mind there was no evidence that this had happened at the County Council. There was also no evidence that four yearly elections at the County Council meant councillors did not take their jobs seriously.

Councillor Babbage, as proposer of the amendment, clarified that the £3k underspend from the proposed amendment would be put into reserves. He highlighted that the amendments had been worked through with the finance team so were sound proposals. He said that whilst Members of the car parking working group voted in favour of the Arup report this did not mean he was in favour of every single element.

In response to the amendment the Cabinet Member Finance felt that such amendments should be brought forward in a timely fashion to facilitate due consideration.

The Chief Finance Officer was asked whether the two savings in the amendment could be brought forward in this financial year. He stated that the numbers referred to in the amendment could be delivered but the number of councillors could not be reduced in the current or next financial year. Councillor Babbage clarified that the intention would be in the short term to average through reserves so there would be no need to increase council tax. In her right of reply the Cabinet Member Finance still questioned how this would work in the light of no concrete income from central government and the prudent financial approach at the council.

Upon a vote the amendment was LOST

Voting:

For 3: Councillors Babbage, Mason and Seacome

Against 30: Councillors Baker, Britter, Clucas, Coleman, Collins, Fisher, Flynn, Harvey, C Hay, R Hay, Hegenbarth, Hobley, Holliday, Jeffries, Jordan, Lillywhite, H McCloskey, P McCloskey, McKinlay, Parsons, Payne, Stennett, Sudbury, Thornton, Walklett, Wheeler, Whyborn, Wilkinson, Williams, and Willingham

Abstentions 1: Councillor Barnes

Having declared an interest in Amendment 2 Councillor Babbage left the chamber and did not participate in the debate.

Amendment 2 (Capital)

Proposed by Councillor Mason and seconded by Councillor Seacome

Withdraw plans to close Boots Corner, releasing public realm reserve: £1.8m saving

Invest in full 'M&S' style resurfacing & improvements of Cheltenham High St, including John Lewis frontage: up to £1.8m

In discussing the amendment Members made the following comments :

- It was the County Council who should honour its responsibility for resurfacing of the High Street with the enhancement to be paid by the Borough council. This would represent a proper solution for the High Street
- The transport plan was vital for the town, if this was withdrawn then other developments would not happen.

In response to the amendment the Cabinet Member Development and Safety believed it undermined the Cheltenham Transport Plan and the way that issues in the town centre were being tackled. The County Council was under an obligation to deliver on this. He confirmed that work was ongoing on the area outside John Lewis and should be completed by September this year. He was confident that the work would be successful and was pleased to hear that the stone would be locally sourced which should ensure a better supply and retain jobs in the county.

The Leader clarified that the Cheltenham Transport Plan was being funded by the Local Sustainable Transport fund and a key element of the plan was the Boots Corner work, a trial for which would commence in less than 6 months. It was important that this trial was concluded as if it was stopped there was the risk that any funds received would have to be repaid.

In responding to comments Councillor Mason felt that there was an opportunity for the borough and the county council to work together and pool resources. Air pollution might decrease in the centre but increase in St Lukes. This amendment represented an opportunity to take £1.8million and some joined up thinking to deliver something which the town could be proud of.

Finally, the Cabinet Member Finance commented that the Borough Council had contributed funds to raise standards in the High Street and Members and businesses had been consulted. The situation with the County Council was very frustrating as they were not supportive and CBC did not have the finances to fund the work.

Upon a vote the amendment was LOST

For 3: Lillywhite, Mason and Seacome

Against 26: Baker, Britter, Clucas, Coleman, Collins, Fisher, Flynn, Harvey, C Hay, R Hay, Hegenbarth, Hobley, Holliday, Jeffries, Jordan, H McCloskey, P McCloskey, McKinlay, Parsons, Thornton, Walklett, Wheeler, Whyborn, Wilkinson, Williams and Willingham

Abstentions 4: Barnes, Payne, Stennett and Sudbury

The Council adjourned for a short break.

Upon return at 6 pm the Cabinet Member Finance formally proposed the budget as per the recommendations as laid out in the report.

In the debate that followed the following points were raised :

- Members gave thanks to the finance team for the preparation of the budget particularly in light of government revenue support grant cuts. They welcomed the fact that the authority would still have a balanced budget and be able to protect services, act in an entrepreneurial manner, make investments, deliver a new cemetery and crematorium and support development in West Cheltenham and have a dedicated marketing team for the town.
- A query was raised on the county council vision for on street parking in the town which would assist the development of a town wide parking strategy
- A Member queried why the MP had not pledged his support for the Portland Street proposals despite having been provided with the relevant evidence
- In response to a question as to how much the council taxpayers of Cheltenham paid GCC for its services the Chief Finance Officer confirmed that this amounted to £51.4 million. Following on from this the Member explained that the issue of concern was how much the Borough received in terms of maintenance of roads and pavements as she was concerned that this was sufficient. This was necessary to ensure that residents were able to live safely and securely and that children were safe.
- The Leader thanked all those who had been involved in the preparation of the budget faced with relentless cuts and he recognised that it had been a massive effort to bring it all together. He believed that the council tax rise was fair and accepted that the council was taking advantage of the extra facility the government had provided. He expressed concern about the government's incoherence on Brexit but in light of this locally the administration would do all it could to plan for the future and he gave the JCS, the Cyberpark, the BID- Lighting Up Cheltenham and the Cheltenham Transport Plan as examples. In terms of the High Street, John Lewis presented the town with an opportunity and he was keen that the paving would work provided it was funded 50:50 with the county council. Marketing Cheltenham was also to be welcomed.
- A Member stated that there was evidence to suggest that a Cheltenham County Councillor was not spending his County Council highways funding amounting to £30k in their ward. In response the Member concerned said that the Highways Local Fund did not represent a pothole fund but should be used for schemes to improve certain aspects of roads and pavements in the ward. He confirmed that his fund had been allocated and invited any Member to speak to him for further details.

Finally, the Cabinet Member Finance wished to put on record her thanks to the Finance Team and all Members of Cabinet for their support.

Upon a vote on the substantive motion the recommendations were CARRIED

## **RESOLVED THAT**

- 1. the revised budget for 2017/18 be approved.**
- 2. Having considered the budget assessment by the Section 151 Officer at Appendix 2 the following recommendations be agreed:**
- 3. the final budget proposals be approved including a proposed council tax for the services provided by Cheltenham Borough Council of £203.01 for the year**

2018/19 (an increase of 2.99% or £5.89 a year for a Band D property), as detailed in paragraphs 4.26 to 4.30.

4. the growth proposals be approved, including one off initiatives at Appendix 4.
5. the savings / additional income totalling £716,500 and the budget strategy at Appendix 5 be approved.
6. the use of reserves and general balances be approved and the projected level of reserves, as detailed at Appendix 6 be noted.
7. It be noted that Gloucestershire was successful in becoming a 100% Business Rate Retention pilot in 2018/19 and propose that the additional revenue generated be earmarked for economic growth initiatives specific to Cheltenham (paragraphs 4.19 to 4.20).
8. the extension of grants to Cheltenham Performing Arts (£20,000) and the Holst Birthplace Trust (£7,500) for a further 3 years be approved, as detailed in paragraph 5.12.
9. the deferral of the 2017/18 Cheltenham Trust management fee saving to 2019/20 and 2021/22 and provide for a contingency within the working balance of £150,000 for the Trust to drawdown (paragraphs 5.13 to 5.18) be approved.
10. the Pay Policy Statement for 2018/19 be approved, including the continued payment of a living wage supplement at Appendix 9.
11. a level of supplementary estimate of £100,000 for 2018/19 as outlined in Section 13 be approved.

#### Voting

For 29: Barnes, Baker, Britter, Clucas, Coleman, Fisher, Harvey, C Hay, R Hay, Hegenbarth, Hobley, Holliday, Jeffries, Jordan, Lillywhite, H McCloskey, P McCloskey, McKinlay, Parsons, Payne, Stennett, Sudbury, Thornton, Walklett, Wheeler, Whyborn, Wilkinson, Williams and Willingham

Against: 0

Abstentions 3: Councillors Babbage, Mason and Seacome

#### **11. HOUSING REVENUE ACCOUNT - REVISED FORECAST 2017/18 AND BUDGET PROPOSALS 2018/19**

The Cabinet Member Finance introduced the report which summarised the Housing Revenue Account (HRA) revised forecast for 2017/18 and the Cabinet's budget proposals for 2018/19.

She referred to the Government's rent reduction policy of reducing rents by 1% per annum which had meant that CBH had to make provision to mitigate the loss of £6.7 million in rental income up to 2020. Beyond that Government had now confirmed that the rent policy will revert back to annual increases of up to CPI plus 1% per annum for the following five years until the next review.

She believed that the approach CBH had taken was a balanced one, making management and maintenance savings of £1,421 million, realigning the capital programme and the use of revenue reserves together with some smaller cost savings. By this approach CBH were able to maintain existing service levels, retain the decent homes standard, continue delivery of the major windows and doors replacement and complete the new build programme.



She highlighted the impact of the introduction of Universal Credit which was set out in the report and the steps CBH were taking to provide support and information to all tenants affected by these changes.

She highlighted the difficulty of finalising a 30 year business plan when in reality there was so much change happening at short notice but the projections had been updated to reflect the current situation as set out in the report.

She highlighted some of the achievements on CBH and CBC. These included over three and a half million of spending on repairs and maintenance, and nearly eight million on property improvements and major works, one and a half million on new build and acquisitions, and the continuing spending on benefits advice, employment initiatives and services for older and disabled people.

She concluded by thanking all of CBH's team for ensuring that the challenges they face will still include some new builds, deliver the same level of service to tenants, in particular the valuable work in terms of tenant wellbeing around debt and money advice, community support & activity events, and to see that supporting the council's older tenants living in supported accommodation despite the last few years in decreased funding will all continue. She acknowledged the thought and hard work that had gone into preparing the revised budget.

In response to a question from a Member regarding her confidence that the Government would keep to its policy that rent increases would be restricted to 1%, the Cabinet Member advised that there were no guarantees in life but the council and CBH would continue to react swiftly to any changes announced by Government.

A Member commented that they looked forward to the day when CBH could include a building company which would be in a position to build new homes and would provide valuable opportunities for taking on and training apprentices. The Cabinet Member Housing advised that he had regular conversations with CBH on this suggestion and would keep Members informed of any changes. He considered CBH did an excellent job for the council and wished to put on record his thanks.

Members congratulated CBH for doing an excellent job in very difficult circumstances. They also recognised the hard work of officers in CBH in not only carrying out property repairs but also looking after the community particularly as cuts in policing were having an impact on levels of crime. The chair of the Budget Scrutiny Working group also thanked officers at CBH for attending their meeting to give a detailed presentation and answer any questions.

Upon a vote the recommendations were carried unanimously.

## **RESOLVED THAT**

- 1. the revised HRA forecast for 2017/18 be noted.**

2. the HRA budget proposals for 2018/19 (shown at Appendix 2) including a proposed rent decrease of 1% and changes to other rents and charges as detailed within the report be approved.
3. the proposed HRA capital programme for 2018/19 as shown at Appendices 3 and 4 be approved.
4. Authority be delegated to the Section 151 Officer, in consultation with the Cabinet Member for Finance, to apply for a direction from the Ministry of Housing, Communities and Local Government to permit Discretionary Housing Payments to Council Tenants to be funded from the HRA if it appears probable that the annual Government allocation for the year will be exceeded (see paragraph 6.6 of the report).

Voting:

For 34: Councillors Babbage, Barnes, Baker, Britter, Clucas, Coleman, Collins, Fisher, Flynn, Harvey, C Hay, R Hay, Hegenbarth, Hobley, Holliday, Jeffries, Jordan, Lillywhite, Mason, H McCloskey, P McCloskey, McKinlay, Parsons, Payne, Seacome, Stennett, Sudbury, Thornton, Walklett, Wheeler, Whyborn, Wilkinson, Williams and Willingham

## **12. TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2018/19**

The Cabinet Member Finance introduced the report and explained that under the CIPFA code the council must report annually on its treasury management strategy statement which incorporated the investment strategy and its prudential indicators .

She reported that CIPFA had published new editions of Treasury Management in the Public Services: Code of Practice and Cross-sectoral Guidance Notes and the Prudential Code for Capital Finance in Local Authorities in December 2017. In response to these changes, Council should consider the Treasury Management Strategy for 2018/19 based upon the requirements of the 2011 Code and in line with current governance practices. The changes to the Prudential Code had introduced a requirement for the Council to approve a Capital Strategy with effect from 2018/19.

Since this report had been considered by the Treasury Management Panel and Cabinet, expectations had been raised that further interest rate rises were likely to happen sooner and to a higher level than previously anticipated by markets.

The treasury strategy statement and annual investment strategy formed part of appendix 2 and she drew members' attention to the revisions made to the lending and parameter list on page 86 table 2.

She reported that during the 2017/18 financial year the council decided to look into alternative investments outside the traditional bank deposits. It currently had £3m invested in the CCLA Property Fund which was generating returns of 4.5%. This had brought an additional £35k over and

above the revised 2017/18 investment income budget, and with new investments in other Pooled Funds had seen the expected gross income surplus of £307k for 2018/19.

The Cabinet Member Finance concluded by putting on record her thanks to the Treasury Management team.

The following questions and comments were raised :

- Following changes to UK legislation to better protect customers and the day-to-day banking services they relied on where did the council's investments sit ? The Chief Finance Officer explained that the council's current accounts were held with Lloyds bank plc and this was therefore considered "retail". He undertook to provide a written response to Members with regard to the council's treasury deposits.
- A Member commended the quality of the recent presentation by the council's new treasury advisors Arlingclose at Treasury Management Panel.
- Members recognised the importance of moving deposits away from the High Street banks as this was not keeping up with inflation. It was acknowledged that changing from a risk averse approach to a more pragmatic approach was necessary to aid the Medium Term Financial Strategy.
- A question was raised in terms of the item in the treasury report last year with regard to the council's £30k investment in a local shopping app designed by a seed company. The Leader informed that the council had shared its investment with the BID on a 50:50 basis but having reviewed the success of the app it had decided not to progress the investment further. The Chief Finance Officer undertook to provide a full update to Members on this.

## **RESOLVED (unanimously) THAT**

The attached Treasury Management Strategy Statement, Annual Investment Strategy for 2018/19 at Appendix 2, Lending list at Appendix 2, Table 2 page 6 and MRP policy statement for 2018/19 at Appendix D, be approved including :

- The general policy objective 'that Council should invest prudently the surplus funds held on behalf of the community giving priority to security and liquidity'.
- That the Prudential Indicators for 2018/19 including the authorised limit as the statutory affordable borrowing limit determined under Section 3 (1) Local Government Act 2003 be approved.
- Revisions to the Council's lending list and parameters as shown in Appendix 2, Table 2 page 6 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 Arlingclose Limited and are prudent enough to ensure the credit quality of the Council's investment portfolio remains high.

**13. COUNCIL TAX RESOLUTION**

The Cabinet Member Finance introduced the report and said that having agreed its budget and level of council tax for 2018/19, Council was required to formally approve the total Council Tax for residents of Cheltenham, including the Council Tax requirements of the precepting organisations, Gloucestershire County Council and Gloucestershire Police.

It was important to note that the relevant basic amount of council tax for the financial year 2018/19, which reflected a 2.99% and £5.89 increase, was not excessive in accordance with the principles approved by the Secretary of State under Section 52ZB of the Local Government Finance Act 1992 as amended and the Referendums Relating to Council Tax Increases (Principles) (England) Report 2018/19 and, therefore, the requirement to hold a referendum was not engaged.

Upon a recorded vote the recommendations were CARRIED unanimously

**RESOLVED THAT**

**The formal Council Tax resolution at Appendix 2 be approved and that the commentary in respect of the increase in Council Tax at Paragraph 6 of Appendix 2 be noted.**

Voting:

For 29: Councillors Babbage, Barnes, Baker, Britter, Clucas, Coleman, Fisher, C Hay, R Hay, Hegenbarth, Hobley, Holliday, Jeffries, Jordan, Lillywhite, Mason, McKinlay, Parsons, Payne, Seacome, Stennett, Sudbury, Thornton, Walklett, Wheeler, Whyborn, Wilkinson, Williams and Willingham

**14. APPOINTMENT OF MAYOR ELECT AND DEPUTY MAYOR ELECT**

The Chief Executive introduced the report and reminded Members that Councillor Bernard Fisher had served as Deputy Mayor since last year's Council meeting and that Members would be asked to elect him as Mayor at this year's Annual meeting.

With regard to the appointment of Deputy Mayor for 2018-19, she explained that the Members listed at Appendix 2 to the report had been approached, in order of precedence, to ascertain if they would be willing and able to have their name put forward for that appointment. In so doing, some Members had highlighted that their decision on whether to put themselves forward for the role may depend on the results of the borough elections this May. Therefore, having consulted informally the Group Leaders in January, it was now proposed that no nomination for Deputy Mayor elect was put forward at this stage and that the nomination for Deputy Mayor be put to Annual council in May following the borough elections.

**RESOLVED THAT**

- i) The Order of Precedence in Appendix 2 be noted.
- ii) That Councillor Bernard Fisher be put to the Annual Council Meeting for election as Mayor for the Municipal year 2018 - 2019.
- iii) That the nomination for Deputy Mayor for the Municipal year 2018 – 2019 be put to the Annual Council Meeting.

**15. NOTICES OF MOTION**

None received.

Klara Sudbury  
**Chairman**

This page is intentionally left blank

I have great pleasure in presenting the revised general fund budget for 2017/18 and the final budget proposals for 2018/19.

For some years now, we have been working to a Medium Term Financial Strategy that sets out our financial situation over a rolling five-year period. Planning for several years at a time became even more important, when the Government announced that it was going to phase out the revenue support grant over four years and give councils a bigger share of the income from business rates.

I and my predecessor have over the last few years opened this introduction to the proposed budget with a reminder of just how huge the cuts in the revenue support grant year on year have been and the difficulties those continue to pose, I do not propose to do so again, I intend to focus on how we have taken positive steps over recent years in a planned and measured approach to securing a sustainable financial future without Government funding, therefore allowing a much greater degree of spending what is raised locally in order to deliver what our residents want and pay for.

The budget I am presenting is based on four principles. Firstly to protect services as far as possible. Secondly to use reserves and one-off savings to cushion the blow of Government cuts. Thirdly, to put ourselves in the best possible position to benefit from business growth, maximizing our income from business rates alongside looking at different and diverse ways of generating additional income. Fourthly, to give ourselves time to continue our search for efficiency savings and to identify other reductions in spending that may be necessary in the medium and long term.

### **Funding Settlement**

As members will recall this council took up the four year settlement funding offer in order to bring some guaranteed stability of at least a fixed amount for those years albeit decreasing to zero in 2019/20.

The provisional financial settlement, announced on 19th December 2017, suggests that the local share of Business Rates Retention will increase from 50% to 75% and will include the transfer of public health and other grants, and therefore may not require a specific Local Government Finance Bill to enable this.

A technical consultation paper on the funding mechanism for Local Government finance from 2020/21 titled the Fair Funding Review was launched through the provisional settlement with a closing date of 12th March 2018. Officers are working with colleagues within Gloucestershire to ensure a robust response is put forward on behalf of this Council.

### **Business rates**

The redistribution of business rates income, has become an important part of our lives, to the extent that business rates are already our biggest source of income, more than 65% of this councils government funding comes directly from business rates.

The idea that local councils can share more fully in the proceeds of business rates is very attractive, especially for towns like Cheltenham which are likely to see substantial economic growth over the next few years not least the new West Cheltenham development.

But the devolution of business rates income to local authorities has introduced a very large element of risk into council finances that wasn't there before.

I am pleased to say that Gloucestershire was successful in its bid to become a pilot area, there was huge competition to be included with a number of other shires close by not being selected, I wonder if our success was due to the fact that we are doing it differently in so much as the split is equal between the county and us together with a commitment to the strategic economic development fund. A note of caution

needs to be remembered, although this is a very positive result for us it is only for a year therefore leaving us with further uncertainty as to governments financial proposals for 20/21 and little time to plan a budget.

Page 32

In more detail under the pilot 100% of growth is shared locally, with 50% going to the District's and 50% to the County Council. The benefit to Cheltenham is estimated to be circa £633,457. With a transfer to the strategic economic development fund of circa £300.00 which will be used to fund one-off economic growth initiatives specific to Cheltenham, members should note that this is an estimate of the rates collection forecast and the actual business rates collected may be more or less than this. It is therefore prudent to allocate this additional share to the Business Rates Retention earmarked reserve until a point that the monies can be released to fund specific schemes when there is more clarity on the actual business rates collected.

As the pilot does not form part of the settlement funding assessment for Cheltenham and is only for one year, this additional income has not been built into future base budget estimates.

It is pleasing to report that the estimated net surplus from retained business rates against the baseline funding position under the 100% pilot is £1,942,709.

However, temporary retail closures in the town centre for redevelopment, the large reductions made by the Valuation Office (VO) in the rateable values of purpose-built doctors' surgeries and health & medical centres which are backdated several years and other rateable value changes, deficit adjustments need to be made from previous years to the value of £745,710.

(Paul how is this broken down ? (£235,484 in 2016/17 and £510,226 in 2017/18)

It is therefore appropriate and necessary to support the 2018/19 budget proposals with a contribution from the BRR reserve which has been built up over the last two financial years to deal with these such issues.

The move to local business rates retention is still I believe a positive one albeit we are four years in and the rules are still changing, alongside significant levels of risk due to the volume of outstanding business rates appeals which are being processed by the Valuation Office. Where appeals are successful, refunds of business rates may be repayable back to the 2010/11 financial year, which reduces the business rates yield in the year in which the refund is made. The Council has made provision for its share of the cost of outstanding appeals in its financial statements. The level of provision has been reviewed as part of the preparation of the business rates estimates for 2018/19.

## **New Homes Bonus**

If I could turn to the new homes bonus, this council has prudently always been cautious in its use of the bonus to support the revenue budget and has planned for reductions in its Medium Term Financial Strategy. This has left us headroom to cope with fluctuations in our income.

This year there are no changes in the way that the New Homes Bonus is calculated and the baseline target will remain at 0.4%. This equates to an additional £67,530 NHB in 2018/19.

## **Council Tax**

I believe we have a serious responsibility to protect services not just in 2018/19 but beyond. There is no doubt that an additional £37,153 of council tax income, will strengthen the council's finances substantially and reduce our dependence on reserves. It will directly benefit Cheltenham residents by reducing the budget gap we have to bridge in future years and thereby protecting services from cuts.

With increased pressure for the cap on public sector pay to be lifted and the need for inward investment in the Borough through specific events and marketing of the Town, the Cabinet has had to consider what



level of increase in council tax is sustainable, without creating an increased risk of service cuts and/or larger tax increases in the future.

## Page 33

Therefore, the Cabinet is proposing a 2.99% increase in council tax in 2018/19; an increase of £5.89 for the year for a Band D property.

I am not minimising the significance of any tax increase, but we need to keep this in perspective. The County Council and the Police tax increase this year is far greater than we are proposing. I think our proposed 11 pence a week increase is a price people will be prepared to pay for their services and their quality of life.

It is very clear that the Government in future financial settlements will assume we have made this increase. Therefore not doing it will affect our funding for years to come.

I am pleased that this Council has again this year made the commitment not to withdraw the support of the Council tax benefit even though the funding for this was lost when in 2014/15 the government stopped separately indentifying their contribution and left it to local councils to continue or not, I am pleased to say that this council has continued to support those residents that are on low working incomes. Facing budget pressures is a fact of life for local government. Since the draft budget proposals were published some additional pressures have been identified some are unavoidable such as new legislation on general data protection that requires funding, the national pay awards which will see many of those at UBICO who are on very low pay get increases in excess of 2% investing in people is a positive especially for those who are at the lowest end of the pay bracket of SCPs 6-19.

### Roundup

In the current exceptionally difficult national funding situation, the Cabinet's overriding financial strategy has been, and is, to drive down the Council's costs. This Cabinet's aim is to hold down council tax as far as possible, while also protecting frontline services, identify savings through reorganization of service delivery or raising additional income.

### How have we done that,

This budget has been prepared under a general philosophy of no growth, as such members will see a very short list at appendix 4, those areas that are in as supported growth are about making sure that we have staffing in place to deliver our aspirations to generate additional income from assets and investment and deliver our major capital schemes such as Leisure @ and Town Hall, delivering events building on the success of the cycling festival to deliver economic and community benefits and visibility linked to our place making vision for Cheltenham, I am proposing that the increase in council tax goes to support helping to add further diversity and events to the calendar , there are no guarantees but I am hoping that this is the last cost associated with the now approved JCS, I am proposing that these growth items are funded by the additional New Homes Bonus, Business Rates and changes in the tax base and collection fund surplus with the proposal to increase Council Tax by an additional 2.99%, which will result in a revised net budget requirement of £14.429m as detailed in Appendix 3.

Firstly a major focus for the longer term is closing the gap as set out in the MTFS document which includes savings targets rather than necessarily worked up projections, it includes the relocation strategy, sharing management and staff costs where possible, commercial asset rationalization which includes the depot. The MTFS indicates broadly how the Council will close the projected funding gap over the period 2018/19 to 2021/22. It is based on the building blocks of place and economic growth; organizational change; and finance and assets. The detailed schedule of target savings is provided in greater detail within Appendix 5.

The cabinet believes that the longer term approach to closing the funding gap is fundamentally through economic growth and investment together with the use of our assets to this end cabinet worked with the executive finance officer and introduced last year a commercial strategy which sits alongside the MTFs, in addition resources will be geared towards supporting and delivering major benefits to the Town in North West and West Cheltenham.

I am also proposing that we make full use of the New Homes Bonus of £1.754 million to support this revenue budget,

A budget support reserve was created in 2015 for the specific purpose of providing more resilience, should short term challenges be faced, today my proposal is to draw on this reserve, having been successful with some major redevelopments that in the long term will benefit our Towns economy enormously, there are some short term challenges, a reduction in business rates for the next 12 to 18 months and the delay in getting parking income from North Place. Because these are short term challenges the use of £913,058 thousand of this reserve I would suggest is preferable to cuts in service or indeed any increase in charges.

## **Capital programme**

Supporting the artistic, heritage and cultural life of the town as economic drivers will remain a core focus, the Town Hall redevelopment scheme and the support to enable significant improvements at the Leisure facility are both work in progress, and an earmarked contribution to public realm works within the town centre, all helps to show that Cheltenham is a town with a vision, backed up with a new Place Strategy.

Investing in our services that contribute to our income is imperative, the proposals for the new crematorium is one example, of a commitment to provide a facility, that is fit for purpose to deliver a first class service to our residents and the businesses that use it.

## **Grants**

Ensuring that this council looks at fairness and equality in what it provides to its residents and visitors must always be considered which is why I am delighted to say that today I am proposing that two of our long standing organizations that contribute so much will benefit from extending the financial contribution to them for a further three years in the sum of £20 thousand per year to the Towns oldest festival The Festival of Performing Arts and The Gustaf Holst museum to the tune of £7,500.00 per annum.

Over the first 3 years of operation the Trust has delivered base budget revenue savings to the Council of £641,800 which cumulatively equates to financial savings in excess of £1.8m over the same period. In addition, the Trust has managed to leverage in additional grants in excess of £900k in addition they have accumulated £200.000 of volunteer support. These savings primarily have come from business rates, employer pension contributions and VAT; it is acknowledged that these savings could not have been realized through the continuation of an in-house provision.

It was anticipated that overall savings of £835,300 could be realized by 2018/19, the difference being £193,500 which were scheduled to be delivered in 2017/18 and 2018/19. Over the last 3 months, representatives from the Trust have met with Officers and the Cabinet to express their difficulty in delivering these latter savings

The Cabinet therefore propose that, in order to give the Trust the best opportunity to succeed, the management fee reductions proposed in 2017/18 and 2018/19 (totaling £150,500 and £43,000 respectively) be deferred until the financial years 2019/20 and 2020/21 as detailed in Appendix 5.

The Cabinet further propose that a contingency provision of £150,000 be held in general balances for the Trust to draw down; this will provide for short-term losses incurred by the Trust as they go through re-organisation and transformation. Furthermore, the Cabinet have requested that the Trust look at their business operations, including those services that are currently protected, to ensure it is fit for purpose and commercially focused.

Before I conclude, We are required on an annual basis to affirm our support for the Living Wage and for paying the supplements necessary to implement it. I am proposing that we do so now in these budget resolutions.

Page 35

Finally, Mayor, let me summarize what these proposals achieve.

- A balanced budget, despite a huge cut in Government grant.
- The local economy strengthened.
- Car parks Invested in
- Front line services protected
- More efficiency savings.
- More services shared to save money.

I have heard it said from the otherside of the chamber that this administration has no vision for Cheltenham, to recap in brief if you will allow me to mention a few highlights of the last year.

A successful bid to HIF to bring forward much needed housing on Portland Place  
The introduction of a Commercial Strategy, a new Place making vision, a new cemetery and crematorium on its way, increased kerbside collections, exciting times ahead for West Cheltenham with a cyber centre, the launch of marketing Cheltenham, investing in new and diverse treasury instruments to increase revenue, taking a risk aware approach to investment such as the CCLA new diversification fund and property investment, the launch of a successful Business improvement district working in partnership, the Tour of Britain event saw 40 thousand visitors and an estimated million pound brought into Cheltenham, it is not all about the bigger ticket those small things such contactless donation points to support homelessness, creating a largely free event for our residents at the new festival of cycling, the commitment to two changing place facilities, facilitating the BID to light up Cheltenham. I could go on but I did say a few !

Mayor, I have pleasure in proposing the general fund budget for 2018/19

This page is intentionally left blank