

Environment Overview and Scrutiny Committee

Wednesday, 18th January, 2012
6.00 - 7.55 pm

Attendees	
Councillors:	Penny Hall (Chair), Ian Bickerton, Nigel Britter, Jacky Fletcher, Rob Garnham, Diane Hibbert, Sandra Holliday, Helena McCloskey, Charles Stewart and Paul Wheeldon
Also in attendance:	Jennie Hall (Finance and Operations Manager - M&S, Cheltenham), Gill Morris (Climate Change & Sustainability Officer), Pat Pratley (Executive Director), Martin Quantock (Town Centre Manager), Councillor John Rawson (Cabinet Member Built Environment), Councillor John Webster (Cabinet Member Finance & Community Development) and Councillor Roger Whyborn (Cabinet Member Sustainability)

Minutes

1. APOLOGIES

No apologies were received.

2. DECLARATIONS OF INTEREST

Councillor Wheeldon declared a personal, non-prejudicial interest in agenda item 7 (Update on general use of plastic bags) as he worked in support of an anti-packaging campaign.

3. MINUTES OF THE LAST MEETING

The minutes of the last meeting had been circulated with the agenda.

Upon a vote it was unanimously

RESOLVED that the minutes of the meeting held on the 23 November 2011 were agreed and signed as an accurate record.

4. PUBLIC QUESTIONS

No public questions had been received.

5. MATTERS REFERRED TO COMMITTEE

No matters had been referred to the Committee.

6. CABINET MEMBER BRIEFING

The Cabinet Member Built Environment explained that whilst there were still some outstanding issues, he remained hopeful that exchange of contracts for North Place and Portland Street would take place later in the month (January).

He highlighted the article that had featured in the Gloucestershire Echo earlier in the day about the Brewery Development - Phase 2. This was good news for the town and whilst not a development for which the Council was responsible it

would meet many of its objectives for this part of the high street. It was now a matter for the Planning Committee to consider the planning application.

The concept statement for the railway station was released before Christmas and the Government was undertaking public consultation by which people were able to lobby the Government in reference to specific improvements. He suggested that people would want any franchisee to improve and modernise the station. A unified response would be agreed at a meeting of the Cheltenham Development Task Force on Friday (20 January) and it was hoped this meeting would provide more clarity on envisaged timescales, which were at present, unclear.

He noted, prior to discussion of the budget, the significant investment being made to improve Grosvenor Terrace Car Park prior to the closure of North Place and Portland Street, which would include repairs and heightened security. He anticipated work commencing by September 2012 but was, at this stage, unclear about any timescales for the work.

The Cabinet Member Sustainability updated that the Pittville Bridge was now sitting on abutments and would soon be functional. A programme of works had been circulated to all Members. He also confirmed that the Montpellier and Imperial Gardens planning application would be considered by the Planning Committee tomorrow (19 January).

A Member workshop was recently held to discuss branding for the Local Authority Waste Company which had been named 'Ubico', which should not be considered an extravagance but a necessity. A briefing would be circulated to Members in the coming days. Progress on the formation of a Gloucestershire Waste Committee had stalled and whilst there was general political will, there was also need for a rethink as to how to take this matter forward. He could offer no timescales at present.

Discussion about plastic bags was scheduled later on the agenda, but from a Cabinet perspective he invited any ideas or suggestions that would raise awareness of the consequences of plastic bags and/or result in a reduction of those being used. Admittedly however, these ideas could not involve Council budgets as no funds were available. The plastic bag issue had been covered in the press recently and the Cabinet Member had already received a number of phone calls about alternatives, including bags which were bio-degradable after a period of 18 months.

The Chair tabled an email she had received from one of her constituents, who had recently contacted the Depot to request a replacement lid for her recycling box. She was told that the Council now used an alternative design of box and could therefore offer no replacement lids for the box she had and whilst she was offered a replacement in the form of the alternative design, she was told that the old box would not be collected. The Cabinet Member Sustainability explained that the new boxes, for which replacement lids were now available from the depot, were bigger than the old design. He would consider further if and how the old boxes could be reused.

7. UPDATE ON GENERAL USE OF PLASTIC BAGS

The Chair noted that this item had been scheduled at the request of Councillor Fletcher.

The Town Centre Manager introduced Jennie Hall, the Finance and Operations Manager from Marks & Spencers (M&S), in place of her colleague Darren Price who was unable to attend. He explained that Jennie would make a short verbal presentation to the Committee in relation to the discussion paper that had been circulated and would be unable to answer more general questions about M&S policies, etc.

Jennie stressed the importance of Plan A which was integral to M&S, with 180 commitments to change the way they work, 95 of which had been achieved.

Plastic bags were a key focus for M&S who issued an average of 133 plastic bags per person, per annum. A 7% reduction in the number of bags issued by M&S would result in 280 million less plastic bags a year. M&S introduced the 5 pence charge per food bag, as research showed that charging for the use of bags was more effective than offering incentives for not using them and at the same time raised money for charity. There were currently no plans to charge for any bags other than those for food but the bags used by M&S were better than some, as M&S used recycled polythene.

Other measures adopted by M&S included the Oxfam Clothes Exchange, unsold food sent to anaerobic digestion to generate energy to light and heat stores and a reduction of non-glass packaging. Full details of the achievements to date and aims for the coming year were set out in the 'How We Do Business 2011' report which was available on the M&S website.

In response to a question from a member of the committee, Jennie confirmed that sales had not been impacted by the introduction of charges for food bags, though some customers were initially reluctant to pay. The solution was educating customers to kick the habit of using plastic bags.

Responding to a question from a member of the committee the Town Centre Manager proposed that it was in the interest of retailers to reduce the number of plastic bags issued as this would reduce their costs but equally they didn't want to make it difficult for consumers to purchase goods. He felt that the drive needed to come from the consumers and highlighted that the Regent Arcade had introduced a programme by which they would exchange a plastic bag for a bag for life.

Members commended M&S for their efforts, innovation and successes and whilst generally accepting the reasons given by Jennie as to why bag charges didn't apply to clothing purchases, they felt this should be explored and considered.

Members recognised that there was no Council funding available to educate consumers and agreed that the focus should be supporting the efforts of the retailers. Suggestions included;

- Create a webpage on the Council website which outlines the negative impact plastic bags have on the environment and detail local examples of good practice (M&S, Regent Arcade, etc).

- Identify retailers who are not making efforts to reduce the number of plastic bags issued, though another member felt that by highlighting good practice some retailers would be noticeable by their absence.
- Organise a competition to develop a strap line for Cheltenham that conveys that shoppers are welcome but they should bring their own bags.
- The Echo could link up with local Schools. Children could design their own bag for life and once printed, perhaps the parents would be more inclined to use them. This may be a potential initiative for the 'Promoting Cheltenham Fund'.
- Ask whether a company has a policy in relation to the use of plastic bags as part of the Planning process, though this would be for information only rather than a deciding factor in any application.

The Climate Change & Sustainability Officer felt all the issues raised in the discussion paper had been addressed and Members had no further questions.

Upon a vote it was unanimously

RESOLVED that the committee recommend that Cabinet;

- 1. Consider working with local press and/or Schools on a promotional campaign of some description (based on the suggestions of the Committee);**
- 2. Speak to Planning Officers about whether there is any provision for reviewing a retailers plastic bag policy as part of future planning applications.**

The Chair thanked Jennie from M&S, the Climate Change & Sustainability Officer and Town Centre Manager for their attendance.

8. GENERAL FUND BUDGET PROPOSALS

The Cabinet Member Finance and Community Development introduced the general fund budget proposals in the form of the Cabinet report dated the 13 December.

The Cabinet Member explained that the budget process for the coming year had been easier than expected. This was as a result of targeted decisions that had been made in the last budget round but also the Icelandic bank decision which had been dealt with more expeditiously than expected. In addition £250k of New Home Bonus had been built into the 2012/13 base budget and the impact of HRA self-financing was a positive one. On top of this a predicted overspend of more than £500k had been addressed by an immediate freeze on recruitment, supplies and services.

He highlighted the following structural issues, which included low level investment interest. Car parking income continued to fall, as was the case nationally and he considered that concessionary fares played a role in this decline. The Garden Waste scheme paid for itself but had not generated as much income as envisaged and therefore the estimated revenue had been reduced in next year's budget.

Whilst this year's budget had been relatively pain free and saw the continuation of the Council Tax freeze, he warned that the situation would be very difficult in the following financial year as there would effectively be 5 % uplift in expenditure.

Nina Philippidis, Accountant, gave a brief presentation on the budget (see attached).

The Cabinet Member Sustainability elaborated further on a point raised by the Cabinet Member Finance & Community Development and explained that last years budget proposals had included a reduction in mowing of verges. Whilst this was reinstated last year it was not from the base budget but this year it had been built into the base budget. This formed part of an agreement between the Council and Gloucestershire County Council (GCC) which included other work such as clearing of ally ways, etc. GCC were being asked to reconsider their proposal to reduce the budget by £35k and maintain it at the current level in light of this Council's decision to maintain the 'top-up'. At this time there were no plans to renegotiate the contract with GCC.

The following responses were given by the Cabinet Member Finance & Community Development and Accountant, to questions from members of the committee;

- The renewal of the electricity contract had been postponed last year and a 6 month extension entered into. This formed part of the base budgets and it was hoped that a competitive renewal could be achieved.
- Invest to save schemes with a longer than 5 year pay back period were not considered prudent given the 5 year term of the MTFS.
- The criteria for recruitment was refined as part of the freeze so vacancies were only filled where entirely necessary.
- £250k of the New Home Bonus had been built into the base budget and ideally capital would be reinvested in capital. The Cabinet Member agreed that this funding should not be used to maintain revenue expenditure unless it was to cover debt. The New Home Bonus formed part of a 6 year commitment and the figures were linked to historical planning figures and NOT the JCS figures.
- The budget consultation closed last Friday (13 January) and the Cabinet Member had only just received details of the responses. There had not been a high response and the suggestion was that this was a result of there being no major cuts. He noted that the Focus Group from last year had been reconvened and had made some good points. There was one particularly well thought through suggestion that services should be reorganised to generate enough income to allow for nil Council Tax within 10 years.
- There was a statutory requirement to achieve a balanced budget and this was based on assumed levels of income which were reviewed in the outturn report.
- Improvements to Grosvenor Terrace car park were necessary in order for it to be, first and foremost, a car park people would consider using. There were no major structural problems but it was a very unattractive building. There were discussions to be had about price structuring but reduced charges as an introductory offer was an option.

- Prices at Leisure@ had been increased by inflation across the board but when the Service Manager had reviewed each area of his service individually and using his judgement and knowledge he considered that certain areas could withstand additional increases. Full details of these areas would be provided to Members. The Cabinet Member felt strongly that whilst in a recession and though private organisations were reducing costs, the Council mustn't be pulled into a race to the bottom.
- In terms of maintenance, savings had been made as a result of the uncertainty about the future of the Municipal Offices. Admittedly, such assets were held for the people of Cheltenham and therefore cuts to maintenance could not continue.
- The Council papers would identify where services that were not transferred to the Local Authority Company would now sit as this was not entirely clear but very important for Members to understand.

The Chair thanked the Cabinet Members and Accountant for their attendance.

9. ENVIRONMENT OVERVIEW & SCRUTINY WORK PLAN 2011-2012

The Chair referred Members to the work plan as circulated with the agenda.

She noted that as a consequence of the Council decision of the 12 December 2011, new scrutiny arrangements would be in place following the May 2012 elections. Any outstanding items on the work plan would therefore be considered by the new Scrutiny Committee as appropriate.

The Executive Director voiced concerns that Grahame Lewis, who was scheduled to present the CBC Business Continuity Arrangements to the next meeting, may not have returned to work following a recent operation. As a consequence, she suggested that the Committee schedule a flood update in its place. Members agreed.

The Chair requested, on behalf of the Climate Change Working Group, that an update be scheduled for the next meeting. Members agreed.

Councillor McCloskey asked that a progress review of the Air Quality Management Order group be scheduled on the work plan for the new scrutiny committee to consider in Autumn. Members agreed.

The Vice Chair suggested that between now and the next meeting, Members consider any items or recommendations it wanted to put forward to the new scrutiny committee for consideration. Members agreed.

10. ANY OTHER BUSINESS THE CHAIRMAN DETERMINES TO BE URGENT AND WHICH REQUIRES A DECISION

There were no urgent items for discussion.

11. DATE OF NEXT MEETING

The next meeting was scheduled for the 29 February 2012.

Penny Hall
Chairman

Budget Consultation 2012-13




The Council's Budget

In 2012/13 CBC's Government cash grant will fall by a £0.534m; this will result in a total cash cut of £1.624m over 2011/12 and 2012/13.

Funding Gap =
Cost of Maintaining Current Service Levels plus growth *minus* Funds Available to Spend
(grant settlement + achievable income)

2012/13 estimate £1.115m




The 2012/13 'Funding Gap'

- Economic downturn continues to impact on the Council's budgets:
 - **Car Parking** income continues to fall: a further £100k less than budgeted in 2011/12, with similar trend continuing in 2012/13.
 - Estimated income from sale of **garden waste** bins down by £272k in 2011/12, with a similar trend continuing in 2012/13.
 - Low bank base rate resulting in low levels of **investment interest**.



Cabinet general approach

- No increase in Council Tax - Band D £187.12 (using Government funding);
- A reduction in number of staff – 5 jobs will be lost;
- Flexible retirement and voluntary reduction in employee hours;
- Internal restructures to increase efficiencies – part of becoming a 'commissioning organisation';
- Continued promotion of shared services;
- Reduction in cost of council assets e.g. sale of surplus assets.




Key areas for Growth – Appendix 3

Ongoing Revenue Growth:

- Additional annual **tree maintenance** budget - £20,000 pa.
- No inflationary increase to **car parking** charges - £93,900 pa.
- Reinstated verges 'top up' of £110k (built into base budget).

Funded from Capital Reserve:

- Improvements to **Grosvenor Terrace Car Park** - £150,000 investment.



Key areas for Growth – Appendix 3

Funded from Civic Pride Reserve:

- Contribution to GCC for repaving of **East & West Promenade** - £245,000 investment across 2012/13 and 2013/14.
- Upgrade of **Promenade pedestrianised** area - £100,000 investment.
- Remodelling of **Sherborne Place car park** into a green car park for short stay bus use – £100,000 investment.
- Scheme for **St. Mary's churchyard** - £50,000 investment.
- **Public Space** designer – 2 year contract - £35,000 per annum for 2012/13 and 2013/14.




Key areas for Savings – Appendix 4

- Internal **staffing restructures** across council services, including Built Environment Division - £229,100 savings.
- **Merging of services**, including on-street and off-street car parking teams, strategic land use and housing enabling functions - £24,500 savings.
- Removal of staff essential / regular **car allowances** - £62,100 savings.
- Renegotiation of **Regent Arcade lease** - £75,000 savings.



Key areas for Savings – Appendix 4

- Establishment of **Local Authority Joint Waste Company** with Cotswold District Council - £53,000 savings.
- Build **New Homes Bonus** income into base budget - £250,000 saving.
- Review of **allotment service** – above inflation price increase - £25,000 additional income.
- Introduce charge for discretionary advice for **listed buildings and heritage assets** - £5,000 additional income.



New Homes Bonus

2012/13 allocation of £574k to be used:

1. £250k built into **base budget**.
2. £50k to fund **youth work** issues.
3. £137k for **small environmental works** costing up to a max. of £15k per application.
4. £137k towards a **Promoting Cheltenham fund**.



Questions?

