



STROUD DISTRICT COUNCIL

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25 September 2019

STRATEGY AND RESOURCES COMMITTEE

A meeting of the Strategy and Resources Committee will be held on **THURSDAY 3 OCTOBER 2019** in the Council Chamber, Ebley Mill, Ebley Wharf, Stroud at **7.00pm**.

Kathy O'Leary
Chief Executive

Please Note: This meeting will be filmed for live or subsequent broadcast via the Council's internet site (www.stroud.gov.uk). By entering the Council Chamber you are consenting to being filmed. The whole of the meeting will be filmed except where there are confidential or exempt items, which may need to be considered in the absence of the press and public.

AGENDA

- 1 **APOLOGIES**
To receive apologies for absence.
- 2 **DECLARATIONS OF INTEREST**
To receive declarations of interest.
- 3 **MINUTES**
To approve the Minutes of the meeting held on 11 July 2019.
- 4 **PUBLIC QUESTION TIME**
The Chair of the Committee will answer any questions from members of the public, submitted in accordance with the Council's procedures
DEADLINE FOR RECEIPT OF QUESTIONS
Noon on MONDAY 30 SEPTEMBER 2019
Questions must be submitted in writing to the Chief Executive, Democratic Services, Ebley Mill, Ebley Wharf, Stroud, and sent by post or by Email: democratic.services@stroud.gov.uk.
- 5 **LOCAL ENTERPRISE PARTNERSHIP (LEP)**
To receive an update and presentation on emerging projects.
- 6 **LOCAL COUNCIL TAX SUPPORT SCHEME**
To set a Council Tax Support Scheme for the period 1 April 2020 to 31 March 2021.

7 ADVANCE NOTICE OF THE PROPOSED USE OF COMPULSORY PURCHASE POWERS FOR COTSWOLD CANALS CONNECTED (PHASE 1B)

To seek Committee support in principle for the use, at the earliest opportunity, of the Council's powers to acquire land compulsorily, so as to allow the delivery of the Cotswold Canals Connected regeneration project.

8 LEGAL SERVICES OPTIONS

To provide Committee with an options appraisal of in-house and shared service delivery against a set of criteria.

9 BUDGET STRATEGY 2020/21 - 2023/24

To set out the assumptions that will be used when preparing the upcoming Medium Term Financial Plan.

10 PROPOSALS FOR A DISTRICT LOTTERY

To agree to proceed with the implementation of a Community Lottery Scheme.

11 BUDGET MONITORING REPORT 2019/2020 – 31 AUGUST 2019

To present a forecast of the outturn position against the General Fund Revenue Budget and Capital Programme and Housing Revenue Account for 2019/20 in order to give an expectation of possible variances against budget and items to be considered as part of the budget setting process.

12 CORPORATE DELIVERY PLAN PROGRESS

To consider the progress made in quarter 1 on the Corporate Delivery Plan Key Actions for 2019/20.

13 LGA CORPORATE PEER CHALLENGE ACTION PLAN PROGRESS

To note the progress made in quarter 1 on delivering the Action Plan resulting from the LGA Corporate Peer Challenge feedback report.

14 VISION 2050 SEVERN VALE DELIVERY BOARD

To agree to the terms of reference for the setting up of the above board.

15 USE OF LAND AT SALMON SPRINGS, STROUD FOR THE PLANTING OF WOODLAND AND TO CONSIDER APPROACHES FOR ADDITIONAL PLANTING SCHEMES

To seek agreement that five acres of land in the Council's ownership should not be re-tenanted for agricultural grazing but instead planted to form woodland and to seek other opportunities to do similar.

16 WORK PROGRAMME

To consider the work programme.

17 MEMBER/OFFICER REPORTS

- a) Performance Monitoring
- b) Investment and Development Panel
- c) Leadership Gloucestershire Update
- d) Gloucestershire Economic Growth Joint Committee (GEGJC) and Scrutiny Committee

18 MEMBERS' QUESTIONS

See Agenda Item 4 for deadline for submission.

Members of Strategy and Resources Committee 2019/20

Councillor Doina Cornell (Chair)

Councillor Martin Whiteside (Vice-Chair)

Councillor Nigel Cooper

Councillor Stephen Davies

Councillor Nick Hurst

Councillor Keith Pearson

Councillor Simon Pickering

Councillor Steve Robinson

Councillor Mattie Ross

Councillor Tom Skinner

Councillor Chas Townley

Councillor Ken Tucker

Councillor Debbie Young



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STRATEGY AND RESOURCES COMMITTEE

11 July 2019

7.00 pm – 8.50 pm

Council Chamber, Ebley Mill, Stroud

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Minutes

Membership:

Councillor Doina Cornell (Chair)	P	Councillor Steve Robinson	P
Councillor Martin Whiteside (Vice-Chair)	P	Councillor Mattie Ross	P
Councillor Nigel Cooper	P	Councillor Tom Skinner	A
Councillor Stephen Davies	P	Councillor Chas Townley	P
Councillor Nick Hurst	P	Councillor Ken Tucker	P
Councillor Keith Pearson	P	Councillor Debbie Young	P
Councillor Simon Pickering	A		

P = Present A = Absent

Officers Present:

Chief Executive	Interim Head of Legal Services and Monitoring Officer
Interim Director of Resources and Section 151 Officer	Head of Asset Management
New Homes and Regeneration Manager	Democratic Services and Election Officer

Councillor Cornell stated that Agenda Item 7, the Redevelopment of Brimscombe Port would be brought forward on the Agenda and taken after Agenda Item 4.

SRC.017

APOLOGIES

Apologies for absence were received from Councillors Pickering and Skinner.

SRC.018

DECLARATIONS OF INTEREST

Councillor Young declared an interest in Agenda Item 7, Redevelopment of Brimscombe Port because she had worked with many of the local businesses.

The Interim Director of Resources and Section 151 Officer declared a personal interest in Agenda Item 6, because he may apply for the Director's post within the new structure. He would leave the Council Chamber prior to the item being discussed and return after the item had been concluded.

SRC.019

MINUTES

RESOLVED

To approve as a correct record the Minutes of the meeting held on 13 June 2019.

SRC.020**PUBLIC QUESTION TIME**

There were none.

SRC.021**REDEVELOPMENT OF BRIMSCOMBE PORT**

The New Homes and Regeneration Manager outlined the above report which sought approval of three of the tender documents for the procurement of a developer partner for the redevelopment of Brimscombe Port. A further report would be presented to the Committee at their next meeting to review and approve the remaining procurement documents including arrangements for the Community Centre when the Heads of Terms for this and the Development Agreement are presented. The planning application was being loaded onto the Council's portal.

Councillor Hurst had been involved with the project from the beginning and supported the report. Councillor Whiteside commended the Officers on the amount of work that had been undertaken by them and also the cross-party project board for their involvement.

During debate Councillor Pearson raised his concerns regarding the completion of the canal from The Ocean to Brimscombe Port.

On being put to the vote, the Motion was unanimously carried.

RESOLVED

- a) i) **To approve the Output Specification.**
- ii) **To approve the Value for Money Protocol.**
- iii) **To approve the Commercial Principles Paper for the procurement of a development partner for Brimscombe Port; and**
- b) **To delegate authority to the Head of Property Services in consultation with the Chair and Vice Chair of Strategy and Resources to make minor amendments to these documents prior to finalising the documents for the launch of the procurement process.**

SRC.022**LOCAL GOVERNMENT ASSOCIATION (LGA) CORPORATE PEER CHALLENGE ACTION PLAN**

The Chief Executive outlined the above report and action plan resulting from the LGA Corporate Peer Challenge Feedback Report that had been to full Council on 16 May 2019. There were 8 actions within the plan, 4 for immediate attention with the last 4 being reliant on the Council dealing with the first 4. Action 2, the Corporate Delivery Plan had already been completed and had been presented at May's meeting of full Council. Work is progressing and a further report will be presented to a future meeting of the Committee, together with regular performance monitoring reports.

A standing item would be placed on all future Agendas for the current civic year to keep on top of delivery. The Corporate Peer Review Team will be invited back within the next 2 years.

RESOLVED

- a) **To agree the Action Plan; and**
- b) **To note that progress reports will be brought to future Strategy and Resources Committee meetings.**

The Interim Director of Resources and Section 151 Officer left the Council Chamber.

SRC.023**SENIOR MANAGEMENT STRUCTURE**

The Chief Executive explained the background to the report which stemmed from Action 1, in the LGA Corporate Peer Challenge Action Plan. This requested the recruitment of 3 Strategic Directors, with an increase in current pay and also a 4th Director for Transformation for a set period of time. At the moment the Council was financially able to invest money into the recruitment of senior management and in the long term invest to save, with costs anticipated to go down in the future.

The LGA are supportive of the suggested structure and the remuneration band and this was reflected in a paragraph in the report. The Chief Executive advised that the Council needed to be able to compete with our neighbouring authorities to attract and keep Directors. The Director of Transformation will modernise our resources and liaise with all of the managers across the organisation. The Chief Executive stressed the need to move towards a one team culture for members and staff, because we are all part of Stroud District Council.

In reply to Members' questions the Chief Executive confirmed the following:-

- We did have 3 Directors, 1 retired in March, 1 is on long term sick and there is 1 in post.
- The two remaining Directors will be issued with a notice of redundancy, invited to apply for a Director's post and will automatically be shortlisted.
- The Interim Director of Finance will have to apply for the permanent post, but will not be automatically shortlisted and if unsuccessful will have a post to return to.
- Legal advice had been sought and the statutory process is being followed. The affected Directors are fully aware of the situation.
- A budget for any redundancies will come from the Transformation Reserve.
- Once the new structure is in place performance is expected to be high.
- When the new Chief Executive arrived some work was already underway and has continued, e.g. the local plan and reviewing the planning service.
- The titles for the Directors is open to suggestions but needed to describe their areas of work.

Members agreed with the report and the need for the Chief Executive to have the right senior management around her if we aspire to be an exemplar Council. A balance was needed to attract the top talent and keep our salary range fair.

Councillor Pearson suggested that the title for the Strategic Director of Place be entitled the 'Strategic Director of Public Realm'.

Councillors Townley and Ross recalled that in the past there had been a Chief Executive and Senior Officer Panel which would have looked at this report in the first instance.

On being put to the vote, the Motion was unanimously carried.

RESOLVED

- a) **To agree the recruitment and remuneration of 3 Strategic Directors of Communities, Place and Resources as set out in this report.**
- b) **To agree the recruitment and remuneration of a Director of Transformation for a fixed term period of 2 years, as set out in this report; and**
- c) **To agree the use of the Transformation Reserve to meet the additional costs arising from those appointments.**

The Interim Director of Resources and Section 151 Officer returned to the Council Chamber.

SRC.024**UNITE CONSTRUCTION CHARTER**

Councillor Pearson objected that this Agenda Item had been published onto the Agenda for Council before Members' had made a decision. It gave the public the impression that a decision had already been made. He found this unacceptable and would not take part.

The Interim Head of Legal Services and Monitoring Officer accepted Councillor Pearson's point and said that it was a matter of timing because of the need to publish the Council Agenda.

Councillor Cornell confirmed that originally the report had been in the form of a Motion.

The Interim Head of Legal Services and Monitoring Officer confirmed that it was his understanding that if agreed, the Charter would be appended to the procurement process, and was a statement of principle, with no anticipated costs.

Councillor Cornell confirmed that the Charter would authorise Trade Unions to enter sites to ensure that good health and safety practices were being adhered to. The Charter had already been adopted by other Councils in the South West.

Councillor Davies stated that paragraph 1.4 of the report was in conflict with local businesses.

The Interim Head of Legal Services and Monitoring Officer stated that the Charter would be dealt with on a case by case basis and he did not believe it would conflict with procurement.

A discussion ensued. Confirmation was given that legislation was already in place regarding health and safety.

During debate concerns were raised by Councillor Cooper, particularly paragraphs 1.4 – 1.7 of the report. Some contractors may be put off by the Charter and he felt that the Charter was unnecessary and could be damaging to the Council.

Councillor Hurst thought it had the potential to undermine what this Council was trying to do. The signing of this Charter may damage the Brimscombe Port project. He outlined reasons against each of the paragraphs within the Charter, stating that there would be no benefit to the delivering of our services for our Council tax payers.

Councillors Cornell and Townley had met with Unite, who are not just about Health and Safety but also encouraged apprenticeships. Councillor Townley outlined reasons for Members' to support the Charter.

Councillor Whiteside respected Members' concerns and would feel concerned if the Brimscombe Port redevelopment was jeopardised. There is already a lot of legislation and procedures in place and we need a pragmatic rather than dogmatic approach. It is very important that we are flexible.

Councillor Hurst was very concerned that if Members agreed to the Charter the Council would be unable to cherry pick which projects it applied to or not. It would be included in our Procurement Procedure.

In summing up Councillor Cornell confirmed that some Councils had already adopted the Charter and that Trade Unions spent 99.9% of their time improving the work place.

With the Chair using her casting vote, it was carried.

RECOMMENDED TO COUNCIL

- a) It adopts the Unite Construction Charter, and
- b) Requests the Leader to sign the Charter on behalf of the Council.

SRC.025 **WORK PROGRAMME**

The following items were added to the Committee's Work Programme:-

- 3 October 2019 – Constitution Working Group and LGA Corporate Peer Challenge Action Plan Update.
- Work Programmes would be based on the Corporate Delivery Plan. Officers are currently working on this project and all Work Programmes for Committees would be updated.
- Invite GFirstLep to a future meeting to update on emerging projects, eg the Industrial Strategy and Energy Strategy.

In response to a question from Councillor Davies, Councillor Cornell confirmed that the Carbon Neutral 2030 report had been presented at the last meeting of the Environment Committee. A report will be coming back to Council. The Chief Executive confirmed that the parent committee was the Environment Committee and the Director of Development Services was working with the County Council to influence the plan.

SRC.026 **MEMBER OFFICE REPORTS**

- a) Performance Monitoring – a report was circulated via email prior to the meeting. Councillor Cooper confirmed that he and Councillor Pearson were satisfied with the performance and thanked the Interim Director of Resources and Section 151 Officer for improving the monitoring process.
- b) Investment and Development Panel – the meeting in July had been cancelled the next meeting was scheduled to take place on 2 September 2019.
- c) Leadership Gloucestershire Update – Councillor Cornell confirmed that the Forest of Dean District Council were leading on Vision 2050 and she would be attending a meeting tomorrow.
- d) On Monday the Western Powerhouse would be launched and Councillor Cornell would send an email to Committee regarding this.

SRC.027 **MEMBERS' QUESTIONS**

There were none.

The meeting closed at 8.50 pm.

Chair

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

3 OCTOBER 2019

6

Report Title	LOCAL COUNCIL TAX SUPPORT SCHEME
Purpose of Report	To set a Council Tax Support Scheme for the period 1 April 2020 to 31 March 2021.
Decision(s)	The Committee RECOMMENDS to Council that it adopts the current default scheme for 2020/21, keeping the scheme unchanged.
Consultation and Feedback	Consultation took place between 22 July 2019 and 30 August 2019.
Financial Implications and Risk Assessment	The current costs of the default scheme are included within the Medium Term Financial Plan. Andrew Cummings, Interim Director of Resources (Section 151 Officer) Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk
Legal Implications	Since 1 April 2013 local authorities in England have been responsible for administering their own Council Tax Reduction Schemes subject to the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012. An authority is able to adopt the default scheme provided for in the Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) Regulations 2012 (SI 2012/2886). Patrick Arran, Interim Head of Legal Services Tel: 01453 754369 Email: patrick.arran@stroud.gov.uk
Report Author	Simon Killen, Revenue and Benefits Manager Tel: 01453 754013 Email: simon.killen@stroud.gov.uk
Options	Council could choose to adopt a local scheme that reduces the Council Tax support that working age claimants receive.
Performance Management Follow Up	Scheme impact and costs will be monitored on an on-going basis and any significant changes will be reported to the committee.
Background Papers/ Appendices	Appendix A – Summary of Scheme

1. BACKGROUND

- 1.1 The Welfare Reform Act 2012 abolished Council Tax benefit. Section 10 of the 2012 Act added a new section 13A to the Local Government and Finance Act 1992 so that, in respect of dwellings in England, a person's liability to pay Council Tax is reduced in accordance with the billing authority's Council Tax Reduction Scheme. Liability may be reduced "to such an extent as the billing authority thinks fit." Billing authorities can apply a reduction in particular cases or by determining a class of case. Liability for Council Tax can be reduced to nil.
- 1.2 Each billing authority is required to develop a local Council Tax Support scheme each year for working age people.
- 1.3 Since 2013/14 the Council has adopted the Governments default scheme which has meant no changes or reduction in the support we provide.
- 1.4 Council Tax Support is provided to around 5.700 households at an annual cost of £5.8m which includes both working age and pension age claimants.
- 1.5 Within Gloucestershire some of our neighbouring authorities have reshaped their schemes to an income banded scheme whilst others are consulting on changes for 2020/21 to include a minimum payment.
- 1.6 As the billing authority we must consult with our major preceptors, as the majority of Council Tax collected is on their behalf, they are most affected by any changes.
- 1.7 Between 22/07/19 and 30/08/19 a consultation was carried out on the council's website. This was seeking views from residents, as well as interested parties such as Citizens Advice, on the Council Tax support scheme and banded scheme. The consultation provided very little feedback.
- 1.8 Residents over state pension age are protected from any changes.

2. ISSUES FOR CONSIDERATION

- 2.1 Since 2013/14 the funding from central government to support the local working age scheme has continued to reduce in line with other central funding cuts. The council has so far absorbed any shortfall in funding assisted by utilising our local powers to reduce council tax discounts on empty properties, along with a premium charge.
- 2.2 To reduce costs to the council, changes would have to be made to the level of support provided to working age claimants.
- 2.3 There is a need to modernise and make changes to the current scheme so that it works together with the changes that are being made at national level with Universal Credit. Currently those claimants may have their entitlement recalculated each month taking into account fluctuations in income. This

results in revised changes to council tax instalments every month which can be confusing and make budgeting difficult.

- 2.4 There is a risk that the cost on maintaining the current local scheme will increase if the number of claimants increases due to the state of the local and national economy.

3. RECOMMENDATION

- 3.1 The report recommends that the council continues with the existing scheme for 2020/21. This will allow the council to continue to provide up to a maximum 100% support, whilst protecting the most vulnerable residents in the district.
- 3.2 The wider introduction of Universal Credit will impact on how Council Tax support is administered and consideration should be given to an alternative scheme for futures years.
- 3.3 During 2020/21 a full review and modelling will be carried out and new proposals brought forward for consideration to change the scheme from 2021/22. Any future scheme will need to provide protection for the most vulnerable claimants as well as aim to be cost neutral.

Council Tax Support Scheme

Summary of the proposed scheme for Pension Credit Age persons and Working Age persons 2020/21

Introduction

The current Council Tax Support Scheme will end on 31st March 2020 and, from 1st April 2020, Councils will put in place (if necessary) a new local Council Tax Support scheme. Stroud District Council is proposing to continue the qualifying criteria from the current Council Tax Support Scheme as our local scheme. This means that all entitlements will remain the same. A consultation process in relation to this proposal was carried out between 22/07/2019 and 30/08/2019.

The purpose of this document is to give a high level overview of the current scheme, so that it is clear what we are proposing to continue. This document will also highlight any differences between the current scheme and the new local scheme that will take effect from 1st April 2020.

The Council Tax Support Scheme for Pensioners

The Government has protected Pensioners (i.e. those who have reached the age at which Pension Credit can be claimed) from change within local schemes. For Pensioners, the rules under the new local scheme will therefore be very similar to those of the current Council Tax Support scheme. An overview of the three basic types of qualification follows:

To qualify for Council Tax Support the person must:

- a. have attained the qualifying age for state Pension Credit,
- b. not be somebody with a partner of Working Age in receipt of Income Support, income- based Jobseeker's Allowance or income-related Employment and Support Allowance and Universal Credit ,
- c. be liable to pay Council Tax for property in which they are resident,
- d. not have capital and/or savings above £16,000, and
- e. have made a valid application for a Council Tax Support.

The three types of qualification are summarised as follows:

1. Where an applicant meets all of the criteria (a-e above) and receives a level of weekly income which is less than or equal to the living allowance set by Central Government (known as the `applicable amount`); that person qualifies for 100% reduction on their Council Tax and has nothing to pay. However, this may be reduced if they have another adult living with them who is not their partner (this is known as a Non-Dependant Deduction).
2. Where an applicant meets all of the criteria (a-e above) and receives a level of weekly income which is above their applicable amount; the level of reduction will be calculated by taking 20% (known as the taper) of the difference between the income and the applicable amount away from their weekly Council Tax liability. Therefore, dependant on the level of income, the support could be

anywhere between 0% and 100%. Again, this may be reduced if they have another adult living with them who is not their partner (this is known as a Non-Dependant Deduction).

3. Where the applicant meets all of the criteria, apart from the capital limit (a, b, c & e above) and has another adult living with them who is on a low income or on state benefits (who is not their partner and does not pay rent to them); they may qualify for a reduction (known in the current Council Tax Benefit scheme as 'Second Adult Rebate'). Dependant on the level of income received by the 'second adult' this could give a reduction of up to 25%. This may be up to 100% for qualifying student applicants.

The Council Tax Support Scheme for Working Age claimants

As with the current Council Tax Support qualifying criteria, to qualify for Council Tax Support the person must:

- a. be someone who has not reached Pension Credit age, for whom a Council Tax Support claim can be calculated, unless they have a partner who is of working age,
- b. be liable to pay Council Tax for property in which they are resident,
- c. not have capital and/or savings above £16,000,
- d. have made a valid claim for Council Tax Support.

The three types of qualification are summarised as follows:

1. Where an applicant meets all of the criteria (a-d above) and receives a level of weekly income which is less than or equal to the living allowance set by Central Government (known as the 'applicable amount'); that person qualifies for 100% reduction on their Council Tax and has nothing to pay. However, this may be reduced if they have another adult living with them who is not their partner (this is known as a Non-Dependant Deduction).
2. Where an applicant meets all of the criteria (a-d above) and receives a level of weekly income which is above their applicable amount; the level of reduction will be calculated by taking 20% (known as the taper) of the difference between income and applicable amount away from their weekly Council Tax liability. Therefore, dependant on the level of income, the support could be anywhere between 0% and 100%. Again, this may be reduced if they have another adult living with them who is not their partner (this is known as a Non-Dependant Deduction).
3. Where the applicant meets all of the criteria, apart from the capital limit (a, b & d above) and has another adult living with them who is on a low income or on state benefits (who is not their partner and does not pay rent to them); they may qualify for a reduction (known in the current Council Tax Benefit scheme as 'Second Adult Rebate'). Dependant on the level of income received by the 'second adult' this could give a reduction of up to 25%. This may be up to 100% for qualifying students.

Legislation

It is proposed that eligibility under the new local scheme mirrors what is already set out in legislation relating to the previous Council Tax Benefit scheme. Our scheme will mirror any changes made to the HB regulations after the CTB regs ended including.

- Removal of the family premium from 01 May 2016 for new claims and changes of circumstances for existing claimants who have a child or become responsible for a child after 30 April 2016
- Match the removal of allowances for third and subsequent children born after April 2017
- The restrictions in tax credits for two children and the removal of the family element from 2017
- Restrictions for those claimants leaving the UK for longer than one month
- Exception will be that Backdating will be limited to a maximum of three months for all CTS claimants

For reference these regulations are;

- The Social Security Contributions and Benefits Act 1992,
- The Social Security Administration Act 1992,
- The Council Tax Benefit Regulations 2006
- The Council Tax Benefit (Persons who have attained the qualifying age for state Pension Credit) Regulations 2006,
- The Housing Benefit Regulations 2006,
- The Housing Benefit (Persons who have attained the qualifying age for state Pension Credit) Regulations 2006.

These regulations set out how Council Tax Benefit was claimed, calculated and paid. The local Council Tax Support scheme will mirror all of these criteria and a summary of the key factors follow:

Applicable Amount

This is the living allowance that determines the financial needs of claimants. These are determined annually by Central Government and the local scheme will use the same figures in line with Social Security benefits. As shown in the detailed qualifying criteria above, they are used to determine your entitlement. Generally, if your income (including benefits and assumed income from capital) is lower than your applicable amount you will receive full support (less any deduction for any non-dependants living in your household). If your income is higher than your applicable amount then you will receive less than 100% support.

Applicable amounts are calculated by making allowance for your personal needs, any children in the household, as well as premiums for certain household circumstances; for example if there is a disabled person within the household.

Income and Capital

Income is all of the money that the applicant (and other members of their household) have coming in from earnings, social security benefits, maintenance payments, pensions and other sources. Some forms of income will have what is known as a

'disregard' applied to them. This means that, for the purposes of calculating Council Tax Support, they may be partially or fully ignored.

Any capital that the applicant has (for example savings, shares or other property) will contribute to the calculation as well as their income. The Council will work out an assumed weekly income from the applicant's capital/investments (known as tariff income) and this will be used to calculate a total income figure, so that this can be used to calculate entitlement. Again, some capital will be disregarded within the calculation.

Evidence

The Council will, as with the current Council Tax Support scheme, require all applicants to provide evidence of most forms of income and capital. The Council will also require evidence of applicant's identity upon making a claim for Council Tax Support.

Change of Circumstances

Recipients of Council Tax Support must notify the Council immediately if there are any changes that might affect their right to, or the amount of, Council Tax Support received.

This will include where they live; who they live with; changes in earnings, benefits and capital; the employment status of everyone in the household; a member of the household leaving or going into hospital or prison. Applicants will have a duty to notify the Council of any change of circumstances that they might reasonably be expected to know might affect their Council Tax Support entitlement.

Payment and Notification

All awards of Council Tax Support will be credited direct to the applicant's Council Tax account. Applicants will be notified in writing about their weekly award and how it was calculated or (where they are not entitled) that their claim has been unsuccessful. Where Council Tax Support is awarded the applicant will also receive a new Council Tax bill with their reduced liability (even where they are entitled to 100% support and the bill is zero).

Overpayments

As with the current Council Tax Support scheme, where an applicant has been awarded support and it is later determined that they should not have been entitled, an overpayment will have occurred. In most instances, where this is the applicant's error, this overpayment will be added to their Council Tax account and collected as normal. Where this is not possible (for example if the account is now closed because the applicant has moved) normal recovery actions will be undertaken. The Council will be able to get an attachment to that benefit to recover Council Tax; which is possible within the current arrangements.

Claiming

Currently claims for Housing Benefit and Council Tax Support are made on the same form. It is proposed that this will remain the same when the new local Council Tax Support scheme is introduced. Minor adjustments will need to be made to take account of the change in the name of the scheme (for example); however it is anticipated that a very similar form will be used and be available in exactly the same formats as with the current scheme. A shortened claim form has been introduced for use by claimants who are claiming and / or receiving Universal Credit.

Moving Over to the New Scheme

The Council will not be asking existing Council Tax Support recipients to make a fresh claim for Council Tax Support. As the same qualifying criteria will apply, we will simply transfer all Council Tax Support claims in payment on 31st March 2018 to the new scheme.

Universal Credit

Full service was rolled out across the district for a broader range of claimants from 4th October 2018. It has become more widely available for couples and families but only for new claims or where there is a significant change of circumstances.

The impact of Universal Credit will be monitored with a view to introduce a “tolerance level” of income change which would mean we ignore changes of less than a certain per cent or a certain amount.

Where claimants are employed and receiving Universal Credit, their net wage after tax, national insurance and pension deductions will be used in the assessment.

Where claimants are self-employed and are or were receiving Universal Credit, we will follow Universal Credit and use the relevant national minimum wage to make an assessment on their income where they have declared no profit.

It is proposed that eligibility under the new local scheme mirrors what had already been set out in legislation relating to the old Council Tax Benefit scheme, other than the annual uprating of premiums, allowances, non-dependant deductions and any changes to the national pension age scheme that need to be reflected in the local working age scheme.

Our scheme will also mirror any changes made to the HB regulations after the CTB regs ended including:

- Removal of the family premium from 1 May 2016 for new claims and changes of circumstance for existing claimants who have a child or become responsible for a child after 30 April 2016.
- Match the removal of allowances for third and subsequent children born after April 2017
- The restrictions in tax credits to two children and the removal of the family element from 2017

- Restrictions for those claimants leaving the UK for longer than one month
- Exception will be that backdating will be limited to a maximum of three month for all CTS claimants.

HBRO = Housing Benefit Run On, an additional award of benefit for the first four weeks of employment where the customer was previously unemployed for a continuous period of 26 weeks

CTS = Council Tax Support

Taper = the rate at which benefit is reduced as income increases

Second Adult Rebate = an award of benefit based on the income a second person in a property

What are the differences between the old Council Tax Benefit Scheme and the new local Council Tax Support Scheme?

There are some things, aside from the name, that will be different under the new local scheme. However, these are factors that will not generally affect the main qualifying criteria.

These differences are:

- **Discretionary Housing Payments** – Where someone did not receive full benefit (Housing Benefit or Council Tax Benefit) and there was the risk of financial hardship; the Council had a discretionary budget that it could use to top up Housing and/or Council Tax Benefit. Under the new local Council Tax Support scheme this discretionary allocation of money is not available and there will not be any payment of discretionary support. This has not caused wide-ranging difficulties as we have been operating a Council Tax Support Scheme since April 2013.
- **Fraud** – The previous Council Tax Benefit scheme operated under Benefit Legislation and the Council had powers to investigate and prosecute fraudsters accordingly. The new scheme is not a benefit. It is a discount under Council Tax legislation and benefit investigation powers do not apply. However, under the Fraud Act 2006 the Council has very similar powers to investigate and prosecute those that fraudulently claim Council Tax Support.
- **Appeals** – The current appeals system (and processes) changed from those we had in place in relation to Council Tax Benefit. The Valuation Tribunal Service will be responsible for hearing appeals against Council Tax Support.
- **Universal Credit** – The introduction of Universal Credit may change the level of evidence and information that we require from applicants. Currently, for claimants of such benefits as Income Support and Job Seeker's Allowance, we receive information from the Department for Work and Pensions that reduces the duplication for the claimant. The DWP will only tell us of Universal Credit amounts if the claimant gives their permission, otherwise we will need to contact them like any other claimant.

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

3 OCTOBER 2019

7

Report Title	ADVANCE NOTICE OF THE PROPOSED USE OF COMPULSORY PURCHASE POWERS FOR COTSWOLD CANALS CONNECTED ('PHASE 1B')
Purpose of Report	To seek Committee support in principle for the use, at the earliest opportunity, of the Council's powers to acquire land compulsorily, so as to allow the delivery of the Cotswold Canals Connected regeneration project.
Decision	<p>Strategy and Resources Committee RESOLVES:</p> <p>a) To support the principle of compulsory purchase of land including (and in the vicinity of) the proposed route of the reinstated canal between Stonehouse and Saul Junction (Cotswold Canals Connected – Phase 1b).</p> <p>b) To instruct the Head of Property Services to return to this Committee with detailed proposals for a Compulsory Purchase Order (CPO) resolution, should that be considered necessary.</p> <p>c) To authorise the Head of Legal Services in consultation with the Head of Property Services to engage the services of Counsel as considered appropriate with regard to the preparation and processing of a CPO to confirmation.</p>
Consultation and Feedback	Our partners in the project; Cotswold Canal Trust, Stroud Valleys Canal Company, the Canal and River Trust and Gloucestershire County Council are all supportive of the use of CPO powers.
Financial Implications and Risk Assessment	<p>The costs of using CPO powers, if necessary, will be met from the within the overall canal project budget.</p> <p>The budget for the canal project includes budget for acquiring all of the land necessary for the scheme. The budget for the next phase will be reported back to this Committee before the bid is submitted to HLF.</p> <p>Andrew Cummings, Interim Director of Resources (Section 151 Officer) Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk</p>

Legal Implications	<p>Considerable preparatory work will be needed before the Council will be able to present a sustainable case for a CPO. Consequently, an 'in principle agreement' to such action is sought at this stage for review once essential preparatory work has been undertaken.</p> <p>Alan Carr, Solicitor Tel: 01453 754357 Email: alan.carr@stroud.gov.uk</p>
Report Author	<p>Alison Fisk, Head of Property Services Tel: 01453 754430 Email: alison.fisk@stroud.gov.uk</p> <p>David Marshall, Canal Project Manager Tel: 01453 754646 Email: david.marshall@stroud.gov.uk</p>
Options	<p>The reinstatement, including the construction of new sections where the historical line no longer exists and is incapable of being reinstated, of the canal and associated infrastructure between Ocean, Stonehouse and Saul Junction (The Cotswold Canals Connected project) cannot proceed without the use of land not owned or controlled by the Council or its partners. Whilst every endeavour will continue to be made to acquire the necessary lands and rights by voluntary agreement, certainty is needed in order for the project to proceed, and that can only be delivered by having compulsory powers available should purchase(s) by agreement be unsuccessful.</p> <p>The other option is to try to continue to acquire land by negotiation with the likelihood that HF deadlines will not be met, putting the release of further funding of £8.9m at risk and the project failing.</p>
Performance Management Follow Up	<ul style="list-style-type: none"> • Report back to committee regarding the use of CPO powers • Report back to S&R Committee before the final delivery Stage application is made to the Heritage Lottery Fund (HLF)

1. Background

- 1.1. On 24th April 2018, the then Heritage Lottery Fund (HLF) awarded £842,800 as Development Funding, to the Cotswold Canals Connected project (Phase 1b) enabling us to work towards submitting a further Delivery Stage bid, in the order of £8.9 million, by a deadline of 24th April 2020.
- 1.2. The project will see restoration of a 4-mile length of canal connecting the national waterway network at Saul Junction to the already restored 5 mile section running from Stonehouse to Thrupp. This would make Stonehouse and Stroud canal towns once again.

- 1.3. The project will bring significant biodiversity, economic, leisure and health and wellbeing benefits.
- 1.4. Whilst Development funding does not automatically guarantee a Delivery Stage pass, the then HLF was clearly sufficiently impressed to award funding. Provided the project looks certain to deliver its outcomes to budget, there is no reason why the further bid should fail.
- 1.5. Work on the Development Stage is now well advanced and will be formally reviewed by the Heritage (Lottery) Fund on 16th October. This formal review will particularly look at risks to deliverability of the project, with inability to acquire the necessary land identified as the primary risk.
- 1.6. The expectation is that we will submit the formal Delivery stage bid on 2nd March 2020.

2. Land Acquisition

- 2.1 Part of the development stage is negotiating and agreeing land acquisitions.
- 2.2 An Outline planning application for reinstating the canal through the 'Missing Mile' (Westfield Lock to the A38 roundabout) was submitted earlier this year, but is currently being upgraded to a Full application.
- 2.3 Discussions and negotiations with 11 landowners have been progressing, but to date it has only been possible to agree terms of sale with one of those landowners. Legal agreements will need to be secured in respect of all land and rights required before the Heritage Fund will release any further funding above the development stage funding already granted. Consequently it has become critical to consider exercising the Councils Compulsory Purchase Powers pursuant to section 226 of the Town and Country Planning Act 1990.
- 2.4 A CPO can provide timely possession of the necessary land and associated rights (permanent and temporary); and would also ensure that there are no title issues which might otherwise compromise or undermine delivery of the scheme.
- 2.5 Whilst every endeavour will be made to acquire the necessary land and rights by agreement, certainty is needed in order for the project to proceed, and that can only be delivered by having compulsory powers available should purchase(s) by agreement be unsuccessful. It should also be pointed out that some of the land required is in unregistered and unknown ownership in which case a CPO is the only means of securing this
- 2.6 The Council should only make a CPO if it considers that there is a compelling case in the public interest to do so, and that it is confident that, should the CPO be approved, there is reasonable certainty that the scheme will proceed. The "compelling case in the public interest" is the standard that will be applied by the Secretary of State in considering whether or not to approve the Council's CPO, and is the test that Members will need to apply when considering a report in due course, recommending a resolution to authorise the use of CPO powers.

3. Consequences of the decision sought

- 3.1 The decision sought will enable work to be undertaken to prepare for a CPO, and to deliver a report recommending a resolution authorising the making of a CPO
- 3.2 Some of the work involved in promoting a CPO is as follows:
- determining the boundaries of the land and nature and extent of interests to be included within the CPO (this can only be achieved when the scheme design has been completed). This is a necessary preliminary step to enable the land referencing exercise (ref below) to be undertaken
 - preparing the Statement of Reasons, which is the document which supports the case for a CPO.
 - undertaking a land referencing exercise (the term used to describe clarification of land ownerships and the precise property interests needed to include in any CPO. This includes all persons who are owners, occupiers, tenants or others who may have compensatable interests in the land including the benefit of any easements or covenants which affect the land).

4 Timescale

- 4.1 The timescale for obtaining confirmation of a CPO can be lengthy. Much will depend on whether objections are raised by landowners and whether a public inquiry is required. Given the significance of the scheme and the complex legal nature of compulsory purchase it is recommended that the Committee authorise the retention of Counsel to (i) advise on specific legal issues which may arise as determined by the Head of Legal Services in consultation with the Head of Property Services and (ii) to represent the Council at any public inquiry.

5 Negotiations

- 5.1 Negotiations by private treaty will continue before and after any CPO is made, as the Council would rather acquire the outstanding interests by agreement. The CPO code requires this in any event. However, the CPO is needed to ensure that vacant possession can be secured and to clean up any title issues so that the project can proceed unhindered.

6 Risk Assessment Implications

- 6.1 Any process of land assembly involves risks, and those attaching to a CPO are many and varied, including:
- a) The CPO might be unsuccessful (i.e. not confirmed by the Secretary of State).
 - b) Planning permission for the scheme may not be granted, meaning that the development underpinning the CPO cannot happen.
 - c) The development may not be viable, meaning that the project behind the CPO cannot be delivered.
 - d) Inadequate resources applied to the CPO process. Promoting a CPO is resource-intensive and the Council needs to accept that considerable resource will be needed to pursue the CPO process effectively.

7 Conclusion and Recommendation

- 7.1 The Council now has a (probably unique) opportunity to bring forward the reinstatement of this section of the canals, linking Phase 1a to the national canal network. In order to assist in the economic regeneration of the area and deliver the Cotswold Canals Connected project, the promotion of a CPO is pivotal to that objective. Committee is, therefore asked to support the decision sought.

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

3 OCTOBER 2019

8

Report Title	LEGAL SERVICE OPTIONS
Purpose of Report	To provide the Committee with an options appraisal of in-house and shared service delivery vehicles against a set of criteria.
Decision(s)	<p>That Strategy and Resources Committee RESOLVES:</p> <p>Subject to the approval of a detailed Business Case (including the financial case) by the Chief Executive in consultation with the Section 151 Officer and the Leader:</p> <ol style="list-style-type: none"> 1. To approve, the joining of the Stroud District Council’s legal services with Cheltenham Borough Council, Gloucester City Council and Tewkesbury Borough Council (One Legal). 2. To transfer Stroud District Council’s legal services staff to Tewkesbury Borough Council under the principles of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) on a date to be agreed by the Chief Executive. 3. To delegate Stroud District Council’s legal service functions to Tewkesbury Borough Council, as host authority, in accordance with section 101(1) of the Local Government Act 1972. 4. To delegate authority to the Chief Executive, in consultation with the Leader, to enter into the s101 Agreement, any other legal documentation and to take all necessary steps to implement the above-mentioned resolutions.
Consultation and Feedback	The in-house legal team has been consulted on the proposals. The Joint Monitoring and Liaison Group for One Legal has been consulted and is supportive of Stroud joining the partnership.

Financial Implications and Risk Assessment	<p>The recommendation made is subject to an acceptable business case and therefore final costs are not known at this stage. Although the approval of the business case is delegated, the final budget impact will be reported back to this committee after the business case has been received and agreed.</p> <p>Financial savings are not the primary reason for the recommendation and therefore it is anticipated that the cost of the new service position will be broadly in line with current budgets. There is the possibility of some variation, albeit not likely to be significant, and this will become clear in the final business case.</p> <p>Savings may be realised by preventing costs in future years through greater resilience and shared expertise within the shared service reducing the need for external spend on future Council projects.</p> <p>Andrew Cummings, Interim Director of Resources & S151 Officer Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk</p>
Legal Implications	<p>Any legal implications relative to the decision being made are set out in the body of the report. In the event the Committee accepts the recommendation, there will be a need to consider and negotiate an appropriate delegation agreement under section 101(1) of the Local Government Act 1972 to reflect the shared service arrangement.</p> <p>Patrick Arran, Head of Legal Services and Monitoring Officer, Tel: 01453 754369 Email: patrick.arran@stroud.gov.uk</p>
Report Author	<p>Patrick Arran, Head of Legal Services and Monitoring Officer, Tel: 01453 754369 Email: patrick.arran@stroud.gov.uk</p>
Options	<p>The Committee may either decide to accept the recommendation or maintain the status quo.</p>
Performance Management/Follow Up	<p>The recommendations, if approved, are that the Council will enter into a shared service agreement with One Legal subject to the approval of a detailed business case. If the business case is not acceptable a further report will be brought to the Committee. If the Council enters into the partnership performance is monitored by the Joint Liaison and Management Group on which SDC Members and Officers will be represented.</p>
Background Papers	<p>Strategy and Resources Committee Report 13th June 2019</p>
Appendices	<p>Appendix 1 – Time Recording Statistics Appendix 2 - Terms of Reference Joint Liaison and Management Group Appendix 3 - Biography Mr Michael Graham</p>

1. INTRODUCTION

On the 13th of June 2019, Strategy and Resources Committee considered a report by the interim Head of Legal Services regarding a review of Legal Services. This report was very detailed and as such, other than providing context where necessary, it is not proposed to duplicate any information set out in that report. It is recommended that members please re-read that report for background.

- 1.1 The Committee resolved to instruct the Interim Head of Legal Services to provide a further report setting out an options appraisal of in-house and shared service options.

2. EXECUTIVE SUMMARY

This report sets out an options appraisal for the future delivery vehicle for legal services based on the two options requested by the Committee. The report culminates in a recommendation for future service delivery which is that a shared service arrangement will provide the Council with resilience for the future.

- 2.1 The interim Head of Legal Services has been retained by One Legal and is seconded to Stroud for the purposes of fulfilling an interim role of Monitoring Officer for the Council and to carry out this review and any actions arising. In order to ensure that there is external oversight and assessment of the process, the Chief Executive has asked an independent person, Mr Michael Graham, to moderate the work and provide comment in this report. Mr Graham is the Head of Corporate Governance at Spelthorne Borough Council. His comments are contained at Paragraph 7 of this report. A biography for Mr Graham is set out in Appendix 3.

2. RATIONALE FOR THE REVIEW & CONTEXT

There are a number of reasons why one would carry out a review of service provision, legal services is no different to any other type of service in this respect. A service review would normally consider whether the service was fit for purpose and providing value for money. Reviews are normally carried out as a result of specific issues and in this case there are concerns over the future resilience of the service. The main objective of this review therefore is to ensure that the Council has access to resilient legal services in the medium to long term given the challenges facing it. (The objectives are set out below at Para. 4).

- 3.1 In terms of the financial aspect, the most obvious reason for a review would be to see whether costs could be reduced, either by a reduction in service provision or by driving out waste in processes. Whilst, it is important to point out that cost reduction is not one of the objectives of this review, one would certainly consider potential collateral benefits of cost saving either by effective workforce planning or economies of scale leading to a reduction of external legal spend and identification of efficiencies in working practices.
- 3.2 The assessment of the quality of a service is a subjective process assessed with questions such as; is client satisfaction tangible and measurable, is it providing the Council with timely and accurate advice; is it facilitative or restrictive and finally is it resilient in terms of anticipated or potential future issues that the Council will have to face. In the previous report, reference was made to historical issues which had perhaps impacted upon perceptions of the quality of the service provided. It is

important to note that, in the authors view, there is no cause for concern. Legal Services colleagues provide a good service to their clients and endeavour to work on a business partner basis with officers. Legal input into reports and their implications is constructive and colleagues try to become involved at an earlier stage of the matter.

- 3.3 Given the situation with local government finances, there will be a compelling need for Councils to explore more innovative and efficient methods of delivering services. As was mentioned in the previous report, local authority legal services are now expected to carry out or commission legal work that would not have even been considered ten years ago in the local authority setting.
- 3.4 However, this is a small team and the size of the team and demographic in certain disciplines is likely to lead to serious resource issues in the near future. In addition, an important consideration set out in the previous report was that an effective Legal Services function is essential to the success of any new initiatives the Council may wish to consider. As such, any options appraisal must have the medium to long term future firmly in sight.
- 3.5 Members will soon be considering the next budget round to plan for the impacts of government funding on service provision. In common with other Councils, Stroud will have to consider what options there are to manage budgets whilst still providing services. The impact of a deficit in the grant from Central Government can be mitigated by income generation. This will require legal advice in relation to commercial activity which may include advice in relation to charging and trading and the setting up of local authority companies for example. If that were a direction of travel, there will be a need for someone to advise on company law and undertake the duties of Company Secretary.
- 3.6 The Council spent £28m on goods and services in the last financial year and a certain element of this will be addressable – i.e. the potential to make savings by a more strategic approach to procurement than exists at present. Advice will be needed on reduction of third party spend which will mean a need for skills in the interpretation and drafting of contracts. With a more strategic approach to procurement and contract management, there will be a need for legal support to enable the Council to be more creative in facilitating procurement and contractual arrangements on the terms that are the most advantageous to the Council.
- 3.7 Finally, in the event of a hopefully last resort of hard choices having to be made in relation to service provision, advice will be needed in relation to what the Council is legally able to do in terms of reduction of services and how it can best avoid challenge if it decides to do so. Therefore, there will be a need for sound governance advice and knowledge of administrative law.
- 3.8 These are just some examples of the sorts of new challenges Stroud may face and the reality of the situation is that a modern local authority legal service has to grow and adapt to meet those challenges.

4. OBJECTIVES / GENERAL INFORMATION

The objectives for this options appraisal are to ensure that:

- The Council has a resilient legal service that is able to meet its needs in the medium to long term
- Quality legal advice is readily available
- Advice and interaction is consistent and facilitative
- The legal service is proactive and efficient
- External legal spend is reduced where possible

4.1 General Information

Before setting out the options appraisal in relation to an in-house or shared service model, it will be useful to set out some factors which are of general application to either model.

- 4.2 It is extremely rare for any local authority legal department to have the skills and competencies to carry out all legal work in house and this applies to both in-house and shared service. As such local authorities tend to operate a "mixed economy" for legal provision. The directly employed expertise is usually supplemented by resources commissioned either from other local authorities or private practice. The usual ratio is around 80:20 or 90:10. These arrangements are utilised to supplement capacity and expertise or where there may be conflicts of interest, investigations or other specific requirements.
- 4.3 There is very little organised or ad hoc reciprocal inter-authority collaboration amongst legal services in the Gloucestershire area and there is a paucity of networks for sharing experience. This is not unique to this area, but a lot of Councils now have arrangements whereby they are able to call on skills held by neighbouring authorities rather than retaining a person with the relevant discipline in-house. This may well be something that should be explored with a view to improving networks for colleagues.
- 4.4 If an in-house service is retained, the way forward should be to attempt to enter into arrangements for appropriate collaboration and reciprocal sharing of resources. It makes absolute sense for there to be inter-authority cooperation and collaboration in a market where:
- a) There is a shortage of traditional local government law skills and
 - b) The absence of local talent makes it extremely difficult to recruit in this geographical area.
- 4.5 Developing this theme, there is not necessarily a need for every small legal team to have a specialist contracts lawyer or a planning lawyer for example. If there was a reciprocal arrangement in place, then one or two authorities could recruit these difficult to fill posts and these posts could either be funded:
- On a direct contribution basis
 - Reciprocal service provision or
 - Pay as you go basis.
- 4.6 This way the hosting authority could a) pay a better market rate and b) have a proportion of the costs paid – perhaps even achieving a zero based budget post. This

type of arrangement worked relatively well in the South West Wales collaboration with the establishment of a regional commercial team.

4.7 Needs Assessment

The previous report set out the types of work carried out by Legal Services in Stroud. In Appendix 2, there are detailed time reports for the last four years which set out, in terms of hours spent, the departments that use the service the most / who Legal Services do the most work for. Colleagues are expected to record 1000 'chargeable hours' per annum. There are some general observations to be made which are as follows:

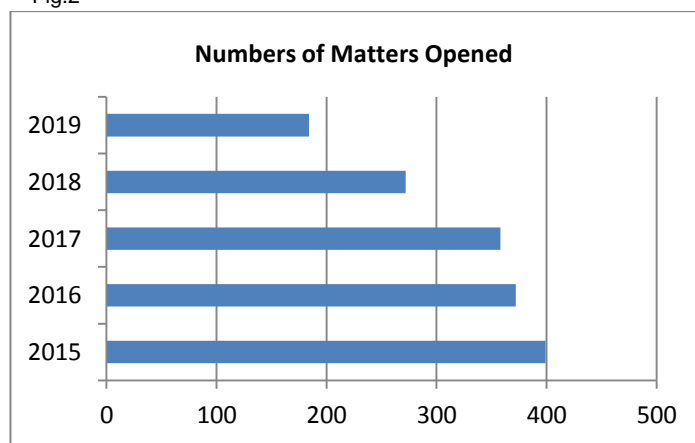
- The time recording trend, and consequently the work, has been consistent over the years. Figure 1 below demonstrates that the team has recorded an average of 7905 hours per year.
- Time spent for the main users of the service has also been consistent and is as one would expect in a District Council.
- The picture is slightly distorted by 'Legal Services' being represented as a client. This is, in reality, a miscellaneous client file which would include work such as GDPR readiness and a host of other corporate matters
- The time recorded demonstrates the diverse nature of work carried out by the team

Fig. 1

Total Time Recorded	
2016	8549.2
2017	8684.8
2018	8466.9
2019 (Extrapolated)	5919.1 - NB 2019 reduction due to less staff time recording
Average Time Recorded p.a.	7904.475

4.8 In terms of the number of matters opened, this has been relatively consistent for the last 4 years and is set out in figure 2. Whilst on the face of it there is a slight drop in the number of matters opened, this can be explained by a reduction in staff and debt work, such as rent arrears, (which can be great in volume) being carried out by client departments.

Fig.2



4.9 At the time of writing this report, there are 216 live files open within the department (which includes general files). Analysis of the live file list for each colleague demonstrates that everyone is working within capacity.

4.10 Costs of Legal Service

As at the end of the last financial year, the current cost of Legal Services was £435,680 with 15% (£66,031) being met from income generated by the team.

4.11 Cost of External Legal Spend

The cost of external legal advice varies from year to year and is dependent on whatever projects / legal action, the Council is involved in. Over the last four years an average of £81k per annum has been spent externally. However, this is subject to the caveat that this figure also includes items such as Court Fees, Land Registry Fees.

4.12 The figure must be treated with caution and would need to be verified with a more forensic 'deep dive' spend analysis, but it does provide a *tentative* total cost of legal services to the Council of £516,680.

4.13 Anticipated Future Pressures

In addition to the work areas set out above, the following are examples of the projects expected to require additional legal input in the short to medium term:

- Commercial Property / Council Owned Property
- Council House Building
- Canal Restoration Project / Compulsory Purchase
- Council Lottery
- Housing – Tenant behaviour, ASB
- Housing Reactive Repairs in-sourcing
- Local Plan and ancillary work
- Waste
- Private Sector Rental Market and use of statutory powers
- Governance Matters – review of Constitution
- Brimscombe Port Project

5. **OPTIONS APPRAISAL**

This section of the report will consider the options for legal service provision requested by Strategy and Resources Committee, namely:

- In house model
- Shared service delivery

5.1 The options will be measured against the following criteria:

- Improved resilience
- Skills to deliver
- Ability to meet client needs
- Future proofing
- Value for Money
- Adaptability

5.2 Current Model

The current service model for Legal Services is in-house with external support commissioned where / when needed. The vast majority of work is done in house with very little work now outsourced. This is mostly confined to instruction of Counsel where appropriate. If any external legal advice is needed it is to be commissioned by Legal Services with no direct access for client departments. If an in house service were to be retained, it is recommended that the approach to commissioning should be to consider a strategic partnership with another public sector provider to ensure that the Council has access to quality legal advice with an agreed cost arrangement. Alternatively, use of a framework of approved legal providers should be considered.

5.3 There is a small established team, a proportion of who have been with the Council for a number of years. The team is close knit and a strong team ethos is in existence. The team is well regarded by its client departments and provides a good service to the Council. The approach of the team is to be facilitative and helpful with a focus on solutions-based advice whilst ensuring that the Council is protected at all times. As mentioned above, as far as the author is concerned, any historical issues mentioned in the previous report have now been resolved.

5.4 A SWOT analysis (Strengths, Weaknesses, Opportunities & Threats) was carried out with the team which highlighted the obvious strengths the team possess but it also identified some issues which need to be addressed. The outcomes of this analysis and any countermeasures / mitigations, where relevant, will be referred to within the criteria set out below.

5.5 The uncertainty around future service provision has, understandably, had an impact on morale within the team and there is a need to settle the position regarding future service delivery at the earliest opportunity.

5.6 Shared Services

Local authorities have always had the legal power to make use of different forms of service delivery. Sharing may take place between neighbouring authorities or non-neighbouring authorities. It may take place between different types of authorities (e.g. county and district councils). Shared services may be provided via a joint in-house department or they may be jointly outsourced. Governance of shared services can take place via a joint committee between the participating authorities, or simply through agreements between the executives of the participating authorities.

5.7 The immediate rationale for local authorities which have decided to share their service provision with other local authorities is often financial. As mentioned above, this is not the reason for this review. There are potential indirect financial benefits in terms of service improvements in terms of effectiveness and efficiencies.

5.8 Councils do not need to be geographical neighbours to share services. There are examples of services being shared between district councils in different counties. However, non-neighbour initiatives are far from common and present real challenges, such as the amount of time officers spend travelling and the difficulty of sharing place-based services. In circumstances where distance management is necessary, communication will be key and officer 'down time' and lost opportunity costs through

travelling should be reduced or mitigated through the use of technology such as video conferencing.

- 5.9 For the purposes of this options appraisal, due to the geographical issues and the fact that it is a local and established service, any consideration of a shared service arrangement will be confined to the partnership between Cheltenham and Tewkesbury Borough Councils and Gloucester City Council known as One Legal. Members will please note however that a final decision to enter into a shared service arrangement will be entirely predicated on an acceptable business plan being produced which demonstrates that it can provide an equal or better service to the Council will need. It should also be noted that the other members of the shared service will have to agree to Stroud joining as this will necessitate the disaggregation of the current agreement between them.
- 5.10 It should also be noted that, if there were to be a shared service arrangement between Stroud and One Legal, there will be a continued presence of legal officers at Stroud Offices on a day to day basis, albeit not necessarily the same, or as many officers, which make up the current in-house service. It is also probable that the Monitoring Officer will remain a Stroud Officer and this statutory role may not form part of any service agreement with One Legal. The sustainable role of a Monitoring Officer will be considered during the coming months as the business case is being developed. The Monitoring Officer role includes some support for Town and Parish Council and this will be considered when assessing the best way to deliver that role. The appointment of a Monitoring Officer will require a decision by full Council at a later date.
- 5.11 Shared service arrangements are operated on a cost sharing basis, with an agreed mechanism for sharing any resulting savings or surplus income. This is normally documented in an Inter-Authority or Collaboration Agreement. Shared services may operate for the whole or part of legal services and an Authority may concurrently provide legal services even if it has entered into a shared services arrangement. The key reasons for considering a shared service arrangement commonly seen in other Councils are:
- Greater range and depth of services available at a single point, with less need for onward referral
 - Work which is currently outsourced being done by the legal team at a reduced hourly rate
 - Managing changing workload requirements more effectively due to the greater number of staff
 - Improved ability to plan work efficiently, with a wider population of staff
 - Improved ability to manage peaks and troughs in workload
 - Increased viability of employing specialists – e.g. employment, contracts lawyers, as the demand across a wider client base is likely to make it financially sound. This will reduce the cost of external services
 - Attracting and keeping the best staff, through the greater opportunity for career progression within a larger department
 - Reduced overheads – a larger department needs to fund only one law library & case management system, the per capita training cost is cheaper with volume, overall space usage is generally less (leading to reduced overhead allocations).

5.12 One Legal

The option for a shared service in the previous report considered by members at Strategy and Resources Committee was predicated on the potential to join an existing arrangement operated by Tewkesbury Borough Council called One Legal. The options appraisal criteria will be applied on the basis that One Legal is able to provide a legal service to the Council but is dependent on their ability to do so being evidenced in a detailed business case setting out the considerations for how the service will operate.

- 5.13 One Legal is a shared service between Cheltenham Borough, Gloucester City and Tewkesbury Borough Councils with Tewkesbury acting as the Host Authority for 'pay and rations' purposes. It was launched in 2009 and was originally set up as a shared service between Cheltenham Borough and Tewkesbury Borough Councils, with Gloucester City joining in April 2015. It is a bespoke service which styles itself as incorporating public sector expertise with a strong business ethos. One Legal has a pool of expertise and skills base, which is able to successfully support the varied and complex legal work arising from the councils' challenging business agendas. It operates on a structure that is fee earning focused with minimal overheads, sustainable to deal with increases in workload and seeks to harmonise terms and conditions for all staff.
- 5.14 Cheltenham, Gloucester and Tewkesbury have entered into a delegation arrangement under s101 of the Local Government Act 1972 (and other enabling legislation) which means that all legal work is provided by One Legal. The service is jointly governed by the Councils through a Joint Monitoring and Liaison Group ('JMLG'). The JMLG oversees the performance of the shared service and receives reports from the Council Solicitor and other senior officers of the Councils as necessary to properly challenge and monitor the performance of One Legal on behalf of the Councils. The terms of reference are attached at Appendix 2.
- 5.15 Upon entering into the arrangement the three Councils agreed a 10 year agreement in April 2015. Upon Stroud entering the agreement a new 10 year agreement would begin from that point. The existing agreement contained an option for partners to leave at the 5 year point with twelve months written notice. Neither partner took up that option in a recent service review.
- 5.16 One Legal say that their focus is "*to provide an excellent legal service to all clients across our public sector client base*" and that they do this "*by blending commercial values with public sector requirements to deliver a cost effective, progressive service*". In addition to the full range of local government legal work they are able to provide specialist support in the fields of litigation, company law, property, procurement and employment.

6. ASSESSMENT CRITERIA

Improved resilience - The Council requires a legal service which is able to deal with day to day issues, but also to be able to cope with the unexpected and be responsive to requirements which may arise in the future. In short, it needs consistent access to key legal staff and cover when they are not available.

6.1 In-house

The team currently deals with a wide variety of issues which are referred to legal services. Whilst it is not practicable for colleagues in a small team to specialise, most have an area in which they 'major' but also carry out other diverse work as and when needed. The strength of the team ethos should be specifically mentioned; colleagues in Legal Services readily step in to assist each other when required even if this means that they are dealing with a legal issue that may not be familiar to them.

6.1.1 At the time of writing this report, there are some minor limitations in service provision but this will be exacerbated by the demographic within the team and the likelihood that the Council will need advice in new areas of law which the team is not currently equipped to deal with. There is likely to be an issue in the areas of Commercial Property and Contracts in the near future. There will also be an immediate need to provide cover in litigation due to the departure of a senior solicitor within the team. Whilst it can only be speculative, the impact of Brexit is unknown at present. The legal position appears to be broadly straightforward, but it is unclear what specific issues and legal considerations will arise for the Council when the UK leaves the EU.

6.1.2 Whilst strictly being a succession planning consideration, there is also lack of resilience at more junior grades within the team. The impact of this is that the service has not been 'home growing' staff in recent times and solicitors are dealing with work which is below their pay grade / level of competence which is not cost effective or an appropriate use of resources. This lack of recent staff development is a result of uncertainty around the future of the team after the departure of the last permanent Head of Service. Another issue, as is the case in most Council legal departments, is that work is carried out by legal colleagues which is not legal work. Some examples of this in Stroud are Notice of Possession Proceedings / homelessness reviews, footpath diversions and Asset of Community Value registrations.

6.1.3 To be able to resolve these issues, there would have to be a re-design of the team with re-designation of roles and appropriate recruitment.

6.1.4 Shared Service

The advantages a shared service has over a small team is that; it will have access to a larger resource pool; is able to retain subject matter specialists and can delegate work to more junior staff. This means that it is better placed to increase resilience and flexibility and is more sustainable.

6.1.5 Compared to an in-house option, there will also be better opportunities in a shared service environment for colleagues working at Stroud to enhance their development by regular access to work at the appropriate level.

6.2 Skills to deliver - The Council requires the ready and accessible provision of high quality and professional legal services through a skilled generic and specialist legal workforce.

6.2.1 In-house

There are some knowledge gaps in specialist areas such as more complex contract and procurement, but as can be seen from the time recording analysis, with most areas of work there is not a current need for full time cover. There is of course something of a paradoxical situation here for a small team because it cannot justify holding expertise in house 'just in case' but will be expected to service that work when it arises. It is usual for colleagues in an in-house legal team to be expected to diversify; a lawyer is trained to possess a set of transferrable skills that ought to be applicable to a given legal situation, but that has to be within reason of course.

6.2.2 In the event that the skills or capacity are not available in house, the normal approach would be to take external legal advice on issues as they arise. However, this can become expensive if it becomes a regular occurrence or where a Council is engaged in a number of projects.

6.2.3 In terms of future need, any horizon scanning at this point in time involves an element of speculation. It is not unreasonable to suggest that financial necessity will mean that the Council, like others, will need to be more innovative in its approach, which will require timely legal advice on areas of law for which it has no expertise.

6.2.4 Shared Service

A shared service has the workload and ability to retain subject matter specialists and in turn create centres of excellence which is not possible for a small in-house team like Stroud. For example, a specialist employment lawyer could be retained on the basis they will be servicing a number of client councils. There is also the benefit of being able to take advantage of a pooled resource of knowledge and resource in the event of sudden upsurge in demand or to tackle a particular issue which arises.

6.2.5 Whilst subject to a business case, One Legal appear to have expertise on hand to provide the Council with advice in relation to the issues actually and potentially facing it.

6.3 Meeting client needs - This criterion enquires whether client departments have a service that meets their needs to ensure their requirements are met appropriately and efficiently.

6.3.1 In-House

Subject to what is said above, there is sufficient capacity and capability within the team to meet the needs of client departments on a day to day basis dealing with routine matters. It is important that the Legal Services function works closely with managers to identify work trends and potential pinch points at an early stage. This will enable appropriate management of client expectations.

6.3.2 Relations with client departments is good, but colleagues will need to work on building networks to continue to improve relationships, manage expectations and create a

collegiate approach. Whilst any previous issues have been substantially resolved, adopting and adhering to a service level description may help client colleagues to understand what service is available. Part of any service level description would also be to set out the role of legal services in terms of what it does, but perhaps equally importantly to set out what it does not do.

6.3.3 Shared Service

A clear understanding of the service to be provided would be especially important with a shared service arrangement. There would need to be robust processes and procedures in place to ensure good communication and service delivery. Most organisations utilise an electronic case management system in delivering their day to day work. Used to its optimum, this can provide valuable management information and demonstrate the level and amount of work being carried out for particular clients. The more advanced systems offer a client self serve facility so that clients can track the progress of a case without contacting a fee earner.

6.3.4 It would also be usual in a collaborative arrangement to have some specific measurable core service standards against which the Council could monitor performance. One Legal's core service standards are: -

- Timely and responsive advice and assistance
- Pro-active and pragmatic approach to problem solving
- Focus on client needs and requirements
- Helpful and supportive approach to client officers and project teams
- Provision of regular updates on case status

6.3.5 One of the concerns often raised about shared services is how conflicts of interest are dealt with. One Legal has a conflict protocol to manage any legal conflict which may arise. In most cases this will involve appropriate 'ethical walls' within One Legal. Where it is necessary to instruct external lawyers One Legal will facilitate that process.

6.4 Future proofed - this element is very closely linked to resilience but focuses on the issue of succession planning for future service delivery.

6.4.1 In-House

Legal Services is a small team and there are never going to be the efficiencies of scale that would be achieved by a larger organisation. The team is already focussed on providing an excellent service to the Council. However, if the decision is to retain the service in-house, there will need to be strategic succession planning to give the service direction and to enable colleagues to achieve their full potential.

6.4.2 The SWOT analysis revealed that the team believe that the temporary nature of the leadership process has weakened structures within team. It is their view, which is not unreasonable, that to future proof the team, the structure needs to be reviewed with appropriate recruitment to fill existing and anticipated gaps. It was also suggested that the lack of an up-to-date service plan hinders the ability of the service to define its role in the delivery of corporate priorities. Likewise, the absence of clear objectives mean that individual colleagues cannot easily identify the part they will play in helping the Council realise its objectives.

- 6.4.3 A workforce plan will need to be produced identifying the main areas of work for the team which will anticipate future work challenges and a skills analysis will help identify resourcing priorities and work allocation within the team. It will also set out what will be necessary to future proof an in-house team. To be fair to the team, they currently have no control over strategic service planning and this is an observation of the current situation, not a criticism.
- 6.4.4. In terms of 'quick wins', there is currently a vacancy in the structure for a trainee solicitor and whatever the decision, it makes sense to recruit to that post to start to 'home grow' talent. In addition, the role and function of business support needs to be assessed and consideration given to perhaps re-purposing colleagues, with appropriate training and support, to carry out a quasi / fee-earning role.
- 6.4.5 The author has been informed anecdotally that the Council has had challenges recruiting staff in some areas at a mid-ranking level. There were, apparently, no external applications for the Senior Solicitor / Deputy Monitoring Officer role when it was advertised in 2014 and 2017 and very few applications for solicitor posts in 2014. The spot salary pay arrangements in Stroud present a real challenge in attracting candidates

6.4.6 Shared Service

It is anticipated that One Legal will have a clear service plan which would be evidenced in the business case that will be prepared should the decision be made to proceed with a shared service. One would assume that their business model demands that strategic service and workforce planning are carried out and regularly reviewed. On the basis that the shared service arrangement has now been in existence, and endured, for some 10 years it can be assumed that it has appropriately anticipated and managed demand in conjunction with its clients appropriately.

- 6.5 Value for Money** - The arrangement needs to be demand-driven, informed by wider market rates and level of service, and based on clear client specifications and monitoring of performance against cost.

6.5.1 In-house / Shared Service

There is no doubt that a properly resourced legal team either in-house or as part of a shared service will represent better value for money than externally commissioned legal advice.

- 6.5.2 Experience demonstrates that the costs of an in-house team and joining One Legal would probably be comparable assuming a like for like service, but again this would be subject to a business case.
- 6.5.3 As of the last financial year, the current cost of the Legal Services team was £435,680 with 15% (£66,031) being met from income generated by the team. On the basis that the team time records, there is a tangible means of assessing value for money. If for the purposes of this report it is assumed that 75% of the time recorded is chargeable it is possible to demonstrate the cost of a private legal firm providing this level of work. It is normal for a firm of solicitors to offer a reduced rate to councils. A standard public sector charging rate of £150 per hour is representative. (In some legal disciplines private sector costs can be £300 per hour and upwards). If an external firm carried out

5,929 hours chargeable time at £150, this would equate to £889,350. It is appreciated that this is not a truly scientific approach, but it serves to illustrate that retained provision is far more cost effective than a commissioned approach.

- 6.5.4 As mentioned above, there is room for improvement by ensuring that work is carried out at the appropriate level. Better use could be made of the case management system with workflows and precedents being developed. This would be a way of streamlining legal work which is carried out using a process approach thus saving time and effort.
- 6.5.5 The optimum position for any legal team would be for it to be cost neutral to the Council, but whilst the in-house team performs well in terms of income generation, lack of available resource mean that it is a real challenge to develop this area. Clearly, the first priority has to be to provide a service to the client Council before being able to consider offering services to other public sector clients.
- 6.5.6 The current business model for One Legal is that it does not actively pursue increased fee income generation, though it does act for a number of public sector clients and has been in a position to pay a share of surplus back to its existing member councils.
- 6.5.7 In any event, it would be useful for there to be a review of fees charged by Legal Services with a view to an appropriate increase in fees from existing areas.
- 6.5.8 There is probably the potential for either option to increase the work carried out for other public sector bodies such as local authorities, arms-length management organisations, charities and not-for-profit organizations, blue light services, housing associations, and schools (academy, free and maintained). Although servicing existing clients has to be the first priority.
- 6.6 **Adaptability** - The service needs to be able to flex to meet changing demands and circumstances of clients in a timely and cost-effective fashion. Again, this criterion is closely linked to resilience, future proofing and skills to deliver, but the focus of this criterion is the ability of the service to respond.

6.6.1 In-house / Shared Service

A larger service would be better placed to respond quickly to a change in the type of demand. The in-house option would need to keep a close track on demand, appropriately manage the demand and ensure appropriately skilled resource is available.

- 6.6.2 On the basis that that the current process is to consider the options for service delivery, consideration has not been given to how the service could become more efficient. However, these are the type of questions which are applicable to either an in-house or shared service arrangement and which would assist with service adaptability:
- How can the service be redesigned to improve customer outcomes and reduce costs?
 - How can we prevent or reduce the need for the service?
 - What new innovations or use of digital technology need to be introduced?
 - How can we reduce costs, increase effectiveness, eliminate waste?
 - Which alternative models of delivery exist; which would best deliver the outcomes?

- 6.6.3 There are smarter ways of working to provide an effective and efficient legal service. The key challenge is to remain pro-active, commercial in approach and effective in meeting the Council's needs to a level that does not 'gold-plate' requirements.

7. COMMENTS OF INDEPENDENT REVIEWER –

Thank you for providing the report in draft so that I may add my comments. It may be helpful for councillors to know that I met with the legal team on 30 August 2019 and had a very useful discussion with them about the current situation. This certainly helped me place this report in context. In addition I have read the previous report for your committee in June 2019 and also watched the webcast of that meeting and noted councillors' comments. I have also had the opportunity of a number of conversations with Kathy O'Leary and Patrick Arran which have provided very helpful background to the issues raised within this report.

- 7.1 The report which you have before you is a thorough synopsis of not only the issues facing Stroud DC but also it reflects the issues which are visible in many other councils. Having experience in setting up of a shared service in the past I do endorse that this report has thoroughly covered the issues which one would expect to see covered. I also agree with the conclusion to prepare a detailed business case for the proposal of establishing a shared service with One Legal.
- 7.2 I have the following observations to make on the report which may be helpful in addition:
- 7.3 Paragraph 3.3 talks about the innovation and legal work which would not have been considered relevant in a district council legal team some 10 years ago. I think this is correct. Certainly some small district councils have radically changed the ways in which they work and, for instance, in my own council we have dealt with very high-value commercial property acquisitions and had to develop a function of landlord estate management on an extremely high value commercial property estate. We have also undertaken far more regeneration work than ever before and this is not only on the normal basis of ensuring the environmental, economic and social well-being of the area but it has also been driven by the need for income generation as well. On the back of this, we have had to develop very specialised skills in high-value procurement and construction law. In addition, the council has set up a number of commercial ventures and in addition to a growing need for commercial law we have also established companies and had to develop experience in company secretarial work. I would therefore agree with the comment in paragraph 3.6 that strong performance in relation to procurement is key to a district legal team in this new era of income generation.
- 7.4 I agree with the comments made in paragraph 4.2 about the mixed model of working. I would recommend that this is also explored in the business case to understand the extent to which One Legal also has to utilise specialists outside their own team and for what purposes.
- 7.5 I agree with the comments made in paragraph 4.3 about the ability of the current in-house legal team to network with other councils in the county. Given that there appear to be no strong networks between district councils other than the two established shared services, this will be a relevant factor if the council were to consider retaining an in-house legal team. Most small district councils find it necessary to work closely

with their counterparts in other authorities within the county. If this is not possible then it becomes an issue as to where the in-house team can build knowledge from the experience of others in similar circumstances.

- 7.6 I agree with the comments made in paragraph 4.4 about recruitment. However I would also add that this appears to be a sector wide issue and not one which is unique to your county. A report last year undertaken by Local Government Lawyer website found that recruitment of lawyers was a concern to Monitoring Officers across the whole country.
- 7.7 I was interested to read the comments in relation to time recording and also review the statistics in the appendices. I agree that further work needs to be done to look into the current balance of work and ensuring the data is accurate and representative. At first sight there do not appear to be fundamental problems within that data and I would also agree that the level of income achieved by the team and reported at paragraph 4.10 is a good basis on which to build. This should be reviewed as part and parcel of the business case with One Legal to see what assumptions they make as regards time recording and income generation.
- 7.8 I note the comments on the cost of the service in relation to paragraph 4.12. From what I've seen so far, I would say that the council looks like it is achieving an element of good value with the in-house team. That does not undermine the comments which are made within the report about the need to look to the future, however members will wish to see how this figure may change once the business case with One Legal has been developed.
- 7.9 I agree with the recommendations about the establishment of a framework for providing outside legal advice where it is required. The essence of these frameworks is that they work best when there is the combined buying power of a consortium. Given what has been said about the weak networks between local authorities in Gloucestershire, it may be that the combination of authorities in One Legal is a good place to start to achieve the combined purchasing power to establish a framework and get the advantage of those better hourly rates when they are required.
- 7.10 I agree with the comments made in paragraph 5.7 and endorse the need for both sides in this shared partnership to be clear that they have the same aims and ambitions in working with each other.
- 7.11 I agree with the comments in paragraph 5.10 in that it is sensible to keep some officers at Stroud DC offices. This will certainly help reduce travelling time which would otherwise be a waste. It will provide reassurance for officers in other services that legal colleagues are on hand to help them when required. I also agree that it will be a sensible arrangement to keep the Monitoring Officer apart from the shared service partnership, certainly to begin with. Whether or not that is a feature which continues is something which can be reviewed in the future. However, I think it will give councillors more satisfaction to know that they have got a legally qualified Monitoring Officer on hand who has no potential conflicts with the One Legal service.
- 7.12 I note the comments in paragraph 5.11 about overheads. I agree that there is some scope for reduction in overheads but I don't think that councillors should place too much emphasis on this as from my experience these tend to be marginal. I would say that in addition to the benefits listed in that paragraph there is an additional benefit

which should not be overlooked which is the ability of a shared service to provide a stronger focus on best practice processes and building knowledge management with a strong case management system. For instance, if four councils join together in order to do, for example, procurement work, they can't all possibly operate four different ways of doing things on the basis that, "that's the way it is done around here". There is a great opportunity to focus in on what makes an efficient and effective process which then benefits all the participating councils.

7.13 I agree with the conclusions of this report. As regards the assumptions which are outlined in part six of the report I agree that these are all relevant however I would note that these are matters which must be tested to members satisfaction in the business plan so that there is reassurance that the shared service is one which can meet the needs of the council for the future.

7.14 In relation to the analysis in part six of the report I would also make the following comments and hope that these points are helpful for members.

- At paragraph 6.3.2 I agree that a service level description is a good approach. This serves the dual purpose of starting to flesh out the specification of what services will need and is the basis of the business case as it begins to be developed.
- At paragraph 6.4.2 having met the team, their comments on past leadership, service planning and succession planning resonate with me. I think that these are valid concerns which have been highlighted and members should satisfy themselves that they will be addressed within the business case for One Legal.
- At paragraph 6.4.5 salaries is a big issue in our business. I would say that this is not just a concern for Stroud DC but I would also highlight that other councils are finding it difficult to be competitive. Members should reassure themselves that One Legal have an effective strategy to deal with this.
- At paragraph 6.5.3 I agree with the Head of Legal's analysis regarding the use of external lawyers. I would also add that they take longer and charge more because they can't quickly navigate the organisation and don't have the relevant knowledge to be completely efficient and effective so they are likely to take more time as well as charge more.

7.15 I hope these comments have been helpful for councillors and I certainly wish the council well as it considers the business case for a shared service. I would be happy to help the council again in any way that members feel helpful.

8. CONCLUSION

Applying the analysis carried out in line with the criteria outlined above against the objectives, demonstrates that there are potential and actual limitations with an in-house provision. These issues can be addressed with appropriate planning and investment, but even then, this would be unlikely to provide the Council with the breadth of experience needed.

8.1 In order to provide a quick overview of the position, the following table has been completed using the following scoring mechanism. In doing so, it is acknowledged that

this is a subjective application of objective criteria an art, not a science, illustrates the point.

- 0 – Does not meet criteria
- 1 – Partially meets criteria
- 2 – Meets criteria
- 3 – Exceeds criteria

Criteria	In House	Shared Service
Improved resilience	2	3
Skills to deliver	2	3
Meeting client needs	3	3
Future proofed.	1	2
Value for Money	3	3
Adaptability.	1	3
Totals	12	17

- 8.2 The outcome of the options appraisal is that a shared service would be best placed to meet the objectives.

**Appendix One – Percentage of Time Spent by Client
2016 - Time by Client % Highest to Lowest**

Client	Time	%
Legal Services	1731.9	20.26%
Development Control	1445.9	16.91%
Asset Management - General Fund	1248.5	14.60%
Tenancy Management	997.5	11.67%
Right to Buy	372.5	4.36%
Environmental Health	344.7	4.03%
Tenant Services Assets	343.5	4.02%
Civic / Committees	248.4	2.91%
Miscellaneous	244.9	2.86%
Public Spaces	240.4	2.81%
Planning Strategy	204.2	2.39%
Elections	151.1	1.77%
Human Resources	144.1	1.69%
Democratic Services	130.8	1.53%
Monitoring Officer	121.9	1.43%
Community & Facilities	91	1.06%
HRA New Housing	89.1	1.04%
Cultural Services/Waste Management	69.5	0.81%
Council Tax	61.3	0.72%
Finance	57.4	0.67%
Canal Project	54.4	0.64%
Planning Enforcement	42.2	0.49%
Housing Strategy	29.1	0.34%
Housing Benefits	18.2	0.21%
Sheltered Housing	15.5	0.18%
Modernisation & ICT	12.9	0.15%
Building Control	9.2	0.11%
Land Charges	7.5	0.09%
Facilities Management	6.8	0.08%
Recovery/Revenue & Benefits	5.1	0.06%
Asset Management - HRA Existing	4.2	0.05%
Business Rates	3.5	0.04%
Marketing	1.3	0.02%
Performance & Improvement	0.7	0.01%
Grand Total	8549.2	100.00%

2017 Time by Client %Highest to Lowest

Client	Time	%
Legal services	1804.5	20.78%
Asset Management General Fund	1540.1	17.73%
Development Control	1077.3	12.40%
Right to Buy	601.7	6.92%
Tenancy Management	554.6	6.39%
Civic / Committees	552.3	6.36%
Environmental Health	541.6	6.24%
Human Resources	294	3.39%
HRA existing assets	216.9	2.50%
Planning Strategy	168.3	1.94%
Public Spaces	159	1.83%
Monitoring Officer	141.4	1.63%
Democratic Services	134.2	1.55%
HRA New Housing	107.5	1.24%
Corporate Action	106.4	1.23%
Housing Benefits	77.6	0.89%
Miscellaneous	77.4	0.89%
Tenant Services Assets	71.5	0.82%
Planning Enforcement	67.4	0.78%
Finance	65.3	0.75%
Community and Facilities	61.6	0.71%
Canal Project	60.6	0.70%
Council Tax	52.8	0.61%
Cultural Services / Waste	44.3	0.51%
Housing Strategy	31.1	0.36%
Elections	20.2	0.23%
Modernisation & ICT	18.8	0.22%
Recovery/ Revs & Bens	16.8	0.19%
Marketing	9	0.10%
Land charges	5.9	0.07%
Business Rates	2.9	0.03%
Sheltered housing	1.8	0.02%
Grand Total	8684.8	100.00%

2018 - Time by Client % Highest to Lowest

Client	Time	%
Legal Services	1952.3	23.06%
Development Control	1046.3	12.36%
Asset Management - General Fund	979.9	11.57%
Right to Buy	648.5	7.66%
Civic / Committees	599.1	7.08%
Tenancy Management	576.1	6.80%
Environmental Health	397.5	4.69%
Asset Management - HRA Existing Units	396.2	4.68%
Corporate Action	250.3	2.96%
Public Spaces	221.8	2.62%
Monitoring Officer	189.5	2.24%
Tenant Services Assets	166.1	1.96%
Community & Facilities	146	1.72%
HRA New Housing	122.2	1.44%
Miscellaneous	95.4	1.13%
Human Resources	83.3	0.98%
Planning Strategy	82	0.97%
Canal Project	81.1	0.96%
Finance	67.5	0.80%
Planning Enforcement	67.4	0.80%
Democratic Services	62.4	0.74%
Council Tax	44.8	0.53%
Elections	43.3	0.51%
Housing Benefits	40.1	0.47%
Building Control	37.5	0.44%
Modernisation & ICT	28.2	0.33%
Housing Strategy	18.5	0.22%
Cultural Services & Waste	17.7	0.21%
Revs & Bens	2.9	0.03%
Sheltered Housing	1.8	0.02%
Marketing	0.6	0.01%
Land Charges	0.5	0.01%
Grand Total	8466.8	100.00%

2019 - Time by Client % Highest to Lowest

NB: Time Extrapolated to end of year based on monthly average would be 5919

Client	Time	%
Development Control	681.7	19.77%
Legal Services	619.3	17.96%
Asset Management - General Fund	462	13.40%
Tenancy Management	334.1	9.69%
Environmental Health	264.9	7.68%
Monitoring Officer	200.6	5.82%
Right to Buy	183.4	5.32%
Public Spaces	86.5	2.51%
Asset Management - HRA Existing Units	84.6	2.45%
Canal Project	77.1	2.24%
Council Tax	75.4	2.19%
Asset Management - HRA New Housing	60.9	1.77%
Elections	44.3	1.28%
Corporate Action	35.4	1.03%
Planning Strategy	30.4	0.88%
Housing Strategy	27.5	0.80%
Finance	27.5	0.80%
Community & Facilities	23.6	0.68%
Miscellaneous	20.4	0.59%
Housing Benefits	18.8	0.55%
Building Control	13.1	0.38%
Civic / Committees	12.6	0.37%
Human Resources	12.5	0.36%
Modernisation & ICT	11.2	0.32%
Tenant Services Assets	10.5	0.30%
Cultural Services & Waste	8.2	0.24%
Planning Enforcement	6.1	0.18%
Marketing	5.4	0.16%
Revs & Bens	3.6	0.10%
Land Charges	2.8	0.08%
Democratic Services	2.1	0.06%
Sheltered Housing	1.1	0.03%
Grand Total	3447.6	100.00%

Appendix 2 Joint Liaison and Management Group Terms of Reference
JOINT MONITORING AND LIAISON GROUP

1. PURPOSE

To oversee the performance and development of the Shared Legal Service on behalf of Gloucester City Council, Cheltenham Borough Council and Tewkesbury Borough Council (the 'Councils').

2. MEMBERSHIP AND FREQUENCY OF MEETINGS

- (1) The Joint Monitoring and Liaison Group will consist of:-
 - 2 Members from Gloucester City Council
 - 2 Members from Cheltenham Borough Council
 - 2 Members from Tewkesbury Borough Council
 - 1 Officer from Gloucester City Council
 - 1 Officer from Cheltenham Borough Council
 - 1 Officer from Tewkesbury Borough Council
- (2) The Joint Monitoring and Liaison Group will receive reports from the Council Solicitor and the Lead Lawyers and other senior officers of the Councils as necessary to properly fulfil its overall purpose.
- (3) The quorum of the Joint Monitoring and Liaison Group will be 4 with at least 1 Member from each Council and 1 Officer from any one of the Council in attendance.
- (4) The Chairman of the Joint Monitoring and Liaison Group will be a Member of Gloucester City Council or Cheltenham Borough Council.
- (5) The Vice-Chairman of the Joint Monitoring and Liaison Group will be a Member of Tewkesbury Borough Council.
- (6) The Joint Monitoring and Liaison Group may invite any Members or persons to attend its meetings but such persons will not be entitled to vote.
- (7) The Joint Monitoring and Liaison Group shall meet at least quarterly.
- (8) The following substitution rules shall apply:-
 - The number of substitutions shall be equal to the number of absentees from each Council and/or Political Group;
 - Substitutes will have all the powers of Joint Monitoring and Liaison Group members;
 - The Leader will notify the Council Solicitor 1 hour in advance of the meeting;

- In respect of an officer substitution the Chief Executive of the relevant Authority will provide the notification;
- Substitutions will be announced at the beginning of the meeting;
- The Member of the Joint Monitoring and Liaison Group for whom substitution has been made will not be able to vote if attending the meeting.

3. TERMS OF REFERENCE

- (1) To review and monitor the performance of the Shared Legal Service and to make recommendations for service improvements.
- (2) To monitor the delivery of the Shared Legal Service in accordance with the s101 Agency Agreement.
- (3) To determine any disputes or differences that arise between the Councils in accordance with the s101 Agency Agreement.
- (4) To consider and make recommendations to Tewkesbury in respect of any termination of, or appointment to, the role of Council Solicitor.
- (5) To monitor on a quarterly basis the 5 year Financial Plan set out in the s101 Agency Agreement.
- (6) To consider at the expiration of the Financial Plan a new Financial Plan for the remainder of the Shared Legal Service arrangement and to make recommendations to the respective Councils accordingly.
- (7) To approve and monitor Service Standards and Client reporting protocols and to propose improvements as appropriate.
- (8) To receive reports on improvements or changes to service delivery and to recommend for approval major changes to the service delivery, to the respective Councils as necessary.
- (9) To receive reports on cases where conflicts between the interests of the Councils have arisen or are likely to arise.
- (10) To receive reports on any potential expansion of the Shared Legal Service including increased shared working with other Councils or other public bodies and to make recommendations to the respective Councils accordingly.

Appendix Three Biography Michael Graham

Michael Graham is a solicitor and holds an MBA from Henley Business School. He is currently Head of Corporate Governance at Spelthorne Borough Council. He was previously Head of Legal Services at Reigate and Banstead Borough Council and led both councils in a shared legal service. He has over 25 years' experience as a solicitor in local government having also worked at Cleveland County Council, Bury Metropolitan Borough Council and Surrey County Council. He has wide experience of local government across all its functions.

Michael has taken a leading role in the development of new commercial services at both Spelthorne and Reigate and Banstead Councils.

At Spelthorne Borough Council he was instrumental in the new governance arrangements required as the Council invested in commercial property portfolio worth over £1bn. He is Company Secretary of the wholly owned property company Knowle Green Estates Ltd.

At Reigate and Banstead Borough Council he helped set up three ventures as part of the council's commercial approach to develop new income streams: Greensand Holdings Ltd.- a property trading company; Horley Business Park LLP - a joint venture for the development of a new business park adjacent to Gatwick Airport and Pathways for Care Ltd - an innovative healthcare business.

Michael has also been asked to assist other councils with complex governance issues. In 2015 he was invited by Woking Borough Council to be part of the Independent Sheerwater Review Panel which considered the Council's handling of a controversial regeneration project and subsequently made a range of recommendations about project governance and community engagement which were accepted and implemented by the Council.

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

3 OCTOBER 2019

9

Report Title	BUDGET STRATEGY 2020/21 TO 2023/24
Purpose of Report	To set out the assumptions that will be used when preparing the upcoming Medium Term Financial Plan
Decision(s)	The Committee RECOMMENDS to Council to approve the Budget Strategy 2020/21 to 2023/24 as set out in this report.
Consultation and Feedback	Formal budget consultation is currently taking place in the form of a telephone survey of local council tax and business rate payers.
Financial Implications and Risk Assessment	There are no financial implications arising directly from this report, but it does summarise the financial position over the medium term, and the measures that have been taken to mitigate the impact of reduced funding levels. Andrew Cummings – Interim Director of Resources (Section 151 Officer) Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk
Legal Implications	There are no legal implications arising directly from this report. The implications of any of the measures referred to below will need to be considered at the point of implementation. Craig Hallett, Solicitor & Deputy Monitoring Officer Tel: 01453 754364 Email: craig.hallett@stroud.gov.uk
Report Author	Andrew Cummings – Interim Director of Resources (Section 151 Officer) Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk
Options	To review assumptions made in funding. To challenge long term cost projections and budget adjustments.
Performance Management Follow Up	The budget and savings proposals for the Housing Revenue Account and General Fund will be considered by Service Committees in November and December 2019 and Strategy and Resources Committee in January 2020, with Council budget approval meeting in February 2020.
Background Papers/ Appendices	Appendix A – Draft Medium Term Financial Plan 2020/21 to 2023/24 Appendix B – Current assumptions on budget changes Appendix C – Proposed review of reserve balances

1. INTRODUCTION / BACKGROUND

- 1.1 This report set outs the current assumptions on funding available throughout the period 2020/21 to 2023/24, and initial estimates of the level of cost pressures and savings that the Council may expect. That information forms the basis for the detailed budget setting process now taking place throughout the Authority. Officers are reviewing all expenditure and income budgets to determine appropriate levels and identify savings where possible.
- 1.2 The Council's General Fund and Housing Revenue Account (HRA) budgets for 2020/21, including the budget proposals of the administration, will be presented to full Council at their meeting on 20 February 2020. Proposed budgets will have first been reviewed by service committees.
- 1.3 This strategy represents the first stage of the budget setting process for 2020/21 and many of the figures involved will be subject to significant review in the coming months before final Council budget approval. They are, however, based upon the most up to date assumptions at the current stage which have been used to prepare a draft Medium Term Financial Plan (MTFP) as shown at Appendix A.
- 1.4 At the time of writing matters relating to Britain's exit from the European Union remain uncertain. As part of the Council's risk assessment around Brexit a number of financial impacts have been considered including increased costs of labour and supplies as well as the possibility of reduced income from taxation or investments. With the current uncertainty no adjustments have been made in the budget strategy for these items.

2. General Fund Budget Strategy and Medium Term Financial Plan Funding Projections

- 2.1 The current financial year represents the final year of the government's four-year settlement offer and the period after, beginning from 2020/21, has been the subject of considerable uncertainty. Council noted this uncertainty when agreeing the current MTFP in January 2019.
- 2.2 The Chancellor of the Exchequer unveiled a one-year Spending Review on September 4th covering spending totals across Central Government. The key areas relating to district Councils were;
 - A reset to the baselines in the business rates retention system expected in 2020 is now deferred to 2021.
 - Baselines for business rates will instead grow by inflation in 2020.
 - The "fair funding review" considering how local government funding is allocated between Councils is deferred to 2021
 - National funding for New Homes Bonus remains in 2020/21.
 - The core level of Council Tax rises assumed is 2%

The uncertainty previously noted therefore remains, although now moves a year later as the fair funding review and business rates resets have both been deferred.

2.3 It is not possible to make a definitive estimate at this stage of what the impact of these reviews will be upon the Council. It is anticipated that there will be a general movement in funding from lower to upper tier authorities and it is highly probable that funding for Stroud will reduce. The MTFP currently assumes the full impact of a baseline reset.

New Homes Bonus

2.4 New Homes Bonus (NHB) has been a declining source of funding for the Council for some years having reduced from £3.2m in 2016/17 to only £1.7m in 2019/20. This reduction is expected to reduce until the point at which the grant is completely eliminated.

2.5 The reason for this is that 2019/20 was the final year in which there is nationally agreed funding for NHB which currently costs the government £918 million a year. The expectation had been that after this year only payments relating to “legacy” growth will be made and no additional NHB will be agreed. NHB rewards housing growth in a particular year by giving an agreed annual amount for the following four years.

2.6 The government has now committed to maintaining a national total of £900m for New Homes Bonus in 2020/21. There has been no announcement as yet as to how this will be distributed. It is possible that an additional years housing growth will be rewarded for 2018/19 and this grant may be paid for four years but there is no clear indication of this at this stage. The tables below show two possibilities for NHB. The Budget Strategy assumes that there will be no additional growth awarded, i.e. the first table.

Table 1 – NHB Forecast 2019/20 to 2023/24 (MTFP assumption)

Year of Reward	2019/20 (£'000)	2020/21 (£'000)	2021/22 (£'000)	2022/23 (£'000)	2023/24 (£'000)
2014/15	933				
2015/16	238	238			
2016/17	337	337	337		
2017/18	218	218	218	218	
TOTAL NHB	1,726	793	555	218	0

Table 2 – NHB Forecast 2019/20 to 2022/23 (if additional year awarded)

Year of Reward	2019/20 (£'000)	2020/21 (£'000)	2021/22 (£'000)	2022/23 (£'000)	2023/24 (£'000)
2014/15	933				
2015/16	238	238			
2016/17	337	337	337		
2017/18	218	218	218	218	
2018/19		250	250	250	250
TOTAL NHB	1,726	1,043	805	468	250

Business Rates

- 2.7 The amount of business rates collected by the authority is expected to grow gradually over the next four years. The amount the Council retains in its budget is determined by a baseline set by Central Government. It has long been planned that these baselines would be “reset” in 2020. This would have the affect of stripping growth from authorities which have seen rises in business rates collected in recent years, to redistribute to those authorities which had seen falls. This reset is now expected in 2021 and at the current time is estimated to reduce business rates retained by approximately £1 million p.a.
- 2.8 The deferral of the reforms to the Business Rates system mean that it is highly likely that the Gloucestershire Business Rates Pool will continue to operate in 2020/21. This generates a small additional income to the Council in addition to our core business rates position. As in previous years an income of £100k p.a. is included in the base budget. Should additional funding be generated this will be reported through the Outturn process at the end of the financial year.

Council Tax

- 2.9 For the last two years the Government allowed Council Tax increases of up to 2.99% for District Councils and this was the increase agreed by Council for 2019/20. The MTFP then assumed that districts would return to an annual £5 increase limit for all years after that point.
- 2.10 As referenced earlier in the report the government assumption is now of an increase of just 2%. Informally the Council’s funding advisors have suggested that a £5 limit for District Councils is again likely (approximately 2.4% for Stroud) and therefore the MTFP continues with this assumption. In line with previous years an annual growth in tax base of 1.5% is assumed at this stage. The actual tax base growth will be incorporated in the final budget report.

3. Budget Assumptions

Pay and Price Inflation

- 3.1 Inflation linked increases will be added to budgets for spend with external partners. At the time of writing the CPI inflation rate in the UK is 1.7%. The Budget Strategy and Draft MTFP currently plans to allow for annual inflationary increases of 2% on contract sums but this will be updated to reflect the September CPI during the budget setting process.
- 3.2 At this point there is no agreement on a local government pay award after 2019/20. In June 2019 the government announced that there will be pay increases of above inflation for many public sector workers including police officers at 2.5% and teachers at 2.75%. Decisions on local government pay are made separately but these other awards are seen as an indication that the award is likely to be above 2%. At this stage an award of 2.5% is estimated for the purposes of the budget strategy. An update will be included in the budget setting report but it is likely that the final position will still not be known at that stage.
- 3.3 Inflation will not be included on budgets which are not related to salaries or contracts. It is anticipated that efficiencies will be used to maintain expenditure within existing budgets. This approach represents a small but significant way that the Council can achieve some real terms savings in expenditure.

Local Government Pension Scheme

- 3.4 In previous years the MTFP has assumed an annual increase in pension contributions in line with the requirements of the fund actuary. This position is re-evaluated every three years and 2020/21 is the first year of the new valuation period. The actuaries have indicated that as a result of the funding level of our pension scheme no increase will be required during the course of the next MTFP and the annual increase is therefore removed. The previous increase in the MTFP was £150k p.a. so over a four year MTFP this amounts to a £600k p.a. saving.
- 3.5 In the three year period ending in 2019/20 the Council has benefited from reduced contributions as a result of paying some of its contributions up front in a lump sum. The saving ends in 2020/21 with the new valuation period. However, officers are exploring the possibility of following the same lump sum payment option and therefore at this point the MTFP remains based on the reduced sum. This position will be updated before Council in February 2019.

Interest Rates & Investment Income

- 3.6 There have been no changes to the Bank of England base rate since the increase to 0.75% in August 2018.
- 3.7 In February 2019 the Council approved a new investment strategy permitting investments in a wider variety of funds. A cross party member working group has been putting together a fund selection process working with the S151 Officer and

our external treasury advisors. Investment decisions are likely to be made in October. Having considered likely yields from those investments, annual increases in investment income of £150k are included for each year of the MTFP.

Table 3 – Assumptions included within the Strategy

	2020/21	2021/22	2022/23	2023/24
Band D Council Tax Increase	£5	£5	£5	£5
Tax Base Increase	1.50%	1.50%	1.50%	1.50%
Contract Inflation	2%	2%	2%	2%
Pay Inflation	2.50%	2.50%	2.50%	2.50%

Borrowing and Minimum Revenue Provision (MRP)

- 3.8 The General Fund requirement for borrowing to fund past capital works currently stands at £15.726 million (decreased from 16.622 million the year before) This creates a need for a Minimum Revenue Provision (MRP) to repay that borrowing. This was budgeted at £981k million in 2019/20. The current capital programme, as reported to Strategy and Resources Committee on 13th June 2019, includes £11.163 million of borrowing for General Fund capital purposes, with the largest uses being the Canal, Brimscombe Port and Ubico Fleet vehicles.
- 3.9 The expected MRP over the life of the MTFP and capital programme will be reviewed during the budget setting process. Where possible the capital reserve will be used instead of borrowing to limit MRP exposure. At this stage it is considered that the current annual MRP budget is sufficient at the current time with a potential increase of £100k built into the later years of the plan.
- 3.10 This strategy does not consider the detail of the capital programme which will be included within the full budget report.

Fees & Charges

- 3.11 The Council has previously adopted a piecemeal approach to budgeting for fees and charges. In many cases they have been considered on an individual basis. The new budget strategy mandates that all income budgets relating to fees and charges will rise by 2.5% unless charges are set by statute or if increasing charges would lead to an excessive surplus. The primary driver of Council costs is salaries and therefore it is reasonable to link fee increases with assumed increases in salary costs of 2.5%. This increase is currently anticipated to yield an extra £50k per year which is included in the Draft MTFP.
- 3.12 There is not currently in place either a comprehensive list of Council fees and charges or an overall charging policy. These issues need to be addressed if the Council is going to develop a more commercial approach to funding its services. For the 2020/21 budget, lists of fees and charges will be presented to service committees and an overall fees and charges policy will be included in the budget papers in February 2020. The policy will include the rationale for setting and

approving Council charges as well as any policies around discounts and exemptions.

Longer Term Budget Adjustments

- 3.13 The following paragraphs set out those items in the draft MTFP which represent significant changes from the previous MTFP agreed by the Council. Details of budget adjustments are shown at Appendix B.
- 3.14 The significant change for the current year's budget was to work in partnership with Ubico to produce a balanced budget for that contract. At the time of writing this can be deemed a success. The External Auditors are now satisfied with the Value for Money arrangements and the contract is currently expected to be underspent in 2020/21. Therefore at this time no further adjustment, save for that included within the contractual inflation allowance is required.
- 3.15 The Work Force Plan previously being followed by the authority had a further savings target to be achieved of £500k. This has been partially covered by releasing £120k of pension savings, previously held in reserve, resulting from previous staff changes. The remaining balance of the target is achieved by the removal of the £150k p.a. annual pension increase.
- 3.16 The WFP is not continuing with its target of reducing 20% of the workforce. When the new Senior Leadership Team is in place Council structures will be considered, taking into account Council objectives as well as the revenue budget position.
- 3.17 The report to Strategy and Resources Committee setting out the new Senior Management structure included an estimated cost of £45k. This will be split between the General Fund and the HRA with the current GF impact currently being estimated at £30k.
- 3.18 The Council has been aware in recent years of a risk relating to the income stream from Gloucestershire County Council incentivising food waste collections. This source of funding was worth £380k to SDC in 2018/19. Formal notice has now been received that the incentive payment arrangements will change for the 2020/21 year. The final scheme details are not known at the time of writing but a reduction in funding of £200k p.a. is currently anticipated and has been built into the draft MTFP.
- 3.19 In January 2019 Council agreed a one off budget of £60k in 2019/20 for scoping works around the Council's commitment to making the District carbon neutral by 2030. This funding has been partly used to recruit a Carbon Neutral Officer to co-ordinate the multiple work streams of this project. This budget strategy turns the one off budget into a recurring annual sum, effectively increasing the investment in carbon neutrality by a minimum of £240k over the four year MTFP.

4. General Fund Medium Term Financial Plan Use of Reserves

- 4.1 The Council continues to use a strategy of using the “General Fund equalisation reserve” to bridge the gap between forecast expenditure and funding over the life of the MTFP. As at the end of the 2018/19 year the balance in this reserve was £6.09 million. This strategy allows the Council time to deliver budget savings and also protects the General Fund Balance, and levels of Council services, during fluctuations in funding levels. The deferral of the government reviews, covered earlier in this strategy, support this continued approach.
- 4.2 Where the Council has specific reserves which have been established to cover risks these will be released into general balances over the life of the MTFP where appropriate. This strategy identifies two reserves where this approach is used. The “Business Rates Safety Net” reserve has been established to soften the impact of the baseline reset. In accordance with this purpose this reserve is released in the years after the baseline reset in 2021. The “Waste and Recycling” Reserve will be used to fund the costs of new collection rounds due to property growth and to mitigate the impact of the reduction in the food waste incentive payments.
- 4.3 The balance of General Fund earmarked reserves, excluding the capital reserve, at the end of 2018/19 was £12.53 million, including the £6.09 million General Fund equalisation reserve. This is in addition to the General Fund balance of £2.169 million which this Strategy recommends be held at that level.
- 4.4 As part of producing this Strategy the allocation of reserves has been reviewed by the S151 Officer, the Senior Leadership Team and Alliance Members at a budget workshop. The revised plans for use of reserves are shown at Appendix C.
- 4.5 The table below shows the current forecast of General Fund equalisation Reserve over the life of the draft MTFP.

Table 3 – Forecast level of General Fund equalisation reserve

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Estimated Surplus / (Deficit)	141	(397)	(809)	(1,249)
GF equalisation reserve				
Opening	6,722	6,863	6,466	5,657
Change	141	(397)	(809)	(1,249)
Closing	6,863	6,466	5,657	4,408

5. Housing Revenue Account (HRA)

- 5.1 In common with the General Fund, the Housing Revenue Account (HRA) faces financial pressures over the medium term plan period. HRA balances and

reserves at the end of 2018/19 were relatively robust at £3.386 million in general reserves and £4.094 million in earmarked reserves.

- 5.2 The proposed Budget and Rent Setting 2020/21 Report will be presented to Housing Committee in December, followed by Strategy and Resources Committee in January 2020.
- 5.3 It is not currently anticipated that a deficit will be identified over the MTFP period, and therefore Members are unlikely to be presented with a savings plan for 2020/21. However, there are a number of significant risks and uncertainties which should be considered when allocating resources across the medium and long term position of the HRA.
- 5.4 For example, the Carbon Neutral 2030 commitment will have a significant impact on both major works needed on existing stock and the build costs for new build housing. This additional cost may not be fully known for this budget setting round.
- 5.5 2020/21 is the first year of permissible rent increases following the four year rent reduction set out in the Welfare Reform and Work Act 2016. Based on national rent guidance, rents are assumed to increase by CPI+1% for five years.
- 5.6 The total borrowing incurred for the HRA is £103.274m incl Littlecombe depot at 525k. As the debt cap has been removed, the HRA's new build programme has been extended over the MTFP period, utilising this power to increase borrowing.
- 5.7 All the external debt is at fixed rates and so there will be no fluctuations in interest payments for current borrowing over the medium term. There may be opportunities to re-schedule the debt to take advantage of lower rates and this will be kept under review. Of the borrowing, £5.287 million is internally borrowed, utilising HRA balances over the short term. This will continue to be reviewed as balances reduce, in line with the Treasury Management Strategy.
- 5.8 The HRA MTFP includes an annual contribution towards repaying borrowing. This base amount will increase by inflation each year, with additional amounts added to reflect any new borrowing for the new build programme.

MTFP 2019/20 to 2022/23

	2019/20	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000
Budget					
Opening Budget	14,514	14,492	14,595	14,912	15,289
<u>Recurring Changes</u>					
Pay Increases	196	240	240	240	240
Fees and Charges Growth		(50)	(50)	(50)	(50)
Pensions Increases	203				
Contract Increases	224	180	180	180	180
Revised Budget	15,137	14,862	14,965	15,282	15,659
Proposed Budget Adjustments	(645)	(267)	(53)	7	7
Revised Budget	14,492	14,595	14,912	15,289	15,666
Funding					
Council Tax	9,189	9,552	9,923	10,303	10,693
Prior year CT surplus	186	0	0	0	0
Business Rates (incl grants)	3,900	4,161	3,107	3,229	3,294
Other Grant	67	30	30	30	30
New Homes Bonus	1,726	793	555	218	0
Total Funding	15,068	14,536	13,615	13,780	14,017
Surplus / (Deficit) before Reserves Movements	576	(59)	(1,297)	(1,509)	(1,649)
Reserves Movements					
Business Rates Reserve	400		(700)	(500)	(400)
Waste and Recycling Reserve		(200)	(200)	(200)	
Estimated Surplus / (Deficit)	176	141	(397)	(809)	(1,249)
GF equalisation reserve					
Opening	6,091	6,722	6,863	6,466	5,657
Change	176	141	(397)	(809)	(1,249)
Reserve Review	455				
Closing	6,722	6,863	6,466	5,657	4,408

MTFS Changes

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2022/24 £001
Pressures					
Historic Budget Adjustments					
Ubico inflation catch up	352				
Corporate Change Team	100				
Planning Salaries	45				
Reshaping comms team	40				
Old Town Hall Income	33				
Community Safety Income	32				
	602	0	0	0	0
New Pressures					
Additional Recycling Round	95	55		150	
Food Waste Income		200			
Senior Management Structure		30			
IT Salaries	75				
Temporary accommodation to prevent homelessness	50				
Carbon reduction scoping	60				
Car Parking	54				
Revs and Bens Grant Reduction	89				
HRA Share of Increased investment income	6				
Drainage Board Levy	7	7	7	7	7
	436	292	7	157	7
Total Pressure	1038	292	7	157	7
Savings					
Achieved					
MRP	(310)		100		
Workforce Plan	(491)				
Debt Repayment (Pulse)		(35)			
General Fund Contingency	(66)				
Pension Prepayment - One Year Saving	(154)				
Insurance Premium	(55)				
Homelessness Grant	(69)	69			
Joint Use Sports Centres	(50)				
Pulse Income	(284)				
	(1,479)	34	100	0	0
To be achieved					
Workforce Plan - Pension Savings		(120)			
Sub Rooms transfer		(226)			
TIC Closure	(67)	(14)			
Littlecombe Business Units Income	13	(73)			
Car Parks - Inflation on existing charges	(50)				
Kingshill House - Asset Transfer		(10)	(10)		
Increased Investment Income	(100)	(150)	(150)	(150)	
	(204)	(593)	(160)	(150)	
Total Saving	(1,683)	(559)	(60)	(150)	0
Net Changes	(645)	(267)	(53)	7	7

Budget Strategy - Reserves Review

Appendix C

Name of Reserve	18/19	Results of evaluation	Balance held in reserve
Group A - Reserve balances unchanged by the review and expected to be used in full in 2019/20			
Carry Forward Reserve	422,500	Represents funding carried forward from 18/19 to 19/20. Will be replaced this year with funding to be carried forward into 2020/21.	422,500
PDG Reserve	49,700	To be used in full in 2019/20 towards Local Plan review costs	49,700
Welfare Reform Reserve	30,000	Reserve not required - use in 2019/20 to fund £30k welfare reform grants	30,000
Neighbourhood Planning Grant Reserve	47,100	To be used in full in 2019/20 towards Local Plan review costs	47,100
Homelessness Prevention Reserve	97,500	Funding is being used for part time fixed posts and will be released to the general fund budget. Any remaining will be used to compensate for loss of grant funding.	97,500
Brexit Costs Reserve	17,500	To be used in full in 2019/20	17,500
Street Cleaning Funding	20,000	To be used in full in 2019/20	20,000
	684,300		684,300
Group B- Reserve balances to be held to meet future unforeseen costs			
Legal Counsel Reserve	50,000	Valid Reserve - Maintain to protect against unforeseen costs	50,000
Opportunity Land Purchase Reserve	250,000	Reserve to be held for land purchase opportunities	250,000
Planning Appeal Costs Reserve	100,000	Maintain to protect against unforeseen costs	100,000
Redundancy Reserve	488,000	Reserve was originally created during the 20% workforce plan cuts. No longer required to be maintained at this level although a reserve should still be held. A balance of £250k is recommended at this stage with the remainder being transferred to the transformation reserve.	250,000
Building Control Shared Service Reserve	224,000	To be invested into the Building Control Service - Plans are currently being developed	224,000
Repairs and replacement reserve	200,000	Reserve to be built upon each year and to be used for replacement of fleet vehicles and building repairs as necessary. Ebley Mill repairs funding transferred in.	260,000
Investment Risk Reserve	100,000	Reserve to be added to from future investment gains to protect against capital value changes	100,000
	1,412,000		1,234,000
Group C - Reserves with an identified use for some or all of the funding over the MTFP			
Capital Reserve	5,417,096	Continue to program future capital programme costs against the reserve. The current budgeted uses are: Stratford Park Lido £200k, Cycling and Walking Schemes £300k, Canal £1m, IT £1.8m. Approximately £1.7m only now remains unallocated which will be use to prevent borrowing on capital schemes.	5,417,096
Waste Management	600,000	Reserve to be used over the life of the MTFP to offset the impact of new recycling/waste rounds. Allocated in its entirety in the MTFP.	600,000
Business Rates Safety net	1,346,000	Has been established to protect against the "cliff edge" of baseline reset. The reset is now expected in 2020/21 with the reserve to be released to the GF after that point. Allocated in its entirety in the MTFP.	1,346,000
MTFP Equalisation Reserve	6,091,447	Reserve gives Council time for making budget savings and allows services to be predicted. Once predicted future revenue funding gap is closed the reserve becomes available for general use. Anticipated use is £2.4m over the life of the MTFP	6,546,547
Climate Change	200,000	Funding available for projects reducing carbon emissions	200,000
CIL (Community Infrastructure Levy) Reserve	217,600	Environment Committee has approved a policy for allocation of CIL funding	217,600
Culture, Arts and Leisure Reserve		Will be used to fund projects across the District including studies around Stratford Park	130,000
Transformation Reserve	400,000	Funding transferred from invest to save and redundancy reserves. Likely to be used in full during the life of the MTFP.	678,000
Business Rates Pilot Reserve	897,000	£307k has already been allocated from this pot.	897,000
	15,169,143		16,032,243
Group D - Reserves no longer required			
Pension Fund Reserve	205,100	This reserve is no longer required. To be transferred into the equalisation reserve	0
Efficiency & Invest to Save Reserve	100,000	£60k relates to Ebley Mill refurbishment and transferred to repairs reserve. £40k relates to invest to save and transferred to transformation reserve	0
Dursley Pool Reserve	130,000	Reserve held to cover risk of income shortfall. Now consolidated into Culture and Leisure Reserve to help fund future projects across the District	0
MRP/Vol MRP Equalisation Reserve	250,000	MRP budget has been stabilised. Funding transferred to Equalisation Reserve	0
	685,100		0
Total Earmarked Reserve	17,950,543		17,950,543

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

3 OCTOBER 2019

10

Report Title	PROPOSALS FOR A DISTRICT LOTTERY
Purpose of Report	To agree to proceed with the implementation of a Community Lottery scheme.
Decision(s)	<p>The Committee RESOLVES:</p> <p>a) To agree to implement a community lottery for the benefit of good causes within the district.</p> <p>b) To appoint Gatherwell Limited as the External Lottery Manager to run the lottery on behalf of the Council.</p> <p>c) To delegate authority to the Interim Director of Resources to carry out the process of applying to the Gambling Commission for the appropriate licenses.</p> <p>d) To agree the conditions at Appendix A for those organisations wishing to join the lottery.</p>
Consultation and Feedback	<ul style="list-style-type: none"> • Member Presentation Evening
Financial Implications and Risk Assessment	<p>The lottery has set up costs of £5k which can be met from within existing budgets.</p> <p>Ongoing running costs can be met from within the 10p income that the Council receives from each ticket.</p> <p>Monies received into the general good causes fund will be the subject of future allocation decisions.</p> <p>Andrew Cummings – Interim Director of Resources & Section 151 Officer Email: andrew.cummings@stroud.gov.uk</p>
Legal Implications	<p>All legal implications are set out in the body of the report</p> <p>Patrick Arran – Interim Head of Legal Services & Monitoring Officer Tel: 01453 754369 Email: patrick.arran@stroud.gov.uk</p>
Report Author	<p>Andrew Cummings – Interim Director of Resources & Section 151 Officer Email: andrew.cummings@stroud.gov.uk</p>
Options	The Committee may choose not to support the establishment of a community lottery
Performance Management Follow Up	Lottery updates through the budget monitoring process will be reported to Community Services and Licensing Committee. There is a requirement to display the proportion of lottery proceeds as a percentage returned for the purposes of the local authority in the previous calendar year
Appendix	Appendix A – Terms and Conditions for Good Causes

1. Introduction and Background

- 1.1 The Corporate Delivery Plan for 2019/20 sets out that the Council will explore opportunities for income generation and also agrees that the Council will work collaboratively through partnerships and external stakeholders to achieve greater influence to deliver the council's objectives.
- 1.2 The District Council has a strong history of supporting the Community Sector through grant funding and currently maintains a budget to do so of £337k p.a. in spite of significant reductions in its own funding position.
- 1.3 One of the Commercial opportunities identified which will help the Council to continue to support the voluntary sector is the launch of a community lottery. This will have the double benefit of empowering organisations to raise money through their own initiatives whilst generating income for the Council to support its own community grants programme.
- 1.4 The Council has also recently received a piece of consultancy work from an LGA commissioned expert on identifying commercial opportunities. This options list also includes the possibility of a local community lottery.
- 1.5 In simple terms a lottery is a kind of gambling that has three essential elements:
 - payment is required to participate
 - one or more prizes are awarded
 - those prizes are awarded by chance.
- 1.6 The commentary below sets out the experiences of the local authorities that have an established scheme.

2. The principle of Local Authority Lotteries

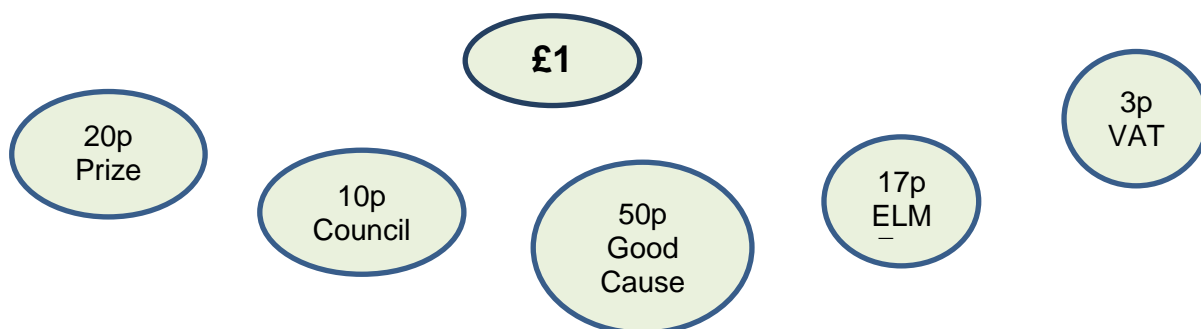
- 2.1 Local authorities across the country are now using lotteries to generate income and to empower the voluntary sector to raise additional funds. Local authority lotteries are lotteries promoted by local authorities themselves. Authorities may use the net proceeds of these lotteries for any purpose for which they have power to incur expenditure. Up to a maximum of 80% of the gross proceeds of each lottery may be divided between prizes and the expenses of the lottery.
- 2.2 The first Local Authority lottery was launched by Aylesbury Vale Council in 2015. That particular partnership generated £66,000 for local good causes in its first year of operation. Since that time over 60 councils have begun operating using the same model. Locally there has been a lottery operating in Gloucester since 2017. The Cheltenham Lottery has launched recently and the Forest of Dean lottery is due to launch later this year.
- 2.3 The principle of local authority lotteries is akin to the traditional selling of raffle tickets. Good causes are able to encourage the sale of tickets to players who want the opportunity to win prizes whilst supporting their cause of choice. The good cause benefits from a proportion of the income raised through the scheme. A local authority lottery must apply a minimum of 20% of the gross proceeds of each lottery directly to the purposes for which the authority has power to incur expenditure.

- 2.4 In order to be legal, lotteries must fall into one of the categories specifically permitted by law. The relevant law is contained in the Gambling Act 2005. The Act has three licensing objectives that are central to the regulatory regime and underpin the functions that the Commission and licensing authorities perform in respect of all types of gambling, including lotteries. These are:
- preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime
 - ensuring that gambling is conducted in a fair and open way
 - protecting children and other vulnerable people from being harmed or exploited by gambling.
- 2.5 Each year, every local authority lottery operator must display the proportion of lottery proceeds (as a percentage) returned to the purposes of the society or local authority in the previous calendar year. This should be through either an annual report, lottery page on the website or any other means appropriate to the size and scale of the organisation. The authority may, if it wishes, provide further supporting information regarding spend on prizes and expenses for their lotteries. This information should be displayed in a timely manner and as soon as practicably possible.
- 2.6 A local authority may employ an external lottery manager (ELM) to manage all or part of its lottery. An ELM is defined in section 257 of the Act as someone that is a person or a body who makes arrangements for a lottery on behalf of a local authority but is not a member, officer or employee of the authority. Councils operating lotteries tend to use ELM's and this approach is also recommended for Stroud District as the Council has neither the resource nor the expertise to deliver the service in house. The ELM would set up and run the lottery on behalf of the Council.
- 2.7 All ELMs must hold a lottery manager's operating licence issued by the Gambling Commission before they can manage a local authority lottery or a society lottery registered with a local authority. It is the responsibility of the authority to ensure that the ELM holds a valid lottery manager's operating licence issued by the Gambling Commission.
- 2.8 It is important to note that, the fact that an authority may employ a licensed ELM to manage all or part of its lottery does not absolve the authority of its responsibility for ensuring that the lottery is conducted in such a way as to ensure that it is lawful and fully complies with all licence conditions and the codes of practice. Both the society or local authority and the ELM require an operating licence from the Gambling Commission.
- 2.9 The ELM would be responsible for managing nearly all aspects of the lottery process including;
- Developing and maintaining a bespoke website in compliance with payment card industry standards
 - Providing marketing assistance
 - Managing all payments to the lottery and payments out to good causes and winners
 - Encouraging player engagement

- Daily management of, and reporting on, lottery performance.

3. How would a lottery for the District work?

- 3.1 Buying a lottery ticket must be done through the lottery website using either direct debit or a payment card. This process will be entirely managed by the ELM
- 3.2 Tickets cost £1 each and upon buying a ticket players can choose to sign up for just a month or a recurring ticket for a number of weeks.
- 3.3 Upon buying a ticket the player can choose to nominate a good cause from those organisations who are signed up to the District Lottery. That organisation will then receive 50p of the £1 ticket price. This creates a significant opportunity for good causes to use the lottery as a means of encouraging fundraising. Players can support a cause they want to support and also put themselves in with a chance of winning a prize. If the player declines to nominate a good cause than their 50p goes into a Central Fund to be administered by the Council.
- 3.4 The complete breakdown of each £1 purchase is shown in the diagram below.



- 3.5 The lottery would have a bespoke website, designed by the ELM, to manage all aspects of the lottery process. It will have various features designed to encourage player retention. The Council has a desire to make more services available digitally and the website will support this by being accessible on a range of devices including mobiles and tablets. Each good cause who is signed up to the lottery will have their own dedicated page on the website.
- 3.6 The weekly draw works by players have to a six digit number matched against a number drawn by the lottery machines. Prizes are determined by how many numbers can be matched in sequence from with either the beginning or end of the winning sequence match. This is shown in the following table.
- 3.7 Prizes are fixed and are not dependent on the amount of money in the prize fund. The ELM will use prize insurance to cover the cost of any jackpot prizes to eliminate the risk of there not being sufficient in the prize fund to meet such a payout.

Number of Matches	Pattern (M =match, n =no match)	Odds	Prize
6	MMMMMM	1,000,000 to 1	£25,000
5	MMMMMn or nMMMMM	55,556 to 1	£2,000
4	MMMMnn or nnMMMM	5,556 to 1	£250
3	MMMnnn or nnnMMM	556 to 1	£25
2	MMnnnn or nnnnMM	56:1	3 Free tickets

3.8 One-off “bolt on” prizes such as additional cash sums or electronic items can be offered as specific promotions, for example on launch week.

4. Responsible Lottery Management

4.1 In empowering good causes to be proactive in raising funds through their endeavours it is recognised that the Council does not wish to encourage problem gambling and the serious issues that it can bring for individuals, families and the wider society. The setup of the District Lottery is designed to minimise risks around problem gambling.

4.2 Lotteries are considered to be low risk as their format does not lend itself to problem gambling issues. Prizes are low in comparison to their odds and there is no possible instant gratification as gambling can only take place through an online sign up and delayed draw.

4.3 Research undertaken has shown no evidence of links between local authority lotteries and problem gambling and Gatherwell have undertaken active research into this area.

4.4 The lottery website will allow players suffering from gambling addiction to self-exclude and will feature signposting relating to gambling awareness.

4.5 As mentioned above, the Council will have to be fully licensed by the Gambling Commission. It will also join the Lotteries Council which looks to support sustainable lottery management.

5. Council Involvement

5.1 The Council’s role in running the day to day business of the lottery will be minimal with most functions being undertaken by the ELM.

5.2 The Council will be required to produce a list of criteria for those organisations wishing to register as a good cause to be included in the lottery. The criteria proposed to be used are included at Appendix A. The Council will also be required to authorise payments each month from the lottery bank account, administered by the ELM, to the good causes. The administrative time in that function is minimal.

5.3 Ultimately the success of the lottery depends on successful marketing and encouraging good causes to promote the lottery to their supporters. Although the ELM will provide bespoke marketing materials, support will be needed from the

Council's own communications team. This will be particularly significant during the launch phase but will also continue once the lottery is in operation. This will require a budget for specific marketing campaigns and bolt on prizes.

- 5.4 One of the key marketing functions during the launch period will be to determine the name and branding of the lottery. The aims of that process will include to determine a way to highlight that this is a lottery for the benefit of the whole district.

6. Financial Impact

- 6.1 The ELM charges a one off fee of £5,000 for lottery setup costs.
- 6.2 There are annual charges related to licensing and lotteries Council membership. These are estimated at approximately £1k.
- 6.3 The Council will receive a small income stream from the 10p income from every ticket. This money will be used to fund the marketing promotions and bolt on prizes.
- 6.4 The Council will also receive a source of income from the 50p in the pound from players who do not choose a specific good cause when purchasing a ticket. It is recommended that this money is not separately allocated but is used to help protect the Council's existing £307k Community Grants pot in a time of continuing funding reductions, thereby reducing the Council's own contribution to that pot.
- 6.5 It is not possible at this stage to estimate the amounts of funding raised through the lottery as it will depend entirely on the level of ticket sales.

7. Appointing the ELM

- 7.1 With the exception of one authority which have developed their own lottery it is believed that all local authorities use Gatherwell Ltd as their ELM.
- 7.2 Gatherwell Limited is the operator of nearly 60 established or planned local authority lotteries, and is the preferred partner for the CBC lottery scheme. Due to the low level of the contract payable to Gatherwell, and the lack of genuine competition in the marketplace, it is considered appropriate to award a contract to Gatherwell without advertising through the South West procurement portal. Given the specialist nature of this scheme and that there is no satisfactory alternative, a waiver to Contract Rules is appropriate.
- 7.3 If Gatherwell as the ELM are appointed the Interim Head of Legal Services and the Interim Director of Resources will finalise contractual terms.

8. Next Steps

- 8.1 If the Council proceeds with the lottery it is estimated that approximately six months is required for the setup process. This includes time for approval by the gambling commission, co-ordinating the branding and marketing and encouraging good causes to join the scheme. The Council will need to work

closely with the voluntary sector to promote the lottery. It is anticipated therefore that the lottery would launch in Spring 2020.

- 8.2 The Council would not make any changes to its Medium Term Financial Plan at this point but rather wait for the scheme to have been operational for a period of time to properly assess the impact.
- 8.3 As part of the reporting service provided by the ELM the Council would receive reports on the level of income being generated by the lottery and by how much good causes are benefitting. This will be reported to Community Services and Licensing Committee in future meetings.

Terms and conditions for good causes joining the District lottery

We encourage as many organisations as possible to join the District lottery as one of the eligible good causes. As you will be joining under our overall gambling licence (Gambling Act 2005) we have to ensure that organisations meet certain criteria. There is no application fee.

Your organisation must:

- provide community activities or services within the District
- have a constitution
- have a bank account
- operate with no undue restrictions on membership
- be either:
 - a registered charity, with a board of trustees; or
 - a registered Community Interest Company; or
 - any other constituted group with a volunteer management Committee comprising at least three members and which meets at least three times a year.

We will not permit applications from:

- groups promoting campaigns that do not directly relate to the provision of community activities or services within Stroud District
- organisations that do not do work within the District's boundaries
- individuals
- organisations which aim to distribute a profit
- organisations with no established management committee/board of trustees (unless a CIC)

We are also unable to accept applications that are incomplete.

The Council reserves the right to:

- reject any application for any reason; and
- terminate the participation of any organisation with a minimum of 7 days' notice for any reason, unless fraudulent or illegal activity is suspected in which case termination will be immediate.

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

3 OCTOBER 2019

11

Report Title	Budget Monitoring Report 2019/2020 – 31 August 2019
Purpose of Report	To present to the Committee a forecast of the outturn position against the General Fund revenue budget and capital programme and Housing Revenue Account for 2019/20 in order to give an expectation of possible variances against budget and items to be considered as part of the budget setting process.
Decision(s)	The Committee RESOLVES: a) To note the outturn forecast for the General Fund Revenue budget and Capital Programme. b) To note the outturn forecast for the Housing Revenue Account.
Consultation and Feedback	Budget holders have been consulted about the budget issues in their service areas. The feedback has been incorporated in the report to explain differences between budgets and actual income and expenditure.
Financial Implications and Risk Assessment	There are no financial implications arising directly from this report. The contents set out the latest financial monitoring position for the General Fund, HRA and the Capital Programme. Andrew Cummings, Interim Director of Resources Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk
Legal Implications	There are no legal implications arising from this report. Craig Hallett, Solicitor & Deputy Monitoring Officer Tel: 01453 754364 Email: craig.hallett@stroud.gov.uk
Report Author	Adele Rudkin, Accountant Tel: 01453 754109 Email: adele.rudkin@stroud.gov.uk
Options	None
Performance Management Follow Up	Budgets will continue to be monitored on a regular basis by budget holders supported by Finance. Further finance reports will update the committee in December 2019 and April 2020, with the outturn position reported to Strategy and Resources Committee in June 2020.
Background Papers/ Appendices	Appendix A - Overview of the committee's budget and the other service committees

1. Background

1.1 This report provides the first monitoring position statement for the financial year 2019/20, figures have been updated to include all transactions up to 31 August

2019 in order to provide the committee with meaningful data. The purpose of this report is to notify members of any known significant variations to budgets for the current financial year, highlight any key issues, and to inform members of any action to be taken if required.

- 1.2 **Due to the volume of information contained in the report, it would be helpful where members have questions on matters of detail if they could be referred to the report author or the appropriate service manager before the meeting.**

2. General Fund Revenue Position

- 2.1 The original net General Fund Revenue budget for 2019/20 was approved by Council at their meeting in February 2019 including budget proposals of the administration. The base budget has been updated to reflect the removal of the income budgets in Stonehouse and Painswick car parks.
- 2.2 The forecast for the General Fund is an overspend of £119k (after additional reserve transfers), as shown in Table 1. This report includes detail on both Strategy and Resources Committee budgets and the overall General Fund position. Budget information which has been presented to other committees is reproduced for information purposes.

Table 1 – General Fund Revenue Position

	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Reserve Transfers (£'000)	2019/20 Outturn Variance (£'000)
GENERAL FUND					
Community Services and Licensing	3,252	3,125	3,019	0	(106)
Environment	5,462	5,610	5,759	(76)	72
Housing General Fund	538	708	763	0	55
Strategy and Resources	6,800	7,287	7,404	(37)	80
Support charge income from HRA	(1,560)	(1,560)	(1,560)	0	0
Net Revenue Expenditure	14,492	15,171	15,385	(113)	100
Funding from Govt Grants/Council Tax	(15,068)	(15,068)	(15,050)	0	18
Transfers to/(from) Earmarked Reserves	576	(103)	(103)	0	0
Total General Fund	0	0	232	(113)	119

- 2.3 Key areas of variance:

2.4 Development Control and Planning Strategy - £122k overspend

Development Control and Planning Strategy have been restructured in order to reflect an improved and more robust officer hierarchy. It is expected that this additional cost will be funded from planning application fees (in line with previous years). However, officers are mindful of future unknowns that may impact income, such as Brexit and the fact that many large strategic sites identified in the local plan have already been the subject of planning applications, it is too early in the year to forecast a realistic position. This will be reviewed at Quarter 2 and throughout the year.

2.5 Homelessness - £59k overspend

Spend on temporary accommodation continues to increase, and despite an increase in budget in 2019/20, the current forecast is for net expenditure to exceed budget by £59k.

Further work will be undertaken to establish the temporary accommodation need and options for delivery, building on previous reports presented to Committee.

2.6 Senior Leadership Team Restructure – £37k net overspend, funded from the Transformation Reserve

2.7

The creation of the new Strategic Director posts is expected to cost an additional £171k on top of budget in 2019/20 (including recruitment costs). This can be funded from the vacant Director Community Services post, and the vacancy in Head of Finance whilst in the Interim Director of Resources post. The overall net overspend, currently forecast to be £37k, will be funded from the Transformation Reserve and will not impact the bottom line of the General Fund.

3. Strategy & Resources Committee Revenue budgets

3.1 The latest budget for Strategy and Resources Committee is £7.287m. The monitoring position at 31 August 2019 shows a projected net overspend of £80k. Appendix A provides an overview of the committee's budget and the other service committees.

Table 2 – Revenue budgets Strategy & Resources Committee 2019/20

	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Reserve Transfers (£'000)	2019/20 Outturn Variance (£'000)
Strategy & Resources Committee						
Car Parks (Other)		45	45	46	0	1
Car Parks (Stroud)		(698)	(698)	(690)	0	7
Chief Executive	3.3	197	197	286	(37)	51
Corporate Business Services		201	201	201	0	0
Corporate Expenditure & Income	3.4	1,867	2,316	2,289	0	(27)
Corporate Services (Legal)	3.5	557	557	654	0	97
Democratic Representation & Management		614	614	610	0	(4)
Director (Corporate Services)		48	48	52	0	4
Director of Resources	3.8	0	0	82	0	82
Facilities Management	3.6	442	442	466	0	25
Financial Services	3.7	759	793	734	0	(59)
Head of Finance	3.8	83	83	33	0	(50)
Head of Property Services		60	60	60	0	(0)
Human Resources		407	411	411	0	0
Information & Communication Technology	3.9	1,604	1,604	1,566	0	(38)
Investment Assets		(21)	(21)	(5)	0	16
Marketing		137	137	137	0	0
Other Assets		89	89	72	0	(18)
Property Services Team		410	410	402	0	(8)
Strategy and Resources TOTAL		6,800	7,287	7,404	(37)	80

3.2 The table below outlines the key variances for this Committee

Table 3 - Headline Budget variances

Service	Para Refs	Overspend/ (Underspend) (£'000)
Chief Executive	3.3	51
Corporate Expenditure & Income	3.4	(27)
Corporate Services (Legal)	3.5	97
Director of Resources	3.8	82
Facilities Management	3.6	25
Financial Services	3.7	(59)
Head of Finance	3.8	(50)
Information & Communication Technology	3.9	(38)
Strategy & Resources TOTAL		82

3.3 Chief Executive – £51k overspend

(Kathy O’Leary xtn 4780) kathy.oleary@stroud.gov.uk

A variance of £51k has been forecast. This variance incorporates recruitment costs associated with the new Senior Management Structure along with salary estimates for the remainder of the financial year for these posts. Any significant budget changes will be dealt with as part the budget setting process later this year.

3.4 Corporate Expenditure & Income – (£27k) underspend

(Andrew Cummings xtn 4115) andrew.cummings@stroud.gov.uk

An underspend is forecast against the budget for the Minimum Revenue Provision. The requirement for a provision has been considered against the current capital programme. In addition the sale of some of the Littlecombe units has created funds for debt repayment.

3.5 Corporate Services – Legal £97k overspend

(Patrick Arran, xtn 4369, patrick.arran@stroud.gov.uk)

This overspend is the additional costs associated with the Interim Legal Services & Monitoring Officer. This role has been extended until the end of this financial year. A separate report outlining the options available for the future of Legal Services is included on the agenda for this Committee tonight.

3.6 Facilities Management – £25k overspend/income shortfall

(Mike Hammond, xtn 4447), mike.hammond@stroud.gov.uk

The income shortfall has arisen due to a tenant within Ebley Mill exercising their right to use the break clause within their contract, which means they will leave in January 2020. Additional Income has been taken into consideration with the letting of the New Block vacant office space from October 2019.

An overspend has been forecast on business rates for Ebley Mill, this will be addressed at budget setting later in the year.

3.7 Financial Services – (£59k) underspend

(Andrew Cummings xtn 4115), andrew.cummings@stroud.gov.uk

This underspend is generally attributable to an in-year salary saving within the service. The Principal Accountant has been seconded to the Accountancy Managers role on an interim basis until December 2019. The backfill arrangements that have been put into place have led to this saving.

3.8 Director of Resources – £32k overspend

(Andrew Cummings xtn 4115), andrew.cummings@stroud.gov.uk

The forecast overspend is a net in year variation. This post is currently being filled on an interim basis by the Head of Finance.

3.9 ICT – (£38k) underspend

(Sean Ditchburn xtn 4256, sean.ditchburn@stroud.gov.uk)

A (£68k) underspend on salaries is forecast, this is attributable to two senior ICT posts not being recruited to this financial year. A full review of the service will be dealt with by the new Director of Transformation when appointed. An overspend of £30k is also forecast. Windows 2008r2 will no longer be supported from January 2020, so work around server migrations will be necessary.

4. Housing revenue Account - Revenue

4.1 The original net Housing Revenue Account (HRA) budget for 2019/20 was a transfer to reserves of £103k, as approved by Council in January 2019. This has now been revised to a transfer to general reserves of £50k following Council approval in April 2019 of funding for the insourcing of the Housing Reactive Repairs and Maintenance Service.

4.2 The monitoring position for the service at 30 June 2019 (Quarter 1) shows a projected net underspend of £635k (-2.8% of gross spend) against the current budget, as summarised in Table 4.

4.3 This is largely due to additional income from rents and investments for the year.

Table 4 – HRA Revenue Summary

Revenue Summary	Para Ref	2019/20 Original Budget £k	2019/20 Revised Budget £k	2019/20 Forecast Outturn £k	2019/20 Outturn Variance £k
Total Income		(22,325)	(22,325)	(22,923)	(597)
Total Expenditure		9,948	10,061	10,099	37
Total Other Costs and Income		12,501	12,501	12,426	(75)
Net HRA Expenditure		123	236	(399)	(635)
Transfers to/(from) Earmarked Reserves		(226)	(286)	(286)	0
Total HRA – Transfer (to)/from HRA General Reserves		(103)	(50)	(685)	(635)

4.4 A more detailed breakdown of this table can be found in the Appendix.

4.5 This position was reported to Housing Committee on 10 September 2019, with further details of the variance available in the report.

5. Capital Programme

5.1 The 2019/20 Capital Programme of £18.769m was approved by Council in January 2019. This has subsequently been revised to £22.118m following approval of the carry forwards/slippage and profiling changes by Strategy and Resources Committee at their meeting in June 2019.

Table 4 – Capital Outturn Forecast 2019/20

	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Outturn Variance (£'000)
Environment Capital Schemes				
Community Buildings Investment	0	117	0	(117)
Stratford Park Lido	200	200	0	(200)
Community Services Capital Schemes TOTAL	200	317	0	(317)
Canal	732	2,029	580	(1,449)
Market Town Centres Initiative Fund	50	113	113	0
Multi-Service Contract-Vehicles	684	844	844	0
Stroud District Cycling & Walking Plan	100	200	90	(110)
Wallbridge-Gateway	0	100	0	(100)
Environment Capital Schemes TOTAL	1,566	3,286	1,627	(1,659)
Affordable Housing-Support to Registered Providers	0	39	39	0
Disabled Facilities Grant Scheme	330	330	330	0
Health through Warmth Grants	200	200	200	0
Park Homes	0	76	76	0
Temporary Accommodation	0	500	500	0
Warm Homes	1,000	853	853	0
Housing General Fund Capital Schemes TOTAL	1,530	1,998	1,998	0
Avon Mutual	0	50	50	0
Brimscombe Port Redevelopment	166	242	242	0
Ebley Mill Works	0	98	112	14
Electric Vehicle Aquisition	0	257	257	0
ICT Investment Plan	500	746	500	(246)
Littlecombe Business Units, Dursley	54	54	54	0
MSCP Resurfacing	0	120	89	(32)
Subscription Rooms - Refurbishment	0	6	6	0
Strategy and Resources Capital Schemes TOTAL	720	1,573	1,310	(264)
TOTAL GENERAL FUND CAPITAL SCHEMES	4,016	7,174	4,935	(2,240)
Major Works	8,549	9,274	9,274	0
New Build and Development	5,590	4,881	4,808	(73)
Other Capital Works	0	175	325	150
Sheltered Housing Modernisation	614	614	615	1
TOTAL HRA SCHEMES	14,753	14,944	15,023	79
TOTAL CAPITAL SCHEMES	18,769	22,118	19,957	(2,161)

6. Strategy & Resources Capital Programme

6.1 Table 5 below shows the Capital Forecast position at the end of August 2019 for Strategy and Resources Committee and shows a projected outturn of £1.310m.

Table 5 – Strategy & Resources Capital Schemes

	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Outturn Variance (£'000)
Strategy & Resources Capital Schemes				
Avon Mutual	0	50	50	0
Brimmscombe Port Redevelopment	166	242	242	0
Ebley Mill Works	0	98	112	14
Electric Vehicle Acquisition	0	257	257	0
ICT Investment Plan	500	746	500	(246)
Littlecombe Business Units, Dursley	54	54	54	0
MSCP Resurfacing	0	120	89	(32)
Subscription Rooms - Refurbishment	0	6	6	0
Strategy and Resources Capital Schemes TOTAL	720	1,573	1,310	(264)

6.2 Avon Mutual

The share purchase in the co-operative bank is now complete and a share certificate has been received. Avon Mutual continue to update on their progress and an update will be given to this committee when their banking licence is issued.

6.3 Brimmscombe Port Redevelopment

Due to a delayed start to the procurement process, there will be reduced expenditure in some areas, further costs will be incurred on soft market testing and an updated appraisal. Overall the forecast budget remains on target.

6.4 Ebley Mill Works

Works are certified as practically complete Final progress payments have been paid to the contractors. (Contract retention is due for release subject to final inspection in July 2020)

6.5 Electric Vehicle Acquisition

Orders for the replacement Community Services vehicles have been placed. The first of these will be arriving mid-September with the remainder around the first week of November. The electric points will be discussed at a new established Electric Vehicles and Fleet Sub Group with the County Council, this will ensure that a fair coverage for EV charge points are spread across our District.

6.6 ICT Investment Plan

The current forecast for this financial year for this project is £500k. This includes the replacement of the laptop Citrix terminals and the Storage Network (SAN). The server host and infrastructure programme will also start to get underway which incorporates a new disaster recovery solution.

6.7 Littlecombe Business units, Dursley

£54k remains outstanding in the capital budget; this sum will cover the defects retention which will be returned on expiry of the defects liability period in this Financial Year.

6.8 MSCP Re-surfacing

The resurfacing works at the Multi Storey Car Park have been certified as essentially complete. Final payments have been released to contractors, with release of retention subject to final inspection in June 2020.

Table 6 Strategy & Resources Committee Breakdown

	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Outturn Variance (£'000)
Strategy & Resources Committee					
Car Parks (NC)		17	17	17	0
Car Parks (MT)		28	28	29	1
Car Parks (Other)		45	45	46	1
Car Parks (Stroud)		(698)	(698)	(690)	7
Car Parks (Stroud)		(698)	(698)	(690)	7
Chief Executive		197	197	286	51
Chief Executive	3.3	197	197	286	51
Business Services		126	126	126	0
Corporate Change Team		75	75	75	0
Workforce Plan savings		0	0	0	0
Corporate Business Services		201	201	201	0
Corporate Expenditure & Income		1,867	2,316	2,289	(27)
Corporate Expenditure & Income	3.4	1,867	2,316	2,289	(27)
Legal Services		411	411	507	97
Procurement		65	65	65	0
Democratic Services		82	82	82	0
Corporate Services (Legal)	3.5	557	557	654	97
Democratic Representation & Management		42	42	38	(4)
Members Expenses		364	364	364	0
Electoral Registration		107	107	107	0
Elections		98	98	98	0
Youth Councils		3	3	3	0
Democratic Representation & Management		614	614	610	(4)
Director (Tenant & Corporate Services)		48	48	52	4
Director (Corporate Services)		48	48	52	4
Director of Resources		0	0	82	82
Director of Resources	3.8	0	0	82	82
Emergency Management		29	29	29	0
Facilities Management		10	10	10	0
Ebley Mill		402	402	427	25
Facilities Management	3.6	442	442	466	25

	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Outturn Variance (£'000)
Strategy & Resources Committee					
Financial Services		759	793	734	(59)
Financial Services	3.7	759	793	734	(59)
Head of Finance		83	83	33	(50)
Head of Finance	3.8	83	83	33	(50)
Head of Property Services		60	60	60	(0)
Head of Property Services		60	60	60	(0)
Human Resources		407	411	411	0
Human Resources		407	411	411	0
Information & Communication Technology		1,604	1,604	1,566	(38)
Information & Communication Technology	3.9	1,604	1,604	1,566	(38)
Brunel Mall		(44)	(44)	(49)	(5)
Brimscombe Port Business Park		50	50	50	0
Gossington Depot		29	29	29	0
Industrial Units, Stonehouse		(9)	(9)	(5)	4
Littlecombe Development, Dursley		(47)	(47)	(30)	17
Investment Assets		(21)	(21)	(5)	16
Marketing		137	137	137	0
Marketing		137	137	137	0
Bus Stations/Shelters		(4)	(4)	(4)	0
Merrywalks Precinct		0	0	1	1
Miscellaneous Properties and Land		84	84	66	(18)
May Lane		9	9	9	(0)
Other Assets		89	89	72	(18)
Property Services		254	254	243	(11)
Building Maintenance		157	157	160	3
Property Services Team		410	410	402	(8)
Strategy and Resources TOTAL		6,800	7,287	7,404	80

- Chief Executive outturn variance does reflect the reserve transfers as detailed in Table 1.

Community Services & Licensing Committee

	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Outturn Variance (£'000)
Community Services Committee					
Community Safety		208	220	225	5
Cultural Services - Arts and Culture		700	632	628	(4)
Cultural Services - Sports and Health Dev.		169	205	213	8
Cultural Services - Sports Centres		(205)	(170)	(159)	11
Customer Services	8	387	387	331	(56)
Director (Customer Services)	9	135	118	35	(83)
Grants to Voluntary Organisations		337	337	337	0
Licensing		(62)	(62)	(62)	0
Public Spaces		1,278	1,296	1,314	17
Revenues and Benefits		205	57	51	(6)
Youth Services		101	106	106	1
Community Services and Licensing TOTAL		3,252	3,125	3,019	(106)

Environment Committee

	Para Refs	2019/20 Original Budget (£'000)	2019/20 Revised Budget (£'000)	2019/20 Forecast Outturn (£'000)	2019/20 Reserve Transfers (£'000)	2019/20 Outturn Variance (£'000)
Environment Committee						
Canal		6	6	6	0	0
Carbon Management		71	78	78	0	0
Development Control	8	41	41	119	0	78
Director (Development Services)		119	119	119	0	0
Economic Development		91	91	100	0	9
Head of Health and Wellbeing		72	72	72	0	0
Health & Wellbeing	9	736	878	839	0	(39)
Land Charges & Street Naming		(42)	(42)	(54)	0	(12)
Planning Strategy/Local Plan	10	309	309	429	(76)	44
Statutory Building Control		92	92	84	0	(8)
Waste & Recycling: Other		20	20	20	0	1
Waste and Recycling: MSC		3,947	3,947	3,947	0	0
Environment TOTAL		5,462	5,610	5,759	(76)	72

Housing Committee – General Fund

Housing Committee	2019/20 Original Budget £k	2019/20 Revised Budget £k	2019/20 Forecast Outturn £k	2019/20 Outturn Variance £k
Homelessness	105	105	164	59
Homelessness Prevention	141	141	141	0
Housing Strategy	138	308	303	(4)
Private Housing	154	154	154	0
Housing General Fund Total	538	708	763	55

Housing Committee – Housing Revenue Account

Revenue Summary	2019/20 Original Budget £k	2019/20 Revised Budget £k	2019/20 Forecast Outturn £k	2019/20 Outturn Variance £k
Income				
Dwelling Rents and Service Charges	(21,855)	(21,855)	(22,364)	(510)
Other Charges and Income	(551)	(551)	(638)	(88)
Provision for Bad Debts	80	80	80	0
Total Income	(22,325)	(22,325)	(22,923)	(597)
Expenditure				
Supervision and Management	4,203	4,256	4,221	(34)
Repairs and Maintenance	3,733	3,793	3,918	125
Sheltered Housing Service	1,083	1,083	977	(107)
Other Expenditure	460	460	497	38
Sheltered Housing Modernisation Programme	470	470	486	16
Total Expenditure	9,948	10,061	10,099	37
Net Income and Expenditure	(12,377)	(12,264)	(12,824)	(560)
Other HRA Costs and Income				
Support Service Charges from GF	1,560	1,560	1,560	0
Revenue Funding of Capital Programme (Depreciation and RCCO)	6,687	6,687	6,687	0
Provision for Repaying Debt	900	900	900	0
Interest Payable/Receivable	3,354	3,354	3,279	(75)
Total Other Costs and Income	12,501	12,501	12,426	(75)
Total Housing Revenue Account	123	236	(399)	(635)
Transfers to/(from) Earmarked Reserves	(226)	(286)	(286)	0
Transfers to/(from) General Reserves	103	50	50	0
Total Transfers to Reserves	(123)	(236)	(236)	0

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

12

3 OCTOBER 2019

Report Title	CORPORATE DELIVERY PLAN PROGRESS
Purpose of Report	To consider the progress made in Quarter 1 on the Corporate Delivery Plan Key Actions for 2019/20.
Decision(s)	The Committee RESOLVES to: Note the progress made in Quarter 1 on the Corporate Delivery Plan Key Actions for 2019-20 as set out in Appendix 1 and highlighted in this report.
Consultation and Feedback	The Corporate Delivery Plan Key Actions for 2019/20 were agreed at full Council on 16 May following a series of workshops involving senior management and alliance group members of the Strategy & Resources Committee.
Financial Implications and Risk Assessment	Resources exist within the MTFP for all of the key actions in 2019/20. CDP Priorities will be used to inform the upcoming budget setting process. Andrew Cummings, Head of Finance & S151 Officer Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk There are no risks arising from this report. Risks relating to individual projects will be recorded on Excelsis.
Legal Implications	There are no legal implications arising from this report. Patrick Arran, Interim Head of Legal Services and Monitoring Officer Tel: 01453 754369 Email: patrick.arran@stroud.gov.uk
Report Author	Kathy O'Leary, Chief Executive Tel: 01453 754780 Email: kathy.oleary@stroud.gov.uk
Options	The Council is not required to have a Corporate Delivery Plan, however, it is a useful way of drawing together the political and managerial key actions for 2019/20 and setting them in the context of the Council's priorities and 4 year focus. It enables the Council to set out what it is seeking to achieve this year and gives the public and partners a means by which they can be informed and hold the Council to account.
Performance Management Follow Up	The actions arising from the CDP will continue to be recorded and monitored on Excelsis with further quarterly updates to Committee.
Background Papers/ Appendices	Report to Council on Corporate Delivery Plan and Key Actions for 2019/20, 16 May 2019.

1. INTRODUCTION / BACKGROUND

- 1.1 To help the Council deliver its vision, “Leading a community that is making Stroud district a better place to live, work and visit for everyone”, we produce a 4-year rolling Corporate Delivery Plan (CDP), which is reviewed annually. This allows us to maintain a focus over the medium term and ensures that we plan financially and adapt what we do to the changing demands of local people and the Government. The Corporate Delivery Plan 2018-2022 is available on our website.
- 1.2 We made good progress in delivering most of our CDP actions during 2018/19, with 90% either fully completed or marking the completion of the first phase of an ongoing programme.
- 1.3 The Corporate Delivery Plan incorporating Key Actions for 2019/20 was agreed at full Council on 16 May 2019 following a number of officer and member workshops.
- 1.4 The workshops explored the Key Actions for 2018/19 that were achieved, not achieved and those that needed to be rolled forward and updated for 2019/20. Consideration was also given to emerging priorities and challenges, and key deliverables for longer-term projects in 2019/20.
- 1.5 The resulting Key Actions for 2019/20 are set out under the unchanged CDP vision and key priorities.

2. PROGRESS ON THE KEY ACTIONS FOR 2019/20

- 2.1 The Corporate Delivery Plan Q1 update report at Appendix 1 shows the summary progress recorded on Excelsis for each CDP Key Action 2019/20 (CDP1-24). There are many more detailed sub-actions identified, monitored and recorded. Below, under each of the 5 Corporate Delivery Plan priorities, are the headlines of the progress made:

ECONOMY: Help create a sustainable and vibrant economy that works for all (CDP1-4)

- Money from the Business Rates Pilot fund has been allocated in accordance with the agreed principles to complete a share purchase to support setting up the Avon Mutual bank, and Council approval to purchase electric vehicles was given on 18 July.
- The updated procurement strategy, incorporating local wealth creation and a social value policy, was approved by Council on 18 July.
- The Brimscombe Port redevelopment project has been progressed by the submission of a planning application for the required infrastructure on 12 July and the approval of procurement process documents at Strategy & Resources Committee on 11 July.

AFFORDABLE HOUSING: Provide affordable, energy efficient homes for our diverse and changing population (CDP5-10)

- A planning application for 8 new affordable Council homes at Gloucester Street / Bradley Street, Wotton-under-Edge was submitted in Q1 and planning submissions for a further 36 homes prepared for submission in Q2.
- The Housing Committee agreed in June 2019 to consult tenants on the HRA Delivery Plan priorities to meet regulatory requirements and consultation commenced that month.
- Good progress has been made on work to bring the reactive maintenance service in-house, with the Governance protocol established, monthly Governance meetings in place to review progress of the 16 project workstreams, and a depot secured at one of the Council's Littlecombe light industrial units.
- Consultation on the Housing Strategy has been carried out and it is due to be considered by the Housing Committee on 10 September.

ENVIRONMENT: Help the community minimise its carbon footprint, adapt to the changing climate and continue to improve recycling rates (CDP11-15)

- A Carbon Neutral 2030 (CN2030) officer was appointed in August and started work on 2 September supported through the Business Rates Pilot fund.
- The southern half of the cycling / walking route from Dudbridge to Nailsworth has been prepared for resurfacing and funding sought for the northern half. The Dursley-Cam-Uley definitive route has been identified and a Sustrans feasibility report completed looking at route options for Wotton-Kingswood-Charfield.
- The Council hosted the launch in July of a group to phase out Single Use Plastics and hosts a member of staff to support the group at Ebley Mill. The procurement strategy has been updated in respect of suppliers, and the Museum in the Park has stopped stocking water in plastic bottles and now sells it in recyclable cans.
- The Green Infrastructure, Recreation and Open Space Study was been substantially completed in Q1 with publication due in Q2.

HEALTH AND WELL BEING: Promote the health and well-being of our communities and work with others to deliver the public health agenda (CDP16-20)

- A draft Health & Wellbeing Plan was agreed for consultation at Community Services & Licensing Committee in June prior to adoption in September. This confirms our five health and wellbeing priorities and highlights of how the Council is working to improve residents' wellbeing.
- The first weekly parkrun in Stratford Park took place on 31 August with over 130 participants, and 40 staff and Members taking part. In week 2 (at the time of preparing this report) the number of participants had increased to 175.

- Eight actions in the Council's Older People's Housing Strategy were agreed for implementation by the Housing Committee in April 2019 with a report on progress due in December 2019.

DELIVERY: Provide value for money to our taxpayers and high quality services to our customers (CDP21-24)

- A Community Safety cluster meeting was held with Town and Parish Councils in Q1.
- The ICT Task and Finish Group have reviewed the position following the Socitm reports and ICT consultants have been engaged to support the ICT team develop a costed plan prioritising infrastructure improvements and future development direction; a report is due at the end of September and actions identified in an initial report are already being implemented.
- Opportunities for income generation are being explored through work with an LGA-commissioned consultant and will be discussed with Members at a budget workshop in October.
- Opportunities to work collaboratively through partnerships are being explored with Legal Services (report elsewhere on this agenda) and with the LSP and neighbouring councils in respect of delivering carbon neutrality by 2030.





2.2 In summary, all Key Actions are on target. Many of them have individual, detailed project plans recording risk assessment and management to help keep progress on track. Further detailed sub-actions to deliver some Key Actions are being developed, particularly in respect of Health & Wellbeing and Delivery.

3. CONCLUSION





3.1 Members are asked to note the good progress made in Q1 to deliver the agreed Corporate Delivery Plan Key Actions for 2019/20.



Corporate Delivery Plan – Q1 update report

CDP1: ECONOMY: Help create a sustainable and vibrant economy that works for all


Code	Action Required	Deadline	Lead Officer	Status	Comments
CDP.1	Continue to allocate funds from the business rates pilot fund in line with the agreed principles: Supporting Local Businesses; Improving the Council's long-term financial position; Local Wealth Building; Supporting a Zero Carbon District; Reducing inequality	30/04/2020	Andrew Cummings	On Target 	08/08/2019: Quarter 1: Share purchase in Avon Mutual is now completed. Council approval of electric vehicles completed 18th July 2019.
CDP.2	Support local wealth creation and local business growth through an updated procurement strategy incorporating social value principles.	31/03/2020	Sarah Turner	Completed 	30/07/2019: Quarter 2: Updated procurement strategy approved by Council on 18 July 2019. It incorporates local wealth creation under Procurement Aim 3 - Achieving Community Benefits. Also includes a Social Value Policy.
CDP.3	Progress and deliver the redevelopment of Brimscombe Port by securing planning permission and being ready to seek a development partner.	31/07/2020	Leonie Lockwood	On Target 	30/07/2019: Quarter 1: Planning application submitted on the 12 July for infrastructure for the canal, basin, new access road and road and bridge works. S&R approved three of the documents for the procurement process to select a develop partner at its meeting on the 11 July. Approval awaited from the EA to the design of the infrastructure. Land transfer from SVCC to SDC is progressing with solicitors and is expected to be complete by the end of August. Solicitors are also instructed on the amendments to the loan agreement with Homes England.
CDP.4	Submit a bid to the National Lottery Heritage Fund by April 2020 to restore the canal link between Stonehouse and Saul.	24/04/2020	Dave Marshall	On Target 	17/06/2019: Quarter 1: All teams making excellent progress towards the August project review and then the final Lottery bid.





CDP2: AFFORDABLE HOUSING: Provide affordable, energy efficient homes for our diverse and changing population

Code	Action Required	Deadline	Lead Officer	Status	Comments
CDP.5	Contribute to our identified local housing need, by building new council homes through: a) submitting planning applications for 56 units on 6 sites b) agreeing an approach to purchase more land	30/04/2020	Kimberley Read	On Target 	19/06/2019: Quarter 1: 1) A planning application has been submitted for 8 new affordable homes at Gloucester Street/Bradley Street, Wotton-under-Edge. (8 units) 2) Planning submissions are being drafted for Ringfield Close, Nailsworth, Summersfield Road, Minchinhampton and Broadfield Road, Eastington. These three sites will be submitted to planning throughout July. (36 units) 3) A draft Invitation to Tender is being produced to procure and appoint an Employer's Agent for the new homes programme. This will be done through Westworks DPS, and part of the remit will be to undertake a thorough review of SDC's Employer's Requirements. This will reflect the Council's recent Carbon Neutral 2030 motion and the possible Future Homes 2025 Standard.
CDP.6	Adopt the Housing Revenue Account 5-year delivery plan	24/12/2019	Kevin Topping	On Target 	04/07/2019: Quarter 1: Housing Committee agreed at its meeting in June 2019 that the HRA delivery plan priorities would be subject to tenant consultation in line with regulatory compliance. Consultation began w/c17 June 2019.
CDP.7	Commence improvements to the sheltered housing schemes in Nailsworth (Concord) and Minchinhampton (George Pearce House)	31/03/2020	Chris Horwood	On Target 	26/06/2019: Quarter 1: Contractor appointed for both schemes and works started at Concord. Architect/CDM appointed for GPH.
CDP.8	Provide high quality, safe temporary accommodation for homeless single people and families within the district	30/04/2020	Pippa Stroud	On Target 	09/08/2019: Quarter 1: Discussion still progressing with the Salvation Army.






CDP.9	Work to bring the reactive maintenance service in-house by 1 April 2020, providing better customer service and efficiencies.	01/04/2020	Joe Gordon	On Target 	09/08/2019: Quarter 1: The governance protocol has been established with regular Project Champion Meetings and Project Governance Meetings in place to review progress, risk, decisions and blockages. The Project Teams are making great progress and a number are well ahead of their target deadlines. The Project Team made the decision to move forward with option X. The procurement strategies for both planned and void work have been completed. The Service 2020 depot is secured and some initial layout drawings have been produced, officers are providing their feedback on the layout and facilities they would like to see at the new depot. The level of engagement and participation from everyone involved has been positive.
CDP.10	Adopt the housing strategy incorporating the delivery of community-led housing	31/03/2020	Pippa Stroud	On Target 	09/08/2019: Quarter 1: The housing strategy has been out for consultation and is going to housing committee on the 10th September.

CDP3: ENVIRONMENT: Help the community minimise its carbon footprint, adapt to the changing climate and continue to improve recycling rates





Code	Action Required	Deadline	Lead Officer	Status	Comments
CDP.11	Implement the revised Environment Strategy and develop an action plan with partners to incorporate our commitment to being a Carbon Neutral district by 2030 (CN2030).	30/04/2020	Barry Wyatt	On Target 	08/08/2019: Quarter 1: CN2030 officer to be appointed on the 15th August. Various work streams under way including RE resource assessment, Bids for ERDF business support advice, Council Tax and Business Rates pilot project, Hydro project legal docs agreed.

CDP.12	Work with partners to implement the next phase of the cycling and walking strategy, focussing on routes between Dudbridge-Nailsworth; Dursley-Cam-Uley; Wotton-Kingswood-Charfield.	30/04/2020	Mark Russell	On Target 	27/06/2019: Quarter 1: Progress on the routes to date is as follows: Dudbridge to Nailsworth – Resurfacing for southern half (Nailsworth to Woodchester) due to commence shortly, with preliminary works already started. Sources of funding to complete the northern half (Woodchester to Dudbridge) is being explored. Dursley-Cam-Uley – Definitive route now identified. Follow up work including resurfacing, footpath to bridleway re-designation, highway redesign options, is being explored. Ongoing negotiations between the local Greenway group and developers to implement those sections within Littlecombe and North East Cam developments. Wotton-Kingswood-Charfield – Sustrans feasibility report completed looking at route options and willingness of landowners to cooperate. The local Greenway group will now look at detailed design options and are seeking sources of funding with assistance of SDC.
CDP.13	In our role as statutory waste collection authority, support community groups to phase out single use plastics; whilst also reducing its use across council services	30/04/2020	Mike Hammond	On Target 	08/08/2019: Quarter 1: SDC have hosted the launch of the Single Use Plastics (SUP) within the district of Stroud. We are also hosting the member of staff for this project within the Mill. SDC have updated its procurement Strategy for suppliers using SDC services Museum in the Park have stopped selling water in plastic bottles and re now selling water in cans.
CDP.14	In Partnership with Stroud Town Council and Friends of the Lido submit a bid to National Lottery Heritage Fund for additional funding to refurbish Stratford Park Lido.	30/04/2020	Rob Griffiths	On Target 	15/06/2019: Quarter 1: The advert for a consultant to put the HLF bid together has been published on the Councils procurement portal. This closes first week in July.
CDP.15	Publish an assessment of opportunities to expand the green infrastructure network through the Local Plan Review.	30/04/2020	Mark Russell	On Target 	26/06/2019: Quarter 1: The GI, Recreation and Open Space Study has been substantially completed. There will be four reports: Summary report - First draft received Playing pitch strategy - Completed Indoor built facilities study - Completed Open Space and GI Study - Final draft received Draft reports are undergoing final checks. Publication is expected in July 2019.

CDP4: HEALTH & WELLBEING: Promote the health and wellbeing of our communities and work with others to deliver the public health agenda

Code	Action Required	Deadline	Lead Officer	Status	Comments
CDP.16	Adopt a new Health and Well Being Plan to guide council service delivery.	31/03/2020	Jon Beckett	On Target 	01/07/2019: Quarter 1: Draft H&WB plan agreed for consultation at S&L Committee in June. Plan currently out for wider consultation prior to formal adoption in September
CDP.17	Make a decision extending the contract for the provision of leisure centre services at Stratford Park and consider options for future provision	31/01/2020	Mike Hammond	On Target 	08/08/2019: Quarter 1: A draft report has been created with Officers recommendation. Further discussion will be held prior to taking to committee.
CDP.18	Agree a long term investment and management plan for Stratford Park with partners and contractors	31/03/2020	Mike Hammond	On Target 	08/08/2019: Quarter 1: A meeting with key officers is going to be arranged within the next couple of weeks from time of edit. This will establish who and what should be involved in developing a long term investment management plan
CDP.19	Support the setting up and delivery of a weekly Parkrun in Stratford Park	31/08/2019	Mike Hammond	On Target 	08/08/2019: Quarter 1: Stratford Park 1st Park run is scheduled to take place on Saturday 31st August 2019. There will be a test event held on the 24th August. Stroud District Council will be representing on the day with over 40 members of staff & their families participating as team "running Stratford Park".
CDP.20	Implement the first year's action plan of the Council's Older People's Housing Strategy	24/12/2019	Lynne Mansell	On Target 	07/08/2019: Quarter 1: Eight actions identified in the strategy for delivery following HC decision to implement in April 2019. A report by way of a members briefing sheet will be circulated by the end of December 2019 outlining the actions for the first 6 months that have been achieved.

CDP5: DELIVERY: Provide value for money to our taxpayers and high quality services to our customers

Code	Action Required	Deadline	Lead Officer	Status	Comments
CDP.21	Create a strategic approach to building more effective partnerships with parish and town councils.	30/04/2020	Andrew Cummings	On Target 	24/07/2019: Quarter 1: Cluster meeting held with Parish and Town Council
CDP.22	Adopt a clear vision and digital strategy which is fit for purpose to deliver good quality, convenient and efficient services for staff, residents and local businesses.	31/01/2020	Tim Power	On Target 	14/08/2019: Quarter 1: Work undertaken with SOCITM reporting to a T&F group, to develop a digital strategy, was undertaken from September 2018 to March 2019, with a final report and recommendations then drafted in April 2019. The output from this was not felt to be satisfactory, in that it lacked any real Stroud/place focussed direction and did not give clarity in terms of delivery with a clear roadmap. The LGA Peer Review in 2019 supported the above. This issue has been picked up on, and a draft roadmap produced by SOCITM. The T&F group have reviewed the whole IT digital strategy position and agreed that further work is required. Foresight consulting have been appointed to review the councils IT position.
CDP.23	Explore the opportunities for income generation to help achieve financial self-sufficiency.	31/03/2020	Andrew Cummings	On Target 	08/08/2019: Quarter 1: Council has been working with a consultant commissioned by the LGA to produce a list of commercial ideas. This is to be circulated to Senior Managers and presented to members at a workshop in October. Work has begun within finance to producing a fees and charges policy and listing for February budget papers.
CDP.24	Work collaboratively through partnerships and external stakeholders to achieve greater influence to deliver the Council's objectives.	31/03/2020	Andrew Cummings	On Target 	18/07/2019: Quarter 1: Work continues in exploring a shared service partnership with One Legal. Options for using partnership opportunities in delivering carbon neutrality. IT continue to consider partnerships with other authorities in relation to disaster recovery.

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

3 OCTOBER 2019

13

Report Title	LGA CORPORATE PEER CHALLENGE ACTION PLAN PROGRESS
Purpose of Report	To note the progress made in Q1 on delivering the Action Plan resulting from the LGA Corporate Peer Challenge Feedback Report received in May, which was agreed by this Committee on 11 July 2019.
Decision(s)	The Committee RESOLVES to note the progress made in Q1 on implementing the LGA Corporate Peer Challenge Action Plan.
Consultation and Feedback	The Peer Challenge process involved meetings with the Leader, Group Leaders, committee chairs, a number of other members, the CE, senior management and a cross-section of staff as well as external partners and agencies. The Action Plan was developed in consultation with managers and members of this Committee.
Financial Implications and Risk Assessment	There are no financial implications arising directly from the report. Actions taken will be subject to proper financial evaluation and reported to this Committee as appropriate. Andrew Cummings, Interim Director of Resources and Section 151 Officer, Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk
Legal Implications	There are no legal implications arising directly from the content of this report. Patrick Arran, Head of Legal Services and Monitoring Officer, Tel: 01453 754369 Email: patrick.arran@stroud.gov.uk
Report Author	Kathy O'Leary, Chief Executive Tel: 01453 754780 Email: kathy.oleary@stroud.gov.uk
Options	The Local Government Association encourages all local authorities to undergo a Corporate Peer Challenge every 4-5 years. These are designed to complement and add value to the Council's own performance and improvement focus. The preparation of an Action Plan to address the recommendations set out in the feedback report is optional. The Action Plan will help guide the Council's improvement over the next 18 months to 2 years.

Performance Management Follow Up	Progress against the Action Plan will continue to be regularly monitored and reported to this Committee. The LGA will follow up with a visit in the next 18 months to 2 years to assess progress against their recommendations.
Background Papers/ Appendices	LGA Corporate Peer Challenge feedback report, May 2019. Report to Council on LGA Corporate Peer Challenge feedback report 16 May 2019. Report to Strategy and Resources Committee on LGA Corporate Peer Challenge Action Plan 11 July 2019. Appendix 1 – Q1 update report

1. BACKGROUND

- 1.1 The Local Government Association (LGA) offers all local authorities the opportunity to participate in a Corporate Peer Challenge every 4 years or so as part of its sector-led improvement programme.
- 1.2 The Council's Corporate Peer Challenge took place between 26 and 29 March 2019. It was conducted by a team of elected members and senior officers from other local authorities together with LGA advisors.
- 1.3 The Peer Challenge considered 5 core components:
- How well we understand our local place and priority: do we understand the local context and use this to inform a clear vision and set of priorities?
 - Leadership of place: do we provide effective leadership through members and officers and form constructive partnerships with stakeholders?
 - Organisational leadership and governance: how effective is this politically and managerially and is this supported by good governance and decision making in response to key challenges and allows the Council to change and transform in response to these?
 - Financial planning and viability: do we have a plan in place which ensures our long term viability?
 - Capacity to deliver: is our resource aligned with our priorities?
- 1.4 The Peer Challenge team were also asked to give views on:
- How well are we currently meeting customer needs?
 - How might we make the best use of technology in the delivery of efficient and excellent customer services?
 - How well our structure supports our vision and delivery of corporate objectives and how might we improve this?
 - How we can best achieve financial self-sufficiency – including making the most of commercial investment and treasury management (with an eye on the benefit to residents and businesses)?
- 1.5 The Peer Challenge team reviewed the Council's self-assessment, key documents and visited Ebley Mill for 4 days between 26 and 29 March 2019. They conducted site visits, interviews and workshops with a wide selection of staff, members, stakeholders and partners, meeting with 107 people and holding 47 meetings during their stay.

- 1.6 The Council received the Peer Challenge team's feedback report in May 2019 and reported it to Council on 16 May 2019. The report to Council identified the headlines in the feedback report, which included that Stroud District Council is a good council providing good services, does much that is of the highest order and has the potential to be an exemplar leader of place.
- 1.7 The Peer Challenge team set out eight recommendations in respect of areas for development and improvement on pages 3 and 4 of the feedback report. The first four recommendations were identified as needing more immediate action and the latter four as needing action in the medium term. To some extent progress on the medium term recommendations and actions relies on addressing initial recommendations and actions, particularly carrying out a senior officer restructure to ensure sufficient strategic capacity is in place at the top of the organisation. A report to this Committee on 11 July set out an Action Plan in respect of the 8 recommendations, including anticipated timescale and organisational leads, and a separate report to address the senior management restructure.
- 1.8 The actions and progress against them are recorded on the Excelsis monitoring system.

2. PROGRESS ON THE ACTION PLAN

- 2.1 Appendix 1 sets out the headline progress made on the 8 recommendations made by the LGA Peer Challenge team and the actions so far identified to address them.
- 2.2 In summary, the Q1 progress against the 8 recommendations is as follows:

REC 1 (CRD1) Commence senior officer restructure to ensure sufficient strategic capacity is in place at the top of the organisation.

- This Committee agreed a report on the senior management restructure on 11 July. Recruitment of the 4 Strategic Directors commenced on 29 July and applications closed on 6 September. Technical interviews take place in September and final interviews in October. The Interim Director of Resources took up post at the beginning of June to improve management capacity in the short term.

REC 2 (CRD2) Agree short-term priorities and actions for the period to May 2020.

- This action was completed with the adoption of the Corporate Delivery Plan Key Actions for 2019/20 at Council on 16 May 2019. Progress is being monitored quarterly (see report elsewhere on this agenda).

REC 3 (CRD3) Ensure the integrity of the current IT system. Review the progress and suitability of current plans, capability and capacity in respect of this, and beyond that to confirm the emerging plans in respect of ICT development and digital delivery fit with longer term transformational plans.

- Consultants are reviewing the Socitm work, infrastructure needs and priorities and preparing a costed action plan for implementation ahead of the appointment of a Strategic Director of Change & Transformation agreed by this Committee on 11 July.

REC 4 (CRD4) Work with all key stakeholders over the next year to develop a clear vision and priorities for the council aligned to our Medium Term Financial Plan (MTFP), to be agreed in the next iteration of the Corporate Delivery Plan (CDP) and once approved ensure this is communicated effectively to residents, businesses and other partners.

- Annual budget consultations with residents and businesses are under way to provide baseline information on future priorities. A series of budget workshops are scheduled. A plan and timetable for CDP preparation and engagement over the year ahead is being drawn up.

REC 5 (CRD5) Create time, once the senior officer team is appointed, for the political and managerial leadership teams, both informally and formally, to have ‘strategic conversations’. This will help develop a strong leadership team and help them develop clear priorities and plans to be put in place focused on SDC’s improvement, for the district and wider county and sub region.

- Recruitment to the new senior management team is under way. In the meantime discussions have been held with the Leader to agree regular meetings with the staff and administration leadership teams to discuss the emerging CDP and other strategic matters.
- CDP and budget workshops involving senior staff and Members are scheduled for the Autumn.

REC 6 (CRD6) Establish effective workforce planning and performance management arrangements so that the Council has a committed and engaged staff group with clarity in terms of the expectations of them and sufficient capacity to deliver its plans. The Council should:

- Review is future staffing arrangements, ensuring strategic fit and the development of a ‘one council’ ethos
- Develop core transformation plans and ensure sufficient capacity to enable effective delivery and monitoring. This includes consideration of ICT provision.
- Establish appropriate pay and reward arrangements for staff
- Ensure consistent compliance with, and outcomes arising from, core HR policies are delivered eg appraisals
- Ensure consistent oversight, management and compliance with key performance management practices.
- Performance management arrangements across committees are being reviewed and refreshed and plans are being developed for a new Corporate Policy and Governance team which will monitor and review performance management across the organisation.
- Organisational values and behaviours workshops are planned for the Autumn, organisational skills audit and organisational development planning are under way.
- A ‘top down’ approach (starting with the recruitment of Strategic Directors) to the review of pay and reward is being taken.

REC 7 (CRD7) Building on its relatively strong financial position, review how its investment and commercial plans could be enhanced. A key focus of this will be to help deliver the Council's priorities as well as sustain its financial viability into the medium term.

- Revised investment criteria agreed and released to investment funds with Member treasury management panel engagement in appraisal process scheduled for the Autumn.
- Facilitated workshop planned on income generation, as part of the series of budget workshops planned for the Autumn.
- A fees and charges policy is being developed.

REC 8 (CRD8) Consider reviewing governance arrangements to ensure better decision making in order to deliver its revised priorities and plans. As part of this the Council should:

- **Look to develop better collaboration at an early stage in producing policy or service options, taking account of expertise available from members where appropriate, together with ensuring that operational, financial and legal implications of options are effectively understood**
- **Seek to build greater political consensus before decision making reports come to members, with greater opportunity for testing and rigour.**
- Plans to develop a Corporate Policy and Governance team to co-ordinate and manage governance arrangements across the organisation are being developed. A forward plan for the year ahead, based on CDP priorities and Key Actions for 2019/20 and committee 'business as usual' is being prepared.
- Focused training on good decision-making delivered, Code of Conduct training planned for October and workshops on member / officer roles and the preparation of a protocol planned for the Autumn.





2.3 As further work is carried out in respect of each recommendation and action, the Action Plan will be underpinned by further detail.



2.4 The Action Plan will be kept under continual review and progress regularly reported to this Committee. The intention is to make substantial progress on the Action Plan by the time the LGA are invited back within the next two years.



3. CONCLUSION

3.1 Members are asked to note the Q1 progress of the Action Plan set out at Appendix 1. Good progress is being made on both the first four shorter term recommendations as well as a good start on the latter four medium recommendations.

Corporate Peer Challenge LGA 2019/20 – Q1 update report

Code	Action Required	Deadline	Lead Officer	Status		Comments
CRD1	Commence senior officer restructure to ensure sufficient strategic capacity is in place at the top of the organisation.	31/10/2019	Elaine Gordon	On Target		08/08/2019: Quarter 1: Recruitment of 4 Strategic Directors commenced on 29 July 2019 with a closing date of 6th September 2019.
CRD2	Agree short-term priorities and actions for the period to May 2020.	16/05/2019	Kathy O'Leary	Completed		16/07/2019: Quarter 1: The updated Corporate Delivery Plan with Key Actions for 2019/20 was approved by Council 16 May 2019. Progress will be recorded and monitored regularly by SLT and OMT (on Excelsis) and reported quarterly to SLT and committees.
CRD3	Ensure the integrity of the current IT system. Review the progress and suitability of current plans, capability and capacity in respect of this, and beyond that to confirm that emerging plans in respect of ICT development and digital delivery fit with longer term transformation plans.	31/05/2020	Sean Ditchburn	On Target		14/08/2019: Quarter 1: following the LGA CPC it was recommended that the work undertaken by SOCITM be reviewed independently. Foresight consulting have since been contracted to undertake a sense check with recommendations to move the project forward. This to also support the work of the Director of Transformation (recruitment currently pending).
CRD4	Work with all key stakeholders over the next year to develop a clear vision and priorities for the council aligned to our medium term financial plan (MTFP), to be agreed in the next iteration of the Corporate Delivery Plan (CDP) and once approved ensure this is communicated effectively to residents, businesses and other partners.	31/05/2020	Andrew Cummings	On Target		08/08/2019: Quarter 1: Undertake a review of LSP and other relevant partners priorities, to identifies synergies with our own emerging priorities, with a view to supporting closer working to maximise outcomes against common goals.

Code	Action Required	Deadline	Lead Officer	Status	Comments
CRD5	Create time for the political and managerial leadership teams, both informally and formally to have the 'strategic conversations'. This will help develop a strong leadership team and help them develop clear priorities and plans to be put in place focused on SDC's improvement, for the district and the wider county and sub region.	30/04/2020	Andrew Cummings	On Target 	08/08/2019: Quarter 1: Initial discussions held with leader around monthly CDP meeting with leader and alliance group as well as Senior Officers. Strategic Director recruitment underway. Draft TOR produced for OMM.
CRD6	Establish effective workforce planning and performance management arrangements so that the Council has a committed and engaged staff group with clarity in terms of the expectations of them and sufficient capacity to deliver its plans. The Council should: <ul style="list-style-type: none"> • Review is future staffing arrangements, ensuring strategic fit and the development of a 'one council' ethos • Develop core transformation plans and ensure sufficient capacity to enable effective delivery and monitoring. This includes consideration of ICT provision. • Establish appropriate pay and reward arrangements for staff • Ensure consistent compliance with, and outcomes arising from, core HR policies are delivered eg appraisals • Ensure consistent oversight, management and compliance with key performance management practices. 	30/04/2020	Andrew Cummings	On Target 	08/08/2019: Quarter 1: Performance management arrangements being reviewed and refreshed across committees with a particular drive to recruit members for Environment and Housing. Officers reminded of the importance of Excelsis for monitoring actions. Corporate policy team will consider performance management. HR team to look at a series of projects around organisational development.

Code	Action Required	Deadline	Lead Officer	Status		Comments
CRD7	Building on the Council's relatively strong financial position, review how our investment and commercial plans could be enhanced. A key focus of this will be to help deliver the council's priorities as well as sustain our financial viability into the medium term.	30/04/2020	Andrew Cummings	On Target		08/08/2019: Quarter 1: Criteria released to investment funds with appraisal process scheduled for Autumn. Member group regularly involved. Commercial consultant report received. Development of fees and charges policy underway.
CRD8	Consider reviewing governance arrangements to ensure better decision making, in order to deliver the Councils' revised priorities and plans. As part of this the Council should: <ul style="list-style-type: none"> • Look to develop better collaboration at an early stage in producing policy or service options, taking account of expertise available from members where appropriate, together with ensuring that operational, financial and legal implications of options are effectively understood • Seek to build greater political consensus before decision making reports come to members, with greater opportunity for testing and rigour. 	30/06/2020	Andrew Cummings	On Target		18/07/2019: Quarter 1: Initial conversations have been held regarding a corporate policy team which would have a key role in helping the Council's decision making.

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

14

3 OCTOBER 2019

Report Title	VISION 2050 SEVERN VALE DELIVERY BOARD
Purpose of Report	To set out the background to the setting up of the Gloucestershire Vision 2050 Severn Vale Board, to agree the Terms of Reference for the Board set out at Appendix 1 and the participation of Stroud District Council in the activities of the Board.
Decision(s)	The Committee RECOMMENDS to Council that: (1) The Terms of Reference for the Severn Vale Board set out at Appendix 1 are agreed; and (2) Stroud District Council participates in the activities of the Board.
Consultation and Feedback	Consultation on a Vision 2050 for Gloucestershire was carried out in 2018, and in the same year the public sector organisations that make up Leadership Gloucestershire agreed to a vision underpinned by eight ambitions, and to a concordat to set up three Boards to deliver the vision and ambitions.
Financial Implications and Risk Assessment	There are no direct financial implications arising from participating in the membership of the board. Any future projects to be led by the board which may require funding would be reported at point in which funding is needed. Andrew Cummings, Interim Director of Resources & S151 Officer Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk
Legal Implications	There are no legal implications arising from this report. Patrick Arran, Interim Head of Legal Services and Monitoring Officer Tel: 01453 754369 Email: patrick.arran@stroud.gov.uk
Report Author	Kathy O'Leary, Chief Executive Tel: 01453 754780 Email: kathy.oleary@stroud.gov.uk

Options	The Council is a partner in Leadership Gloucestershire, which itself has no decision-making powers. These remain with the constituent public sector organisations. While the Council does not have to agree to participate in the Severn Vale Board and agree to its Terms of Reference, if it does not do so it will lose the opportunity to strategically influence the work of the Board and benefit the residents of the district.
Performance Management Follow Up	The progress of the Severn Vale Board will be overseen by Leadership Gloucestershire and reported back to this Committee as appropriate.
Background Papers/ Appendices	Vision 2050 and Concordat 2018 Appendix 1 – Terms of Reference

1. INTRODUCTION / BACKGROUND

- 1.1 A project to develop a vision for Gloucestershire began in 2016. In 2018 Leadership Gloucestershire ran a county-wide conversation to explore ideas to shape the long-term future. The consultation ran from 1 February 2018 to 31 July 2018 and approximately 2,500 responses were received. Following this, a vision and a concordat were developed. The purpose of the concordat was to record the commitment of Leadership Gloucestershire to develop work to actively create a positive future for the county, and the Council, alongside all councils and other public sector organisations in Gloucestershire, agreed to welcome and note both the vision and concordat.
- 1.2 The vision endorsed by Leadership Gloucestershire is ‘Gloucestershire: a great place to live, work and do business, with a thriving future.’
- 1.3 The thriving future is underpinned by eight ‘ambitions’:
- a) **An inclusive county:** we will ensure that the economic and social benefits of growth are felt by all.
 - b) **A magnet county:** we will see a growing working age population, by keeping and attracting more 18-40 year olds with high level qualifications, who want to live and work in the county.
 - c) **An innovative county:** we will see more businesses starting up, growing, and investing in research and innovation.
 - d) **A skilled county:** we will see more people with high-level skills and jobs in skilled occupations.
 - e) **A prosperous county:** we will see rising productivity and household income, offering higher living standards.
 - f) **A healthy, happy and safe county:** we will ensure people have a good work/life balance and see improved health and wellbeing.
 - g) **A connected county:** we will see improved transport and internet connections so that people and businesses can connect with each other more easily.
 - h) **A sustainable county:** we will see more efficient use of resources and more use of sustainable energy.

- 1.4 The 2018 concordat set out that Leadership Gloucestershire agreed to scope further the establishment of Boards for three projects. Each Board was to consider how to frame its scope so that it best delivered against each of the above eight ambitions.
- 1.5 Further discussions on establishing the three Boards have been held during the course of this year. The three Boards are:
- Central Gloucestershire Board
 - Rural Ambitions Board
 - Severn Vale Board
- 1.6 The purpose of the Central Gloucestershire Board is to provide the vision and strategic context for the area currently covered by the Joint Core Strategy: this includes Cheltenham, Gloucester and Tewkesbury Borough. The concordat states that it is important that this vision covers all aspects of community life and business ambition, rather than just a development focus.
- 1.7 The concordat sets out that the Rural Ambitions Board should be looking for a positive vision of a vibrant rural economy, which allows market towns and villages, communities and businesses to be as proud of their contribution to Gloucestershire as they are already proud of their landscape. It should be looking at ways in which a vision for our rural assets compliments the vision for growth elsewhere in the County.
- 1.8 Stroud District Council is likely to be asked to participate in all three Boards, with a leading role in the Severn Vale Board.

2. THE SEVERN VALE BOARD

- 2.1 The concordat sets out that the Severn Vale Board should consider infrastructure and connectivity of the vale beyond the county including such issues as rail improvements, M5 corridor upgrade (and particularly junction capacity at 12, 13 and 14) and wider national transport links. It should also consider all aspects of community life and business ambition rather than just focus on infrastructure.
- 2.2 In addition to upgrading existing infrastructure, Vision 2050 considered the potential role of a third crossing of the River Severn between the Forest of Dean and Stroud districts.
- 2.3 The focus of the embryonic Severn Vale Board has shifted with the launch of 'A Powerhouse for the West' at the House of Lords on 8 July 2019. In terms of developing connectivity, the launch document refers to a third Severn estuary crossing at Lydney/Sharpness to improve rail resilience. Gloucestershire and in particular the Severn Vale is geographically pivotal (a conduit) to the east-west and north-south connectivity of the Western Powerhouse. The Severn Vale Board therefore needs to aim to position itself to derive maximum mutual benefit for local communities and the Western Powerhouse in terms of strategic and local connectivity, prosperity, sustainable tourism and clean growth.

- 2.4 Subsequently, further discussions have been held to scope the Terms of Reference and the membership of the Severn Vale Board. These discussions have been led by the Leaders and Chief Executive / Head of Paid Service of Stroud and Forest of Dean District Councils, charged by Leadership Gloucestershire with establishing this particular Board.
- 2.5 The 'Powerhouse for the West' report directly mentions the possibility of a third Severn estuary crossing at Lydney-Sharpness to improve rail resilience, given the potential risk of inundation of the Severn tunnel in the event of pump failure and the inability to electrify the line that passes under the Severn. Electrification of the railway lines that link London and the different parts of the Great Western Powerhouse through to South Wales is important to regional economic growth and carbon reduction.
- 2.6 Work to explore the feasibility of a rail crossing has been incorporated into the brief for the GCC Rail Investment Strategy, with funding from the Gloucestershire Business Rates Pilot Pool likely to be agreed by the County Council next month. The role of the County Council as strategic transport authority necessitates close involvement in the Severn Vale Board.
- 2.7 A rail bridge might also present an opportunity to provide better pedestrian and cycling links between existing / new communities on either side of the Severn. The bridge's potential to harness natural energy (tidal, wind and solar) could be explored given the strategic and local emphasis on clean energy and working towards carbon neutrality by 2030 / 2050 in the wake of declared national and local climate change emergencies.
- 2.8 A road bridge is not currently under consideration. The Halcrow report that was jointly commissioned by GCC, SDC and FODDC to explore the potential of a third Severn crossing road bridge identified that the need for a road bridge to solve an existing problem was at best unclear. While the bridge was advocated on the basis of creating opportunities through infrastructure investment, this is clearly not how funding flows. The likely cost of the bridge would necessitate levels of development which while untested would be likely to be at a level that would be unpalatable to councils and communities on both sides of the river if not physically unachievable.
- 2.9 The emerging view is that the Severn Vale and Gloucestershire more generally should seek to derive maximum benefit for its communities from improved strategic connectivity through the activities of the Severn Vale Board. This is in terms of improving local connectivity to link either side of the Severn, as set out above, and also in terms of an increased emphasis on improving local public transport to facilitate improved prosperity and reduced isolation for local people, as well as a focus on clean growth and sustainable tourism. A focus on relieving current congestion at Chepstow would provide improved connectivity into and out of the Forest of Dean and look to maximise opportunities arising from the removal of the Severn Bridge tolls. Joint work is already underway between GCC, Monmouthshire CC and FoDDC using the Welsh Government's weITAG/WebTAG methodology.

- 2.10 The river itself can be regarded as a major asset and resource as much as a barrier to connectivity and growth, not just because of its energy potential but also its role as a rich ecological resource and tourist destination in itself. An innovative bridge design could add to that.
- 2.11 There is a potential overlap between the ambitions of Vision 2050 and the evidence-based statutory plan-making process which the work of the Gloucestershire Planning Co-ordinator seeks to bring together in a series of evidence-based 'Statements of Common Ground' in accordance with the revised NPPF. This provides a potential mechanism for agreeing and implementing a Gloucestershire-wide spatial commitment beyond the JCS authorities.
- 2.12 Current statutory evidence-based plan-making work across the county is likely to support the ambitions of Vision 2050 and will be important in the delivery of a number of them, not least the strategic infrastructure required to deliver improved connectivity. The Severn Vale Board aims to complement rather than duplicate existing work.
- 2.13 The Terms of Reference for the Severn Vale Board drafted at the meeting of the embryonic Board on 3rd September are set out at Appendix 1. It is proposed to set up further meetings to establish the Board and make further progress.

3. CONCLUSION

- 3.1 Members are asked to recommend to full Council that Stroud District Council participates in the work of the Severn Vale Board and endorses the Terms of Reference for the Board drawn up at the meeting on 3rd September 2019.

The Severn Vale Board

Terms of Reference

1. Purpose

This Board is a high level multi-agency strategic partnership focussing on infrastructure and connectivity for Gloucestershire.

2. The Area Covered

The Severn Vale Board area extends from the southern fringe of Gloucester incorporating the administrative areas of Stroud and Forest of Dean District Councils on the east and west sides of the River Severn. This area is key to connecting Gloucestershire with Bristol and Cardiff and other centres along the M4 and M5 motorways and rail network.

3. Context

The Board is established by Leadership Gloucestershire as set out in the Gloucestershire Vision 2050 Concordat 2018. In its formation it has also had regard to the later emergence of the Gt Western Powerhouse and the climate emergency declarations of the local authorities in Gloucestershire. Leadership Gloucestershire will act as the sponsoring body for the board.

The Board will report progress periodically to Leadership Gloucestershire as required to ensure consistency with the delivery of other Vision 2050 actions.

These terms of reference require approval by member organisations as part of the wider Vision 2050 adoption. Future actions and priorities of the Board may also require adoption by member organisations.

The terms of reference will be subject to future review and amendment as required.

4. Membership

Member organisations are:

- Stroud District Council
- Forest of Dean District Council
- Gloucestershire County Council
- Stroud Local Strategic Partnership
- Forest of Dean Economic Partnership and Bridges and Borders Sub Group
- GFirst LEP
- Transport representatives (as required including Network Rail, Highways England, Welsh Government, Transport for Wales)
- South Gloucestershire and Stroud College (SGS)
- Gloucestershire College
- Monmouthshire County Council

5. Aims

The Board will:

1. Develop a long term, strategic vision for the future of the Severn Vale which supports the eight Ambitions of Gloucestershire Vision 2050 and recognises the climate emergency.
2. Champion that shared vision inside and outside Gloucestershire.
3. Lobby and bid for funding and support via government growth and funding programmes to support the delivery of the Board's ambitions.
4. Identify and promote infrastructure and wider connectivity requirements to ensure that Gloucestershire is able to attract inward investment and support its growth ambitions.
5. Work closely with the Severn Vale communities, businesses and agencies to engage them in the generation and delivery of the vision.
6. Work with partners to ensure the Severn Vale vision can guide future strategic spatial and infrastructure plans.
7. Integrate the Severn Vale Vision to ensure it supports all relevant place making strategies for the wider area.
8. Ensure the development of a Severn Vale Vision complements other visioning and strategic planning development.

6. The Vision and Associated Tasks

The Severn Vale Board will promote this part of the county not just as a destination in its own right but also a new gateway to South Wales, the West of England, and the West Midlands. Key to achieving this is engagement with the emerging 'Great Western Powerhouse'.

Work will examine the critical infrastructure necessary to achieve the physical and digital connectivity required to support the County's growth ambitions and take advantage of the opportunities provided by the Great Western Powerhouse and new working relationship with neighbouring authorities.

There will be examination of the potential for a new crossing of the Severn River with specific emphasis on rail, cycle and footpath links, making links to the metro systems around Bristol and South Wales and providing resilience to the national rail network.

The Board will develop a work programme initially aimed at delivering the Vision. The initial Annual Work Programme will be completed by April 2020. Post April 2020 the Board will produce an Annual Work Programme which will incorporate the actions planned to deliver the aims of the Board.

The Board will seek agreement from partners and other sources to secure the funding required to support the work programme from April 2020 onwards. Funding may be sourced from one or more partners or other sources by agreement. The Board will establish appropriate arrangements through one or more of its member organisations for managing funds and if necessary staff support as required.

Once the Vision is in place the Board will work to secure its delivery and inclusion in spatial and other strategic plans and keep progress under review.

The Board will actively promote the Vision and work to secure support and funding as required to deliver the aims set out. This work will be included in the Annual Work programme.

7. Governance Arrangements

Member organisations will have one representative each plus one officer in support. For local authorities this will normally be the Lead Member and a Senior Officer of the Council. Substitutions are permitted if required.

The Board may invite partner organisations or relevant individuals to attend meetings and may appoint independent board members who have relevant expertise or interest. All invitees and or appointments are wholly at the board's discretion and will be reviewed at least annually.

The Board may elect to invite additional organisations to become member organisations on a fixed period or permanent basis.

The Board will elect a Chair and Vice Chair annually. The Board may elect to appoint a suitable person as an independent Chair.

The Board will seek to operate by general consensus and cannot make any decision which is binding upon any member organisation. All partnership agreements including those relating to staffing and finances will require the formal agreement of the member organisations affected.

The Board recognises that there are many key stakeholders who will need to be fully engaged in its work. The Board will establish methods to secure the engagement of these stakeholders who include:

- Young people and schools
- Universities
- Businesses
- Developers
- Parish Councils
- Community Organisations
- Other Gloucestershire Districts and Vision 2050 Boards

The Board may establish sub-groups/task groups as required.

Exclusions:

- The Board will not take responsibility for strategic spatial planning, development management decision making or local transport planning which will remain the responsibility of the local planning and transport authorities.
- The Board will operate as a partnership and will not be an independent legal entity and will not have devolved decision making powers.
- Administration, fund holding and staff provision cannot be held by the Board and will be allocated to one or more partner bodies and jointly funded.

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO
15**

3 OCTOBER 2019

Report Title	USE OF LAND AT SALMON SPRINGS, STROUD FOR THE PLANTING OF WOODLAND AND THE DEVELOPMENT OF A LOCAL CARBON OFFSETTING SCHEME.
Purpose of Report	To seek the agreement of committee that 5 acres of land in Council ownership at Salmon Springs near Stroud should not be re-tenanted for agricultural grazing but instead planted to form woodland and to seek other opportunities to do similar.
Decision(s)	<p>Strategy and Resources Committee RESOLVES:</p> <p>a) To repurpose land at Salmon Springs for the planting of woodland to store carbon, reduce the rate of surface water runoff, enhance biodiversity and provide a local amenity.</p> <p>b) To instruct the Head of Property Services to identify other areas of land within Council ownership to provide for further climate change mitigation and adaptation schemes.</p> <p>c) To bring forward proposals for the establishment of a locally based offset fund to provide further opportunities.</p>
Consultation and Feedback	The opportunity has been discussed with representatives of Gloucestershire Wildlife Trust, the National Trust and Severn Trent (who have access to funds to support the planting). The response is overwhelmingly positive to both the single opportunity at Salmon Springs but also to the longer term potential.
Financial Implications and Risk Assessment	<p>Funding for the tree planting is expected from external sources. In the unlikely event there is any shortfall the Council will use the climate change reserve and report that use back to this Committee.</p> <p>Andrew Cummings, Interim Director of Resources Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk</p>

Legal Implications	There is no proposal for the disposal of any part of the land or any legal interest in it. There is no restriction or covenant in the title which would be in conflict with the recommendation. Consequently, no legal implications would arise from adopting the recommendations Alan Carr, Solicitor Tel: 01453 754357 Email: alan.carr@stroud.gov.uk
Report Author	Barry Wyatt, Director of Development Services Tel: 01453 754210 Email: barry.wyatt@stroud.gov.uk
Options	The District Council has voluntarily declared a Climate Change Emergency, agreed to work with communities to achieve a carbon neutral district by 2030 (CN2030) and to support adaptive actions in response to the inevitable consequences of a changing climate. Consequently the actions recommended by this report, whilst not mandatory, do support these earlier decisions. There is no blue print as to how a local authority should respond to the challenge of achieving CN2030 and adaptation and there are a myriad of approaches, the recommended action is one contribution.
Performance Management Follow Up	The performance of any sequestration activity is ultimately measured by assessing the amount of carbon that is likely to be stored and the contribution made to the overall target.
Background Papers/ Appendices	Appendix A - site plan of land at Salmon Springs

INTRODUCTION / BACKGROUND

1. The storage of carbon by the planting of woodland is a well-recognised approach to mitigating climate change by offsetting unavoidable emissions. There are other benefits that can also be secured through the design and appropriate implementation of suitable schemes, these include:-
 - The provision of habitat that supports species that are at risk or are declining as a result of the effects of climate change.
 - Reducing flood risk stemming from an increase in incidence of extreme weather events as a consequence of climate change through the ability of woodlands to reduce the rate of surface water run-off and thereby reducing peak flood flows.
 - The provision of a local amenity that, in the case of Stroud District, could reduce the impact of increasing recreation on the nearby Special Areas of Conservation (SAC) being Rodborough and Minchinhampton commons.

2. As Part of the Council's and communities approach to support the achievement of a Carbon Neutral District by 2030 and to address some adaptation challenges associated with a changing climate, the planting of woodlands and the creation of other areas such as wetlands and unimproved grassland will be necessary in order to achieve the objectives.

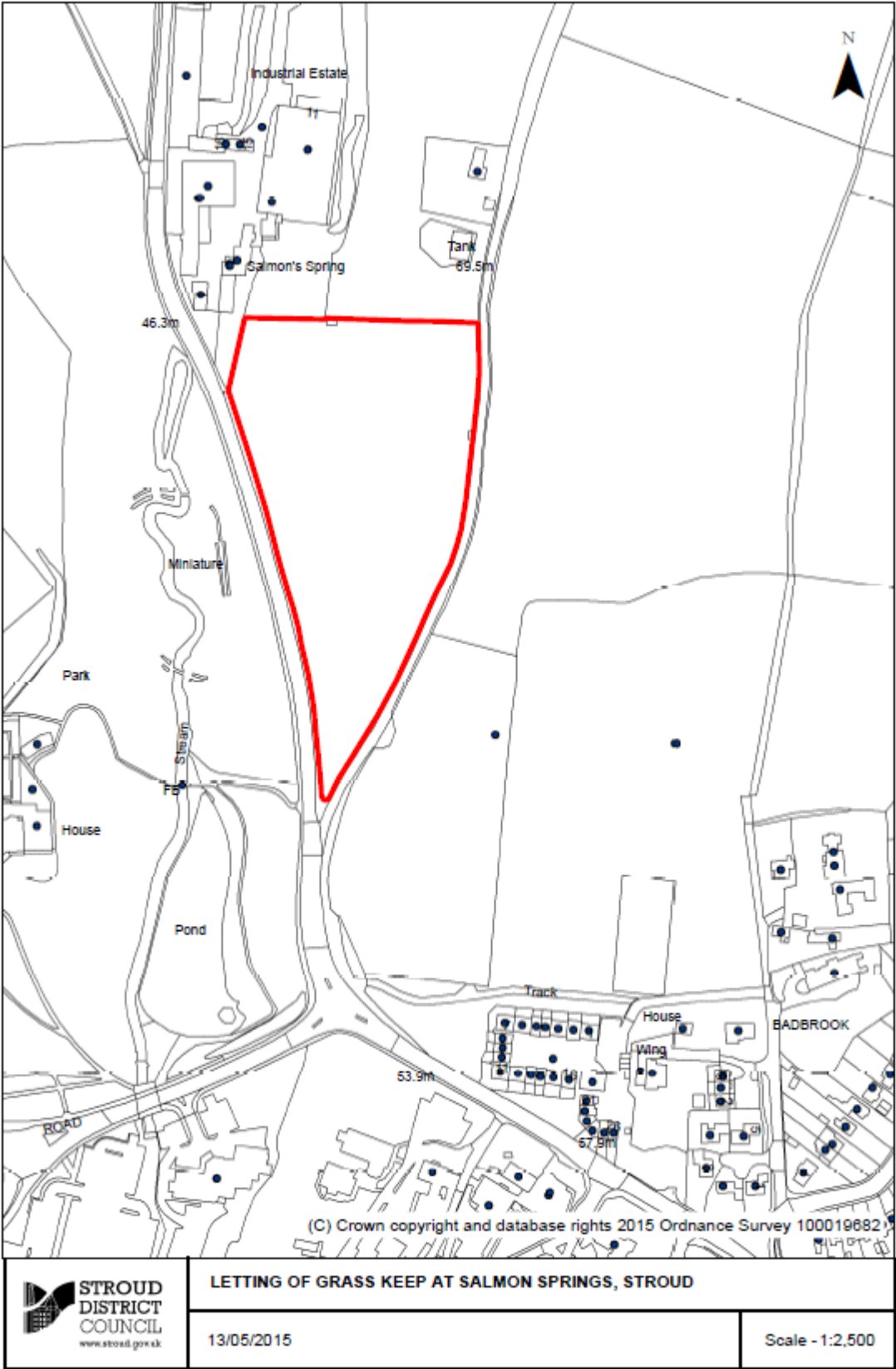
ISSUES FOR CONSIDERATION

3. **Salmon Springs Grass Keep** -The land at Salmon Springs is in council ownership as it was part of the former Stratford Park Estate. Given the separation of the land (defined at appendix A) by the Painswick Road the land has not been able to be practicably enjoyed as part of the Park and consequently has been subject to relatively short term agricultural tenancies.
4. The land is steeply sloping grazing land of approximately 5 acres. It is outside the settlement boundary of Stroud and adjacent to the Area of Outstanding Natural Beauty. Given its topography, designation and prominence in the local landscape its potential for development is low. It is bounded by the Painswick Road, Wick Street and the Salmon Springs commercial estate. Access is from Wick Street.
5. The rental income from the land has been very modest at circa £300pa and moving forward it is unlikely that the land possess any greater potential.
6. While the potential carbon sequestration from 5 acres is modest it has the opportunity to highlight the potential of such approaches both on Council land and land that could be purchased or gifted for the development of further schemes. Local knowledge held within communities and Town and Parish Councils will be important in the identification of further opportunities
7. Initial discussions have taken place with Severn Trent Water Ltd as they have the ability to access some funding for planting. Unfortunately, it appears that this would not be available until April 2020. Opportunities will be explored for other funding sources so that planting could take place in the next planting season.
8. The long term management is likely to be modest but still necessary and depends on the focus for the final scheme as set out under paragraph 1. The opportunity will exist to combine it within the Stratford Park grounds contract or to discuss options with other organisations who may be better placed to manage the scheme depending on the focus.
9. **Other Opportunities:** The council has other landholdings which may in whole or in part be suitable for similar schemes. A review of the council's landholdings would be required to properly identify any opportunities.
10. Funding for future acquisitions could be sourced from the setting up of a local offsetting fund as per the third recommendation. Carbon offsetting services are already available for individuals wishing to offset their personal emissions from flights for example. Clearly the focus needs to be on reducing flights but recognising that this will not get to zero, some form of offsetting has a role to play in funding mitigation and adaption. Existing schemes support projects often on a worldwide basis and rarely support projects where the contributor would for example see the direct impact in terms of amenity, biodiversity or flood reduction. While schemes in other countries may have greater outputs there may be an opportunity to consider if contributions to voluntary offsetting would be increased if they could be linked to local schemes.

11. Initial discussions have been had with Board members of the Local Nature Partnership including the National Trust (NT) and the Gloucestershire Wildlife Trust (GWT) and both consider it worthwhile to develop the concept further. The intention would be that the District Council establishes the system for the receipt of contributions and manages the resource in relation to specific projects which may be delivered by a number of potential partners including GWT, NT or local groups. The details, including the financial implications, need to be developed and a further report brought back to the Committee.
12. Long term management in terms of funding and responsibility, will need to be considered. To function effectively for both mitigation and adaptation while providing a local amenity, areas will need periodic interventions.

CONCLUSION / RECOMMENDATION

13. The repurposing of the land at Salmon Springs provides an opportunity to achieve an early win in terms of sequestration and raises the profile of the issue at almost nil cost to the council. While its individual contribution would be small, the site has the potential to set the context for larger schemes with more significant outcomes.



STRATEGY AND RESOURCES COMMITTEE

3 OCTOBER 2019

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WORK PROGRAMME

Date of meeting	Matter to be considered	Reporting Member/Officer
12.12.19	Member\Officer report: a) Investment and Development Panel b) Leadership Gloucestershire Update c) Gloucestershire Economic Growth Joint Committee (GEGJC) and Scrutiny Committee Domestic Violence and Mental Abuse Corporate Delivery Plan Quarterly Update LGA Corporate Peer Challenge Update Brimscombe Port Confirmation of the use of Compulsory Purchase Powers for Cotswold Canals Connected (Phase 1B) CIL Strategic Spend Report Budget Monitoring Report Work Programme Council Tax – Long Term Empty Property Premium	Leader Chief Executive Leader Head of Housing Services Chief Executive Chief Executive Head of Property Services Head of Property Services Interim Director of Resources and S151 Officer Committee Revenue and Benefits Manager
30.1.20 (Budget)	Member\Officer reports: a) Performance Monitoring b) Investment and Development Panel c) Leadership Gloucestershire d) Gloucestershire Economic Growth Joint Committee (GEGJC) and Scrutiny Committee LGA Corporate Peer Challenge Update Financial Reports Budget with Fees and Charges Policy (recommendation to Council) Work Programme	Councillors Cooper & Pearson Leader Chief Executive Leader Chief Executive Interim Director of Resources & S151 Officer Interim Director of Resources & S151 Officer Committee

Date of meeting	Matter to be considered	Reporting Member/Officer
5.3.20	Member\Officer reports: a) Investment and Development Panel b) Leadership Gloucestershire c) Gloucestershire Economic Growth Joint Committee (GEGJC) and Scrutiny Committee	Leader Chief Executive Leader
	Corporate Delivery Plan Quarterly Update	Chief Executive
	LGA Corporate Peer Challenge Update	Chief Executive
	Work Programme	Committee
16.4.20	Member\Officer reports: a) Performance Monitoring b) Investment and Development Panel c) Leadership Gloucestershire Update d) Gloucestershire Economic Growth Joint Committee (GEGJC) and Scrutiny Committee	Councillors Cooper & Pearson Leader Chief Executive Leader
	LGA Corporate Peer Challenge Update	Chief Executive
	Work Programme	Committee

Information Sheets

Ref/Date	Topic	Author(s)
SR-2019/20-001 05/06/2019	Redevelopment of Brimscombe Port	New Homes and Regeneration Manager
SR-2019/20-002 05/06/2019	Cotswold canals connected update – regenerating cultural and natural heritage for everyone	Canal Manager
SR-2019/20-003 24/09/2019	Redevelopment of Brimscombe Port	New Homes and Regeneration Manager

Items for Future Meetings

Procurement Annual Update – May/June 2020