



**Gloucester  
City Council**

**Cabinet**

**Meeting: Wednesday, 17th September 2014 at 5.00 pm in Civic Suite,  
North Warehouse, The Docks, Gloucester, GL1 2EP**

***\*\*Please note earlier start time\*\****

<b>Membership:</b>	Cllrs. James (Leader of the Council and Cabinet Member for Regeneration and Culture) (Chair), Dallimore (Deputy Leader and Cabinet Member for Communities and Neighbourhoods), Norman (Cabinet Member for Performance and Resources), Organ (Cabinet Member for Housing, Health and Leisure) and Porter (Cabinet Member for Environment)
<b>Contact:</b>	Parvati Diyar Democratic Services Officer 01452 396192 parvati.diyar@gloucester.gov.uk

## AGENDA

<b>1.</b>	<b>APOLOGIES</b>  To receive any apologies for absence.
<b>2.</b>	<b>DECLARATIONS OF INTEREST</b>  To receive from Members, declarations of the existence of any disclosable pecuniary, or non-pecuniary, interests and the nature of those interests in relation to any agenda item. Please see Agenda Notes.
<b>3.</b>	<b>MINUTES (Pages 5 - 8)</b>  To approve as a correct record the minutes of the meeting held on 30 July 2014.
<b>4.</b>	<b>PUBLIC QUESTION TIME (15 MINUTES)</b>  The opportunity is given to members of the public to put questions to Cabinet Members or Committee Chairs provided that a question does not relate to: <ul style="list-style-type: none"> <li>• Matters which are the subject of current or pending legal proceedings, or</li> <li>• Matters relating to employees or former employees of the Council or comments in respect of individual Council Officers</li> </ul>
<b>5.</b>	<b>PETITIONS AND DEPUTATIONS (15 MINUTES)</b>  To receive any petitions or deputations provided that no such petition is in relation to: <ul style="list-style-type: none"> <li>• Matters relating to individual Council Officers, or</li> </ul>

	<ul style="list-style-type: none"> <li>• Matters relating to current or pending legal proceedings</li> </ul>
<b>6.</b>	<p><b>CULTURAL STRATEGY UPDATE - JANUARY TO JUNE 2014</b> (Pages 9 - 22)</p> <p>To consider the report of the Cabinet Member for Regeneration and Culture which updates Cabinet on progress that has been made in achieving the Cultural Strategy's targets from January to June 2014.</p>
<b>7.</b>	<p><b>CITY CENTRE TRADE WASTE COLLECTION POLICY</b> (Pages 23 - 34)</p> <p>To consider the report of the Cabinet Member for Environment which asks Cabinet to approve a Draft City Centre Trade Waste Collection Policy for formal consultation.</p>
<b>8.</b>	<p><b>RECYCLING SERVICE - TRIAL COLLECTION OF TWO ADDITIONAL ITEMS</b> (Pages 35 - 42)</p> <p>To consider the report of the Cabinet Member for Environment which informs Cabinet of a trial project that is being developed in partnership with Amey to collect additional items at the kerbside for recycling.</p>
<b>9.</b>	<p><b>TREASURY MANAGEMENT UPDATE - QUARTER 1 REPORT 2014-15</b> (Pages 43 - 58)</p> <p>To consider the report of the Cabinet Member for Performance and Resources which updates Cabinet on treasury management activities for the quarter 1 April 2014 to 30 June 2014.</p>
<b>10.</b>	<p><b>FINANCIAL MONITORING QUARTER 1 REPORT</b> (Pages 59 - 68)</p> <p>To consider the report of the Cabinet Member for Performance and Resources which informs Cabinet of financial monitoring details including budget variances, year-end forecasts, and progress made against agreed savings targets for the first quarter ended 30 June 2014. The report also highlights some key performance indicators.</p>

*M. Shields*

.....  
**Martin Shields**  
**Corporate Director of Services and Neighbourhoods**

**Date of Publication: Tuesday, 9 September 2014**

## NOTES

### Disclosable Pecuniary Interests

The duties to register, disclose and not to participate in respect of any matter in which a member has a Disclosable Pecuniary Interest are set out in Chapter 7 of the Localism Act 2011.

Disclosable pecuniary interests are defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 as follows –

<u>Interest</u>	<u>Prescribed description</u>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Council) made or provided within the previous 12 months (up to and including the date of notification of the interest) in respect of any expenses incurred by you carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between you, your spouse or civil partner or person with whom you are living as a spouse or civil partner (or a body in which you or they have a beneficial interest) and the Council (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged
Land	Any beneficial interest in land which is within the Council's area.  For this purpose "land" includes an easement, servitude, interest or right in or over land which does not carry with it a right for you, your spouse, civil partner or person with whom you are living as a spouse or civil partner (alone or jointly with another) to occupy the land or to receive income.
Licences	Any licence (alone or jointly with others) to occupy land in the Council's area for a month or longer.
Corporate tenancies	Any tenancy where (to your knowledge) – (a) the landlord is the Council; and (b) the tenant is a body in which you, your spouse or civil partner or a person you are living with as a spouse or civil partner has a beneficial interest
Securities	Any beneficial interest in securities of a body where – (a) that body (to your knowledge) has a place of business or land in the Council's area and (b) either – i. The total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or ii. If the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, your spouse or civil partner or person with

whom you are living as a spouse or civil partner has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

For this purpose, “securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

NOTE: the requirements in respect of the registration and disclosure of Disclosable Pecuniary Interests and withdrawing from participating in respect of any matter where you have a Disclosable Pecuniary Interest apply to your interests and those of your spouse or civil partner or person with whom you are living as a spouse or civil partner where you are aware of their interest.

### **Access to Information**

Agendas and reports can be viewed on the Gloucester City Council website: [www.gloucester.gov.uk](http://www.gloucester.gov.uk) and are available to view five working days prior to the meeting date.

For further details and enquiries about this meeting please contact Parvati Diyar, 01452 396192, [parvati.diyar@gloucester.gov.uk](mailto:parvati.diyar@gloucester.gov.uk).

For general enquiries about Gloucester City Council’s meetings please contact Democratic Services, 01452 396126, [democratic.services@gloucester.gov.uk](mailto:democratic.services@gloucester.gov.uk).

If you, or someone you know cannot understand English and need help with this information, or if you would like a large print, Braille, or audio version of this information please call 01452 396396.

### **Recording of meetings**

Please be aware that meetings may be recorded with the Mayor or Chair’s consent and this may include recording of persons seated in the Public Gallery or speaking at the meeting. Please notify a City Council Officer if you have any objections to this practice and the Mayor/Chair will take reasonable steps to ensure that any request not to be recorded is complied with.

Any recording must take place in such a way as to ensure that the view of Councillors, Officers, the Public and Press is not obstructed. The use of flash photography and/or additional lighting will not be allowed unless this has been discussed and agreed in advance of the meeting.

### **FIRE / EMERGENCY EVACUATION PROCEDURE**

If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions:

- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building; gather at the assembly point in the car park and await further instructions;
- Do not re-enter the building until told by a member of staff or the fire brigade that it is safe to do so.



## CABINET

**MEETING** : Wednesday, 30th July 2014

**PRESENT** : Cllrs. James (Chair), Dallimore, Norman, Organ and Porter

**Others in Attendance**

Sue Mullins, Head of Legal and Policy Development

Wendy Jones, Contact Centre and Customer Services Manager

Parvati Diyar, Democratic Services Officer

**APOLOGIES** : Martin Shields, Corporate Director of Services & Neighbourhoods

### 13. DECLARATIONS OF INTEREST

There were no declarations of interest.

### 14. MINUTES

The minutes of the meeting held on 25 June 2014 were confirmed as a correct record and signed by the Chair.

### 15. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

### 16. PETITIONS AND DEPUTATIONS (15 MINUTES)

There were no petitions or deputations.

### 17. ALLOTMENT STRATEGY

Cabinet considered a report of the Cabinet Member for Environment which recommended the adoption of a draft Allotment Strategy for Gloucester City, which detailed how the City Council intended to manage its allotment holding over the coming years.

Cabinet were informed that there had been considerable interest from the public in obtaining an allotment. Currently there was a waiting list for each site. It was proposed to move towards self management of allotments which could be carried out by an Association.

**CABINET**  
**30.07.14**

The Cabinet Member for Performance and Resources commented that at a recent association meeting, he had been challenged regarding the new allotment site at Kingsway. He questioned whether the 196 individuals on the waiting list were all residents of Kingsway and Quedgeley and asked whether priority could be given to residents within these Wards.

The Cabinet Member for Environment explained that many people were allocated allotments to their nearest site. Plots were then allocated on a first come first served basis. No preferential treatment would be given to any city centre or ward resident. He did not believe residents would apply for allotment sites which were not in close proximity to their home.

The Leader of the Council commented that the Overview and Scrutiny Committee had raised an interesting point which suggested that the City Council's Neighbourhood Officers could take a proactive role in identifying residents who had large gardens and who would be willing to make them available as prospective allotment plots. The Cabinet Member for Environment responded that this was currently being explored.

Another issue raised at the Overview & Scrutiny Committee related to the charging policy for allotments. The Cabinet Member for Environment advised that a proposal had been made to move away from charging per square metre and for allotment holders to pay a set fee depending on the size of their plot. Individual plot holders were not in agreement and it had therefore been decided not to proceed with this. Following discussions it was decided to maintain the current system and continue to charge by the square metre. Concessions would be given for older people and those in receipt of benefits.

The Leader of the Council enquired on the timing to change the start of the allotment year from January to November. The Cabinet Member for Environment advised that the charging exercise was being carried out by Civica. He would confirm the reasons for this and report back to Cabinet.

Cabinet Members welcomed the report.

**RESOLVED:-**

- (1) That the Allotment Strategy attached at Appendix 1 be adopted as a draft for the purpose of public consultation.
- (2) That the outcome of the public consultation on the draft Allotment Strategy be reported back to Cabinet in due course.

**18. GLOUCESTER CEMETERIES & CREMATORIUM RULES AND REGULATIONS 2014**

Cabinet considered a report of the Cabinet Member for Environment which sought approval for a new set of Rules and Regulations for the future management of the Cemeteries and Crematorium in Gloucester.

**CABINET**  
**30.07.14**

Cabinet were informed that the current policy was out of date and unclear. The new Rules and Regulations would reflect the current changes within the environment and would also help staff at the Cemeteries and Crematorium to provide a better service.

Cabinet recognised the good work undertaken by the staff due to the sensitive nature of their role. The new Rules and Regulations would ensure a consistent standard was adopted throughout the Cemeteries and Crematorium.

**RESOLVED:-**

- (1) That the new Rules and Regulations in respect of the Cemeteries in Gloucester as detailed in Appendix 1 be agreed and adopted for implementation from 11 August 2014.
- (2) That the new Rules and Regulations in respect of the Crematorium in Gloucester as detailed in Appendix 2 be agreed and adopted for implementation from 11 August 2014.

**19. 2013-14 FINANCIAL OUTTURN REPORT**

Cabinet considered a report of the Cabinet Member for Performance and Resources which informed them of the final Council position against agreed budgets for the 2013/14 financial year and which also highlighted key performance indicators.

Cabinet were informed that the report had been presented to the Overview & Scrutiny Committee on 21 July 2014. The report had received positive feedback and the Committee recognised the efforts which had been made by officers in the Finance team.

Cabinet were advised of the £297k overspend against budgets which would reduce the General Fund to £1.869m. Managers had continued to work hard to achieve £7.5m of savings in the last four years. A revision to the recommendations at 2.2 (3) of the report was noted.

Cabinet noted the report had highlighted the good performance relating to Off Street Parking and Council Tax arrears which had significantly reduced.

Cabinet were advised that the Overview & Scrutiny Committee had commented that the Guildhall had not achieved its budgeted level of surplus. The Leader of the Council believed the issued was to ensure appropriate budgets were in place and confirmed that a review was now underway.

Cabinet Members welcomed the report which provided encouraging figures and detailed the satisfactory progress made.

**RESOLVED:-**

- (1) That the year end position for 13/14 was an overspend against budgets of £297k be noted.

**CABINET  
30.07.14**

- (2) That the balance on the General Fund to £1.869m be noted.
- (3) That the implementation of the majority of the savings in 2013/14 following previous financial year's savings targets was an excellent achievement. This formed part of the £7.5m of savings that the Council had achieved in the last four years.
- (4) A transfer into an earmarked reserve of £17,000 representing the unspent portion of the £19,000 added by Cabinet to the City Centre Historic Area Grant Fund in June 2013, be noted.

**20. COMPLAINTS POLICY**

Cabinet received a report of the Cabinet Member for Communities and Neighbourhoods which sought approval for a Corporate Complaints Policy.

Cabinet were informed of the updated policy. A new complaints policy form and process document had been produced which were available in reception. This provided a valuable form of feedback offered to customers. A Gov-Metric system had been introduced which helped analyse the level of customer satisfaction.

The report would be considered by the Audit and Governance Committee on 8 September 2014 and then presented to Council on 25 September 2014 for formal adoption in September 2014. At the request of officers, minor amendments had been made to the report which included information relating to Members who raise complaints.

The Cabinet Member for Performance and Resources commented on the positive changes made to the policy and encouraged colleagues and officers to ensure this was kept as a 'live' document. He believed it was important to ensure compliments were also recorded.

The Cabinet Member for Communities and Neighbourhoods commented on the exceptional work undertaken by staff in Customer Services and the Contact Centre and advised that compliments were communicated to staff.

Reference was made to complaints made to the Local Government Ombudsman. Cabinet were advised that a number of these complaints had been referred back for resolution.

Cabinet welcomed the improvements which had been made to the Complaints Policy.

**RESOLVED:-**

That the report be noted.

**Time of commencement: 18:00 hours  
Time of conclusion: 18:35 hours**

**Chair**



## Gloucester City Council

<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>17<sup>th</sup> September 2014</b>
<b>Subject:</b>	<b>Cultural Strategy Update – January – June 2014</b>		
<b>Report Of:</b>	<b>Cabinet Member for Regeneration and Culture</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>No</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
<b>Contact Officer:</b>	<b>Lucy Wright, TIC Service Manager</b>		
	<b>Email: lucy.wright@gloucester.gov.uk</b>	<b>Tel: 396570</b>	
<b>Appendices:</b>	<b>None</b>		

### 1.0 Purpose of Report

- 1.1 To update members on the progress that has been made in achieving the Cultural Strategy's targets from January to June 2014.

### 2.0 Recommendations

- 2.1 Cabinet is asked to:

- Note the achievements made in delivering the Cultural Strategy over the last six months (January 2014-June 2014).

### 3.0 Background and Key Issues

- 3.1 Members were last updated on progress about the Cultural Strategy action plan six months ago in a bid to provide an effective feedback mechanism on how well the City was achieving its cultural targets.

- 3.2 The strategy proposed seven distinct action areas over a ten-year period – starting in 2007. The seven areas are:

- Making sense of the city centre – creating an attractive and vibrant city centre.
- Rethinking heritage and cultural tourism – improving access, visibility and quality of heritage facilities with a particular emphasis on the water/maritime history.
- Raising the stakes for creativity – making provision for the growth in creative industries.
- Broadening Gloucester's excellence in sport.
- Enjoying and supporting diversity.
- Planning for a 'transformational' project.
- Marketing and promoting Gloucester.

A full version of the strategy can be viewed on the City Council's website at <http://www.gloucester.gov.uk/resident/planning-and-building-control/planning-policy/Pages/Evidence-Base.aspx#culturalstrategy>

## **Progress – Cultural Update January 2014 – June 2014**

- 3.3 Progress over the last six months has been significant and varied. This update is in no way comprehensive, but does indicate the extent of cultural activity taking place in our City. Around thirty people were contacted from the City Council and local cultural organisations to request information on what has been achieved in the last six months in relation to the seven strands of the Cultural Strategy.

### **1. MAKING SENSE OF THE CITY CENTRE**

This strand of the Cultural Strategy is about physical improvements to the city centre and its buildings, as well as the interpretation and animation of the city and its public realm. This strand is about linking up various areas of the city including the Docks and city centre and providing public art of iconic status which leave strong impressions on visitors and residents.

- The well-known Golden Egg which has dominated Kings Square since 1972 was finally demolished in April. The demolition of the former restaurant took 11 weeks and has been replaced with quality new paving.
- Work has been completed in digging up five trenches on two sites within Kings Square to find and record evidence of the original Roman Glevum city and the search for a Cistercian Friary ahead of a planning application which will herald the start of the Kings Quarter regeneration.
- Up to £150,000 has been identified from the City Centre Investment Fund to help improve some of the more unattractive buildings in the City Centre. Officers recently appointed Astam to produce computer generated images for the re-cladding scheme for the Eastgate Street frontage of the Kings Walk shopping centre car park.
- The historic clock at GA Baker and Sons in Southgate Street was removed for repair and cleaning. This was completed by the Cumbria Clock Company, the only specialist company in the country who have the expertise.
- Work has started to light one of Gloucester's historic buildings, St Nicholas' Church. The medieval church located in Westgate Street is a grade I listed building and has benefited from the City Centre Investment Scheme where the building will be lit up to show the church off at night.
- Stonework repairs have started at St Michael's Tower at a cost of £100,000 and the work is due to be completed this October. Lights will be installed to show off the building in all its grandeur.

- The Stage 2 bid to Heritage Lottery Fund to deliver a Townscape Heritage Initiative (THI) in the Southgate Street area was approved in September 2013. The scheme is progressing well with detailed projects currently being worked up with the architects and owners of three projects in the THI area, and are likely to be coming forward for grant in the next few months. A further five projects are being developed with architects and owners, and further updates will be provided. Public realm and environmental improvements are also being developed on Southgate Street and the St Mary de Crypt / Via Sacra area.
- King Bastion Chamber, hidden under Kings Walk Shopping Centre has been unearthed to show 2000 years of history. This includes part of the city's Roman wall from 300AD and a medieval bastion used for defending the city. Electric lights have been installed and water has been extracted with the aim of opening the chamber this September for the national Heritage Open Days.
- The replacement of Westgate Street mosaics is being funded as part of the City Centre Investment Fund. A contractor has now been appointed to undertake the works to replace the mosaics. Due to the specialist nature of the work only two companies were found who are able to undertake this project. The works are expected to be undertaken during the summer and be completed by September 2014.
- There are ongoing changes to the interior and exterior of Gloucester Guildhall. The café has been revamped with new tables and chairs, new décor and new etching on windows. This new brighter décor has been extended into the main corridor of the building. Plans are ongoing to improve the aesthetics of all entrances to the Guildhall and developments are expected soon. This will involve cleaning of stonework and brighter, clearer signage.
- The commercial space at Blackfriars (that was once a storage unit with one electricity socket) has been completely transformed into the Thomas Bell Room – a fully equipped cafe. A brand new floor has been laid, walls have been repainted, acrylic panels added and sails put on the ceiling to cover the pipes above. New cupboards have been installed as well as moveable bar units so it can transform it into a bar or café at a moment's notice.
- Marketing Gloucester has been behind the installation of the new hanging baskets which have appeared in the City Centre.
- Gloucester has been designated as an Alcohol Action Area for 12 months by the Home Office on the grounds of diversification of the evening economy. Diversifying the offer in the city centre is high on the agenda so that it is not just drinking houses; it's about trying to encourage more restaurants and wine bars. The City Council are offering Evening Vitality Grants for new businesses adding to the evening economy offer.
- Empty retail units in the 'Primary Retail Area' have fallen compared to last year. At the end of June, there were 40 empty units compared to 44 in June 2013. The city council continues to support businesses take up premises in the primary retail area offering business rates and rents grants with thirteen businesses supported to date.

## 2. RETHINKING HERITAGE AND CULTURAL TOURISM

The second strand of the Cultural Strategy looks to improving access, visibility and the quality of heritage facilities and attractions in the City. There is a real appetite for heritage and cultural tourism, not only from visitors but also our residents. To address this interest, a range of initiatives and projects have been developed that increase residents' pride in their City.

- The Gloucester Waterways Museum has been awarded a grant of £60,700 for its Stage 2 development phase from the Heritage Lottery Fund to refurbish its displays, create a new entrance to the warehouse building and adapt the Sabrina 5 barge to provide a new space for events and education. The Canal and River Trust are presently developing the scheme in consultation with Conservation Officers at the City Council for which is due to be submitted in July 2014.
- In February Gloucester City Museum and Art Gallery held an exhibition entitled Richard Wilson: Master of Landscape which was very successful with more than 2000 visitors. The City Museum has one of the best collections of works by this most influential artist.
- The Stage 2 Development Phase of the Heritage Lottery Funded 'Discover DeCrypt' project is well underway. Conservation Officers at the City Council are involved in discussions for proposals to provide interpretation. The project seeks to regenerate St Mary de Crypt Church and the Old Crypt Schoolroom on Southgate Street.
- Gloucestershire's new Jet Age Museum officially opened in May, 14 years after the old museum closed. The museum's collection of aircraft has been in storage since 2000 when the main hanger was demolished.
- The Richard III Exhibition was held at Gloucester City Museum throughout March. The exhibition enabled visitors to stand eye- to-eye with one of England's most controversial Kings who was also Duke of Gloucester. The reconstructed head was commissioned by the Richard III Society for the 'King in the Car Park' documentary and was loaned to Gloucester City Council by the Society. More than 3000 visitors attended the exhibition during the 10 days that it was held.
- Gloucester Folk Museum underwent a winter make-over following a consultation with visitors to find out what they would like to see in the Museum and what would draw them back in for repeat visit. Visitors can now pop into the Army Recruitment Office and enlist to join the war effort – just as it was done during the Second World War.
- The Soldiers of Gloucestershire Museum reopened in May after 7 months of refurbishment following a successful Heritage Lottery bid. All rooms have been gutted and repainted along with new display cases and story boards, the galleries now have touch screen digital interactives for children telling them

about the history.

- A metal plaque is being cast to commemorate this year's 300<sup>th</sup> anniversary of the birth of Gloucester's greatest evangelist, George Whitefield. Born at The Bell Inn, on Southgate Street, George Whitefield was one of Gloucester's most influential preachers in Britain and America. Details of the plaque remain to be confirmed.
- Educational visits are currently being developed at Blackfriars. There are currently three separate sessions; Archaeological Detectives, Tudor Life at Blackfriars and Life as a Friar. These can be booked as a stand-alone session or two can be combined to make a full days visit.
- The City Archaeologist has been working with the Countryside Unit and the Gloucestershire Wildlife Trust on the 'All Paths Lead to the Hill' project. During the course of late spring and early summer a number of volunteers have been helping out with a series of geophysical surveys in seven different locations across the hill. Volunteers of various ages have learnt both the theory and practice of geophysical surveying and hopefully have learnt more about the archaeology of Robinswood Hill. The surveys have identified a number of possible archaeological sites and it is hoped that further investigation can take place next year.

### **3. RAISING THE STAKES FOR CREATIVITY**

Raising the stakes for creativity is about increasing opportunities for participating in arts including increasing activity in our schools and developing creative industry workspace in the City.

- Marketing Gloucester worked with the organisers of JOLT which was a brand new international theatre festival for Gloucestershire. Five international theatre companies were resident in Gloucester working alongside local artists, creating a week of performances in July.
- Marketing Gloucester organised Gloucester Paint Jam, a brand new street art festival, on the 2<sup>nd</sup> and 3<sup>rd</sup> August. The event featured over 40 street artists working on canvases in the city centre and on some actual buildings including Bar H20, the vacant Marks and Spencer's unit on Northgate Street and the Brunswick pub. In addition, there were street dancers performing in the city centre, Eastgate Shopping Centre and Gloucester Guildhall.
- Gloucester Museums 'Young Designers' 2014, poster design competition for primary aged children. Hundreds of children took part in this year's competition, with two overall winners being crowned in two separate age categories.
- Developed by Linden Homes, Gloucester City Centre Community Partnership and Young Gloucestershire, Gloucester's Greyfriars Quarter has been transformed into a city canvas, with an urban art youth project adding a splash of colour to the hoardings. Once complete, the panels will be sold to raise

money for Young Gloucestershire.

- The creative vibrancy of Gloucester is now being showcased in a new creative industries brochure developed by Gloucester City Council's Economic Development Service. The brochure will be utilised by the city's creative businesses as a business-to-business marketing tool and will look to strengthen the sector by attracting new creative enterprises into Gloucester. Information will range from venues and events to premises, skills and city facts.
- The Guildhall has maintained its relentless drive in attracting the best music acts to the city and bringing that 'cool' factor to the city! The team at the Guildhall once again programmed Summer Sound Festival, while there is also the Underground Festival to look forward to.

The New Olympus Theatre reopened in May after significant works with the aim of further works to be carried out following a funding bid.

- The Guildhall supported the Strike a Light festival in the city. A project run in conjunction with Create Gloucestershire and Battersea Arts Centre in London-bringing new shows to Gloucester at affordable prices allowing more people outside the capital access to Arts events.
- The team at the Guildhall also programmed the second stage at this year's SportBeat Festival at Plock Court. While the main stage featured the likes of Razorlight and Soul II Soul, the Guildhall stage showcased the very best local acts. Across the weekend there were more than 20 young local acts performing.
- The Guildhall launched its digital cinema in February giving access to new releases sooner than ever before and also a broader range of films. They have also increased the number of screenings as a result of the new technology.
- Donna Renney (former Chief Executive of Cheltenham Literature Festival) is working from the Marketing Gloucester offices to set up a charitable Community Interest Company for a new Gloucester Festival in 2015.

#### **4. CONSOLIDATING GLOUCESTER'S REPUTATION FOR SPORTING EXCELLENCE AND PHYSICAL ACTIVITY**

This element of the Cultural Strategy requires the right balance between developing world class provision of sporting facilities and achievement with access for all. Gloucester has the lowest participation rates in sport in the County and therefore, increasing participation is important.

- Marketing Gloucester helped to promote the second sporting and music festival, SportBeat, which took place at Plock Court on 7 – 8 June. Competitions included Rugby 7's, Netball and Volleyball where various teams competed over 2 days to become champions as well as other family fun activities including laser tag, inflatables and a silent disco.
- To celebrate Gloucester being a 'Host City', 10 rugby posts have been installed on 10 separate open spaces across the city. Amongst the open spaces where

the rugby posts have been installed are Gloucester Park, Plock Court and Clock Tower Park. The posts are for anyone to use and enjoy as the time passes to 2015. Marketing Gloucester also ran a social media and PR campaign aimed at Irish rugby fans attending the Gloucester v Munster rugby match in January, encouraging them to use Gloucester as their base for next year's Rugby World Cup. May saw hundreds of families, sporting stars, communities and schools from across Gloucestershire take part in a sponsored three-mile walk called 'The Road to 2015' to officially launch the lead-up to the 2015 tournament. Longlevens School were invited to Gloucester Rugby to help mark 500 days to go until the Rugby World Cup 2015. Local school children helped promote this special land mark alongside the Mayor and Gloucester players.

- Gloucester City Football Club has submitted their outline application for the new stadium at Meadow Park to Gloucester City Council. The 4000 capacity facility on the site of the club's former ground at Meadow Park will be built to the specifications of a Conference Premier graded ground, one level above City's current league standing.
- A new partnership between Great Britain Wheelchair Rugby (GBWR), Aviva Premiership Rugby Giants Gloucester Rugby and The University of Gloucestershire will result in a Wheelchair Rugby Club being formed in Gloucester. This new partnership, funded by Gloucester Rugby and run by students at the University, also aims to deliver youth and community programmes to Gloucestershire schools, as well as regular youth training sessions.
- Gloucester 24 Hour Track Race is one of the latest ultramarathons to emerge in the West of England. The 24 hour non-stop event took place on the Blackbridge Jubilee track in Podsmead in June.
- Plans for a new Gloucester Rowing Club Boat House are continuing to develop, with planning permission already in place and a £500,000 grant secured from Sport England. It is planned for the new Boathouse to be built on land adjacent to Hempstead meadows (GCC market site), off the Hempsted bypass.
- Oxstalls hosted for the first time an LTA AEGON Pro Series Women's singles competition. Professional players from all over the world competed for world ranking points and a price pot of £10,000. The weeklong event attracted up and coming players with world ranking of 200 and below and included top British juniors.
- Oxstalls ran their second Wheelchair Tennis Development Series tournament in May with 13 players from around the country attending as part of the Tennis Foundations Development Series.
- Oxstalls Sports Park coaches have delivered coaching into 18 primary schools throughout Gloucester city over the past 6 months. This year there was no funding and coaching was paid for by the school themselves from their 'premier sports funding' given to them by the Government.

- Spring saw the Great British Tennis Weekend at Oxstalls and the Clock Tower Park in Abbeymead, a national event offering free tennis activities for all ages. Organised in conjunction with Gloucester City Council.
- Aspire are proud to be offering training space for 3 disabled servicemen who will be competing in the archery competition in the 'Invictus Games' in September at the Olympic Park in London. The 'Invictus Games' is an international sporting event for wounded, injured and sick service personnel, supported by the Royal Foundation of the Duke and Duchess of Cornwall and Prince Harry. It is named after the poem "Invictus" written by Gloucester Poet W.E. Henley
- A huge number of local/county based residents have registered to become volunteers in the Rugby World Cup within Gloucester. Short listing/assessment of these will commence in September at GL1.

## **5. ENJOYING AND SUPPORTING DIVERSITY**

Gloucester is home to a large number of community groups representing different faiths, cultures, genders and generations. Being one of the most diverse cities in England, it's important that all communities feel as though they are involved in the life of the city.

- GDance working in partnership with the University of Gloucestershire hosted a 3-day residential training course 15-17 April 2014 for disabled young dance creatives (to develop future choreographers). Participants came from throughout the UK and evaluation and learning will be disseminated nationally.
- The Guildhall held a Christian gospel event and the Al Ashraf Primary School's first ever school play outside of their school. In April, they hosted an event called 'Black Men on the Couch'. The event aims to change the status quo surrounding counselling and psychotherapy and open it up to those who would previously have never considered it. It was a free event and tickets were fully allocated.
- The Guildhall continues to be the regular venue for 'What is Islam' which aims to educate people about the culture and beliefs held in Islam. This event is currently held monthly.
- This year's Gloucestershire Pride, a celebration commemorating 50 years of progress to LGB&T (lesbian, gay, bisexual and transgender) Equality, was one of the biggest yet and spanned a week! This year saw many events happening across the city, culminating in a Parade (running from Westgate Street to Gloucester Park) and 'Pride in the Park', which included music stages, a wedding village, stalls, food and drink. Sponsors included Gloucester City Council, Gloucester City Homes, The Westgate and Classic Marquees of Malvern Limited.

## **6. PLANNING FOR A TRANSFORMATIONAL PROJECT**

The Cultural Strategy suggests that the transformational project should be of international importance and be based on a strong public and private partnership.



At the time of developing the Cultural Strategy in 2007, it was not clear what this project should be; only that it should put Gloucester on the map. A number of smaller projects could be described as transformational.

- The Tourism team are working with Asset Management in planning the relocation of the Tourist Information Centre, which will share premises with Marketing Gloucester. The premises under consideration is one of the city's most striking and important heritage buildings.
- In May, it was confirmed that a new £7 million streamlined bus station will be built in Gloucester as part of the multi-million pound scheme to regenerate Kings Quarter. GFirst LEP confirmed that a conditional offer of a £3 million loan has been made to developer Stanhope from the Gloucestershire Infrastructure Investment Fund. The Regeneration and Economic Development Service supported and secured funding bids from the Local Transport Board (£1.7m) and the Gloucester Infrastructure Investment Fund (£3m) to develop a new transport hub in the centre of Gloucester, replacing the old bus station and unlocking the Kings Quarter development. The funding secured will ensure Gloucester has an attractive gateway into the city and that the new bus station reflects the growth that Gloucester has seen in other areas.
- The Llanthony Secunda Priory Trust has been successful in securing a Phase 1 pass for their £3 million HLF bid to reform and regenerate the historically significant site for the city. The City Council contributed £10,000 to the development phase and over the next 18 months the Conservation officer and City Archaeologist will be working with the Trust to develop the bid, assist in community projects and to advise on the best way forward in reusing the designated heritage assets on the site.
- Project Pilgrim has been awarded a Stage 1 pass from the Heritage Lottery Fund; the scheme is seeking £3.5 million towards improvements to the landscaping, interpretation and repairs to the Lady Chapel at Gloucester Cathedral. The HLF have awarded £320,000 towards the development of the scheme which will last for approximately 18 months. Gloucester City Council have contributed £50,000 towards the development.

## **7. MARKETING AND PROMOTING GLOUCESTER**

The consultees involved in helping to create the City's Cultural Strategy felt that Gloucester should make more of what already existed in the City and that the cultural message should be woven into Gloucester's marketing approach. The new cultural image that the consultees refer to is set out in strands 2 and 3 of the Cultural Strategy; however, they include making our heritage and culture more accessible and developing Gloucester's image as being a cool place to be.

In tandem with this, residents should feel involved in their City through regular communications and public events. They also advised that Gloucester's brand should be significantly improved. This was one of the purposes in the creation of Marketing Gloucester who have worked in consultation with partners to develop a brand for the City.

- Gloucester Tourist Information Centre won a gold award in the 'Visitor Information Provider' category in the Visit England Excellence Awards 2014 meaning that the Tourist Information Centre achieved the highest status of best Tourist Information Centre in England.
- Jamie McDonald celebrated the completion of his 5,000 mile run from coast to coast across Canada in February raising over £100,000 for charities in Canada and for the Pied Piper Appeal in Gloucester. He ran the equivalent of 200 marathons dressed as comic book superhero The Flash. The official celebration was held at Gloucester Cathedral.
- Gloucester Services at Brookthorpe opened its doors in May 2014. The operator Westmoreland is working with 130 suppliers from within 30 miles of the services.
- As part of the Richard III Exhibition, a number of speakers were invited including Matthew Morris, Site Director of the Greyfriars dig and archaeologist who uncovered the remains of Richard III, Dr Phil Stone, Chairman of the Richard III Society, Philippa Langley, Screenwriter who planned the research, instigated the entire project and raised the funds to pay for the dig, Dr John Ashdown-Hill, Historian who discovered the DNA sequence which enabled the remains to be declared, Robert Woosnam-Savage, Curator of European Edged Weapons at the Royal Armouries Leeds, who physically examined the remains and Annette Carson, Author and key member of the 'Looking for Richard' team.
- Former Gloucester Mayor Chris Chatterton visited the city of Paju in South Korea where he signed a 'memorandum of understanding' with Paju Mayor In-Jae Lee, in which the two cities will work together for their economic and cultural benefit.
- The unofficial Cheese Rolling took place at Coopers Hill over the late May Bank Holiday weekend with an estimated 5000 visitors in attendance and worldwide interest.
- Marketing Gloucester are working with Visit England on a new Conference & Business events flyer to promote Gloucester as a leading business tourism destination.
- Marketing Gloucester are in the process of preparing a new map booklet which will include introductory text translated into 10 different languages welcoming overseas visitors to Gloucester. The booklet will include adverts for local tourist attractions in Gloucester and the Cotswolds.
- Marketing Gloucester launched an updated Independent Shops booklet in March 2014 to showcase the range of independent shops in the city.
- Residents' Weekend took place from 28<sup>th</sup> – 30<sup>th</sup> March, following the success of the events in 2012 and 2013. The event provided the opportunity for Gloucester residents to explore and experience the city that they live in. Residents were able to enjoy over 100 special offers across the city.

- A new durable pink plastic Residents' Card was launched in the run-up to Residents' Weekend. The cards were available from the Tourist Information Centre but also available at all shopping centres and Museums. The card acts as a city loyalty card enabling local people to take advantage of special offers during city promotions such as BiG Eat week and Independents' Weekend.
- Developed in partnership with the Economic Development team, the Tourist Information Centre has been administering the coach bookings into Westgate Street Coach Park. Prior to this, no group travel statistics were collated in the city but the Tourist Information Centre now not only gathers invaluable data but strategically promotes the city to a new audience.
- Since January, Westgate Street Coach Park has welcomed 276 coaches with nearly 10,000 passengers. Nearly 2200 visitors were new visitors coming to Gloucester as a result of the meet and greet scheme and the promotion of the Tourist Information Centre. The service has recruited a pool of volunteers to help assist and support the Meet and Greet Scheme.
- The Tourist Information Centre has set up a dedicated Coach Bookings Twitter account which is being used to promote Gloucester and interact with national coach companies.
- Marketing Gloucester exhibited at the Excursions Show which took place in London on Saturday 25<sup>th</sup> January 2014. Other partners who shared the stand were Gloucester Quays, Gloucester Waterways Museum, English Holiday Cruises and Painswick Rococo Garden. A database of 170 group travel organisers was collected.
- Marketing Gloucester and Gloucester Tourist Information Centre are working together to encourage local hoteliers to gain accreditation in a bid to improve accommodation standards ahead of the Rugby World Cup.
- Marketing Gloucester attended a 'Marketing Meet' with Visit England representatives in April 2014. The event has helped to establish closer links with Visit England representatives from the UK and around the world.
- Following the redevelopment of [thecityofgloucester.co.uk](http://thecityofgloucester.co.uk) website, online traffic continues to see an increase each month, year on year (except during the lead up to the Tall Ships Festival). The peak traffic for the last 12 months was in July 2013 with 29,404 unique users and 1,557,532 pages impressions.
- The City of Gloucester's social media channels continue to experience an upsurge in activity with better use of analytics. The Gloucester Facebook page achieved 10,000 likes in June 2014 and on Twitter @VisitGloucester has 5,940 followers.
- Marketing Gloucester's Klout score (the industry standard online social media measuring tool) in June 2014 has remained a consistent 63, placing Marketing Gloucester as one of the most influential corporate social media accounts in Gloucester.

- According to Trip Advisor, it was reported that Gloucester Cathedral is ranked as the number one attraction in the Cotswolds to visit out of the 200 listed attractions.
- The Tourist Information Centre is selling limited edition host city ties and pins with many being purchased from outside of the county. The service continues to sell the official clothing range for Rugby World Cup.
- The portable Rugby World Cup posts which can now be used for promotional activities regarding the build up to the Rugby World Cup.
- In April, Gloucester Bus Station was covered in official Rugby World Cup 2015 wrap to promote Gloucester as a Host City.
- Adam Balding, Gloucester Event Coordinator for the Rugby World Cup visited Japan as part of the Visit England promotional team whilst supporting the first leg of the Rugby World Cup trophy tour.
- Marketing Gloucester provided online marketing and PR support to the second Gloucester CAMRA Beer & Cider Festival held at Blackfriars Priory in April. The event attracted a diverse range of people and ages and more than doubled their attendance from 2013.
- The Gloucester Tall Ships Festival in May 2013, which was organised by Marketing Gloucester, won Silver in the Tourism Event of the Year category in the Cotswolds Tourism Awards.
- Gloucester Guildhall employed a new programming and marketing manager at the end of January. The marketing at the venue has stepped up with a much stronger presence both online and in the media. With strong existing partnerships with the likes of the Gloucester Citizen, Gloucester Rugby, SoGlos and the University of Gloucestershire being capitalised on and made more of, all marketing avenues are being explored moving forward. All marketing is geared towards bringing more people into the venue, and the city as a result. Links with other city centre venues are currently being discussed in order to bring more people into the city centre to improve both the daytime and night time economy.

#### **4.0 Alternative Options Considered**

4.1 Not applicable for this report.

#### **5.0 Reasons for Recommendations**

5.1 The progress made during the last six months has been significant and has contributed to achieving the objectives of the Cultural Strategy.

#### **6.0 Future Work and Conclusions**

6.1 It is clear that a significant amount of work has been done over the past 6 months contributing to the Cultural Strategy. More work is planned across each and every strand of the strategy which will continue to improve Gloucester's offer to residents,

visitors and businesses. The ten year Cultural Strategy originated in May 2007. Discussions over the future of the Cultural Strategy need to start taking place as the strategy is due to end in 2017.

## **7.0 Financial Implications**

7.1 There are no financial implications relating to this report at this stage.

## **8.0 Legal Implications**

8.1 There are no legal implications relating to this report.

## **9.0 Risk & Opportunity Management Implications**

9.1 None at this stage. Appropriate risk management will be undertaken for each City Council project as they arise.

## **10.0 People Impact Assessment (PIA):**

10.1 This is not a new policy or action. It is purely a document to update on progress.

10.2 As part of the People Impact Assessments the Cultural Strategy will need to be reviewed in terms of best practice. A full review will need to take place and an overarching PIA will be produced.

10.3 The Cultural Strategy celebrates all areas of our community. A key strand of the strategy is 'enjoying and supporting diversity'.

## **11.0 Other Corporate Implications**

### Community Safety

11.1 Gloucester City Safe has the sole intention of facilitating the reduction of crime, disorder and anti-social behaviour which can blight both day and night time economies. The work of the partnership supports the delivery of this strategy.

### Sustainability

11.2 Sustainability issues will be addressed within individual projects within the action plan.

### Staffing & Trade Union

11.3 Not applicable.

**Background Documents:** None

This page is intentionally left blank

## Gloucester City Council

<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>17<sup>th</sup> September 2014</b>
<b>Subject:</b>	<b>City Centre Trade Waste Collection Policy</b>		
<b>Report Of:</b>	<b>Cabinet Member for Environment</b>		
<b>Wards Affected:</b>	<b>Westgate</b>		
<b>Key Decision:</b>	<b>No</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
<b>Contact Officer:</b>	<b>Lloyd Griffiths, Environmental Services Manager</b>		
	<b>Email: <a href="mailto:lloyd.griffiths@gloucester.gov.uk">lloyd.griffiths@gloucester.gov.uk</a></b>		
			<b>Tel: 396315</b>
<b>Appendices:</b>	<b>Appendix 1 - Draft City Centre Trade Waste Collection Policy</b>		

### 1.0 Purpose of Report

1.1 To approve a Draft City Centre Trade Waste Collection Policy for consultation.

### 2.0 Recommendations

2.1 The contents of this report be noted.

2.2 That the Draft City Centre Trade Waste Collection Policy currently out for formal consultation be endorsed by Cabinet.

2.3 Subject to consultation with City Centre Businesses, the Policy be considered for adoption, in December 2014, with an implementation date of 1<sup>st</sup> January 2015

### 3.0 Background and Key Issues

3.1 The wider City Centre is home to some 375 businesses all of whom generate varying levels of trade waste. In the main this waste is placed for collection outside business frontages at different times of the day and is collected by a number of different contractors.

3.2 This can at times lead to the City Centre street scene being littered with rubbish bags which do not look pleasant, have the potential to be split open by gulls, foxes and other vermin, can cause access issues, can attract other waste to be deposited at that location and can cause issues with odour particularly in the warmer months.

3.3 As a Council we have a legal obligation to as far as is reasonably practical, keep roads, highways and land to which we have control clear of litter and refuse and in a clean condition.

3.4 In addition The Council are committed in partnership with AMEY to improving the street scene within the City Centre to make it an attractive location for people to visit and enjoy which encourages inward investment and promotes growth.

- 3.5 Developing a City Centre Trade Waste Collection Policy will provide our businesses with a clear and consistent message to assist them in complying with the law and will encourage them to assist us in enhancing the City Centre customer experience.
- 3.6 The draft policy supports existing measures already implemented to deal with trade waste such as the provision of gull proof bags. Delivery of the policy will provide us with an opportunity to work with businesses and contractors to increase the uptake of gull proof bags and to explore other ideas they may have.
- 3.7 The emphasis of the draft policy is on providing businesses with a reasonable timescale each morning to place their waste out for collection. This is proposed to be 06:00hrs – 10:00hrs. The 10:00hrs restriction aligns with the recently introduced vehicle restriction on our gate streets which sees non-emergency vehicles not being permitted within the Gate Streets between 10:00hrs – 16:00hrs.
- 3.8 This will prevent the common occurrence we see regularly which is trade waste being placed out for collection at the end of the working day and which remains there throughout the evening for collection the following day. It will also have the positive impact of ensuring that the City Centre is free of trade waste during prime shopping hours (10:00hrs – 16:00hrs) when there is a high level of footfall.
- 3.9 In addition the draft policy sets out the legal obligation that businesses are under to meet their duty of care in respect of waste by having in place a trade waste agreement. Compliance with this duty underpins the draft policy as businesses presenting their waste on the street for collection should only do so where a trade waste agreement is in place. This confirms that collection will be undertaken by a registered waste carrier.
- 3.10 The draft policy clarifies that we as a Council will not be responsible for clearing mis-presented or uncollected trade waste and this will rest with the business themselves. We may however where the situation requires, remove business waste that it is found to be in non-compliance with this policy. The producer of the waste will be subsequently re-charged for the costs incurred by us which will cover collection, storage and disposal of waste and associated administration.
- 3.11 Many Councils employ this type of policy across the country. A number of them provide a smaller window for presentation and collection of waste than what we are proposing, for example not out before 08:00 and in by 10:00hrs. It is considered that this tighter window would be generally unwelcome as it too restrictive and will not provide businesses with sufficient flexibility in organising arrangements with their waste contractor.
- 3.12 It will be very important to consult with as wide a range of our City Centre businesses as possible on the draft policy to obtain their comments and feedback. Key groups including the Gloucester Chamber of Commerce, the Gloucester Branch of Federation of Small Businesses and The Gloucester Licensed Victuallers Association will all be written to and invited to make comments in addition to consulting via our website and other media outlets.

#### **4.0 Alternative Options Considered**



4.1 A range of options have been presented, discussed and discounted. These included -

- Identification and Provision of Strategic Communal Collection Areas
- Proactive Campaigns with no legal backstop
- Build Trade Waste into Food Safety/Health & Safety/New Business Inspections

4.2 It was felt these alternative options did not place enough responsibility on the waste producer to manage the issues associated with trade waste and could lead to further problems such as those that come with managing a communal collection area.

## **5.0 Reasons for Recommendations**

5.1 Implementation of a policy will provide our City Centre businesses with a clear and consistent message to assist them in complying with the law in respect of trade waste.

5.2 The policy should set out how we wish businesses to support us in improving the street scene within the City Centre in order to enhance customer experience, support the night-time economy, encourage inward investment and promote growth.

5.3 The policy should also support Officers in undertaking investigations of trade waste issues as it provides them with a clear direction on what should be expected of business in respect of presentation and collection of trade waste.

## **6.0 Future Work and Conclusions**

6.1 Subject to approval of the draft policy for the purposes of consultation, we will look to consult with businesses on the proposed policy so as to seek their views before final adoption. The final report will then be presented to Cabinet in December, together with any comments on the policy and suggested changes, with an implementation date of 1<sup>st</sup> January 2015.

6.2 If approved the policy will be communicated to and implemented in partnership with the City Centre business community with the aim of supporting businesses to comply with the policy and meet their legal obligations in respect of trade waste.

## **7.0 Financial Implications**

7.1 There will be minimal resource implications in implementing the policy and investigation of complaints will be prioritised against other reactive work requiring response at the time of receipt.

7.2 In the medium to long term it is envisaged that the amount of resource taken up by investigation of trade waste issues should decrease as businesses will be clear on what the Council expects of them in respect of trade waste.

(Financial Services have been consulted in the preparation this report.)

## **8.0 Legal Implications**

8.1 This draft Policy is supported by an existing legal framework that provides Councils with enforcement powers for dealing with trade waste issues. Use of these enforcement powers will be considered having regard to the Environmental Health & Regulatory Services Enforcement Policy.

(Legal Services have been consulted in the preparation this report.)

## 9.0 Risk & Opportunity Management Implications

9.1 The following risk and opportunities have been identified:

Risks	Opportunities
Businesses will consider policy too restrictive	To improve the street scene within the City Centre
Businesses will view the policy as a tool for Council to take enforcement action rather than a tool to improve the street scene within the City Centre	To support businesses to comply with the law in respect of trade waste
	To promote the role of the Council in aiming to enhance the City Centre experience, support the night-time economy, encourage inward investment and promote growth
	To promote AMEY trade waste collection service

## 10.0 People Impact Assessment (PIA):

10.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

## 11.0 Other Corporate Implications

### Community Safety

11.1 Improving the street scene within a community has been proven to have positive impacts on anti-social behaviour, community cohesion and general health & well being of that community. This is based on the fact that improving the look and feel of the area changes its nature for the better and encourages people to utilise it more for enjoyment. Reducing the length of time that waste is present within our City Centre also removes the potential for it or its contents to be utilised as weapons or objects associated with anti-social behaviour.

### Sustainability

11.2 A clear and consistent message for businesses on how and when they should present their business waste will naturally create sustainability. The window of 06:00hrs – 10:00hrs provides sufficient flexibility which should reduce the scope for the policy needing to be changed in the future. Having the policy in place will also support Council Officers in confidently being able to investigate and follow up incidents of non-compliance particularly in the face of challenge if received.

Staffing & Trade Union

11.3 No staffing or Trade Union implications have been identified

**Background Documents:**

This page is intentionally left blank

## DRAFT CITY CENTRE TRADE WASTE COLLECTION POLICY

Applicable To	Business premises within the designated city centre area relating to this policy
Effective Date	TBC
Current Policy Date	TBC
Next Review Date	TBC
Review Cycle	2 years
Policy Owner	Lloyd Griffiths - Environmental Services Manager

### 1. Policy Introduction

Gloucester City Council is committed in partnership with AMEY to improving the street scene within our City Centre to make it an attractive location which encourages inward investment and promotes growth.

The wider City Centre is home to some 375 businesses all of whom generate varying levels of trade waste. In the main this waste is placed for collection outside business frontages at various different times of the day and is collected by a number of different contractors.

This can at times lead to the City Centre street scene being littered with rubbish bags which do not look pleasant, have the potential to be split open by gulls, foxes and other vermin, can cause access difficulties and can cause unpleasant odour or attract vermin.

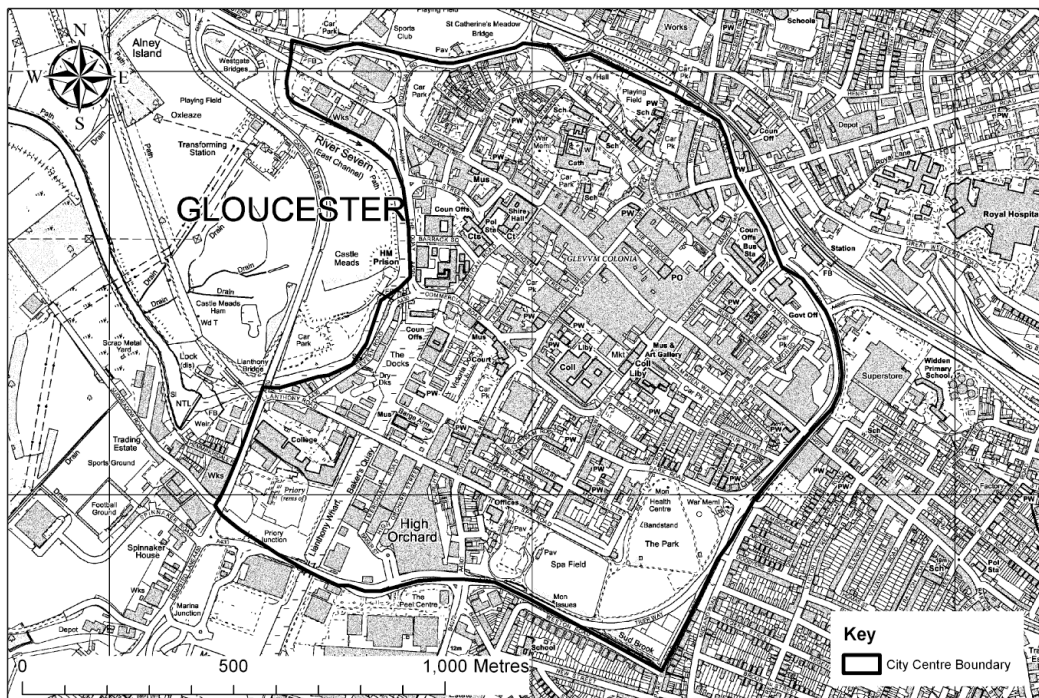
This City Centre Trade Waste Collection Policy aims to inform businesses about how and when to dispose of their waste encouraging them to play their part in ensuring the City Centre is attractive to visitors and other businesses.

### Policy Statement

1. Any business that generates waste should have in place a trade waste agreement with a registered waste carrier to collect that waste. This trade waste agreement should be retained on site and be available for inspection upon request by an Authorised Officer of Gloucester City Council;
2. Trade waste should only be placed on the street for collection on the day of collection;

3. Trade waste should not be put out for collection before 06:00hrs and should be collected by 10:00hrs on that same day;
4. If trade waste has not been collected by 10:00hrs it should be retrieved and kept on the premises of origin until the next organised collection which should comply with this policy;
5. Businesses are asked to label their trade waste receptacles clearly and legibly (including bins, bags and bundled items such as cardboard) with details of the business the waste has originated from;
6. Trade waste should not be placed in public litter bins or another businesses litter bin.
7. Trade waste should not be placed on the highway (including pedestrianised areas) unless it complies with this policy and has been arranged to be collected under the terms of your trade waste agreement;
8. Gloucester City Council is not responsible for collecting trade waste and it will be the responsibility of the waste producer to arrange for its retrieval and or collection where requested to do so by an Authorised Officer;
9. Where it is deemed necessary, Gloucester City Council may remove trade waste and recover costs (including administration, collection, storage and disposal costs) from a business if it has not complied with this policy, in addition to taking enforcement action;
10. Registered Waste Carriers contracted to collect trade waste should be informed of this Policy and should take measures to ensure compliance on behalf of their business clients.

## 2. Designated City Centre Area



This map is reproduced from Ordnance Survey material with the permission of Ordnance Survey on behalf of the Controller of Her Majesty's Stationery Office © Crown copyright. Unauthorized reproduction infringes Crown copyright and may lead to prosecution or civil proceedings. Licence no 100019169. 2014.

### **3. Monitoring, Investigation and Enforcement**

In partnership with AMEY we will utilise all staff working within the City Centre to identify and report business waste that has been deposited in a manner that does not comply with this policy. Periodically we will also carry out proactive surveys of the designated City Centre area (relating to this policy) to assess businesses compliance with this policy. Trade waste arrangements will also be discussed as part of Food Safety, Health & Safety and Licensing inspections carried out by officers of our Public Protection Service.

Where trade waste is identified an Authorised Officer of the Council will visit and identify the source of the waste. If identification cannot be traced then we will utilise City Centre CCTV to identify the source.

Once identified an Authorised Officer will visit the business concerned and make that business aware of the non compliance and provide them with advice and support in order to comply. This verbal warning will also be followed up in writing.

If there is a further report and an Authorised Officer is satisfied that a business has for the 2<sup>nd</sup> time not complied with this policy an enforcement notice will be served on the business owner and all other interested parties requesting that trade waste be placed out in line with this Policy. If this enforcement notice is found to be breached then a Fixed Penalty Notice (FPN) will be issued.

The FPN will require the payment of £60 within 10 days or £100 within 14 days in order to discharge liability against the offence. Failure to pay the FPN will result in the Council instigating legal proceedings for the original offence of failing to comply with the terms of a Waste Receptacles Notice. Legal Proceedings may take the form of a Simple Caution or indeed prosecution.

Not complying with the Council's direction on how and when to place trade waste out will result in enforcement action being taken. This Council will make decisions to use enforcement powers on a case by case basis in accordance with its Enforcement Policy. Generally it will act in a staged approach as set out below but some incidents might require more stringent action to be taken at an earlier stage.

1. Enforcement Notice / Fixed Penalty Notice
2. Simple Caution
3. Prosecution

### **4. Council Responsibilities**

Section 89 of the Environmental Protection Act 1990 places a duty on Local Authorities to ensure that as far as is practicable its land is kept clear of litter and refuse. It also requires that Local Authorities so far as is practicable ensures that roads and highways are kept clean. This policy has been developed to assist us in complying with this duty.

This duty does not mean that the Council takes responsibility for the clearance of trade waste that has been mis-presented or remains uncollected. Responsibility for retrieval and or clearance rests with the waste producer.

## **5. Contacting Us**

If you require further information in respect of this policy or have a general query relating to trade waste then please contact us on 01452 396396 or at [heretohelp@gloucester.gov.uk](mailto:heretohelp@gloucester.gov.uk). Alternatively you may wish to visit our website at [www.gloucester.gov.uk](http://www.gloucester.gov.uk) which contains further information.

AMEY, the Council's Streetcare Partner Contractor is a registered waste carrier who provide trade waste collection services. For more information please contact us using the details above.

## **6. Definitions**

**AMEY** – Amey is Gloucester City Council's Streetcare Partner Contractor responsible for delivering its front line environmental services across the City;

**Authorised Officer** – an officer of Gloucester City Council who is authorised for the purposes of carrying out investigations and enforcement under The Environmental Protection Act 1990 and associated legislation;

**Duty of Care in Respect of Waste** - A legal obligation to ensure that waste is only passed on to an authorised person (registered waste carrier) and documents recording this transfer must be retained for a period of two years for inspection purposes if requested by an authorised officer;

**Registered Waste Carrier** – An individual or business who are legally registered with the Environment Agency to transport waste;

**Simple Caution** – A formal warning that is given to a person who has admitted an offence. If the person refuses a simple caution then they will normally be prosecuted through the normal channels for the original offence. Although it is not technically classed as a conviction (as only the Courts can convict someone) it can be taken into consideration by the Courts (on sentencing) if the person is convicted of a further offence.

**Trade Waste** - Trade, commercial or business waste can be defined as waste from premises used wholly or mainly for the purposes of a trade or business or for the purpose of sport, recreation, education or entertainment but not including household; agricultural or industrial waste; and

**Trade Waste Agreement** – A legally required contract (for businesses who produce waste) with a Registered Waste Carrier which confirms that arrangements are in place for their trade waste to be legally and responsibly disposed of



## 7. Related Policies, Procedures and Legislation

- Environmental Protection Act 1990 – Section 33 – Unauthorised deposit of waste on land
- Environmental Protection Act 1990, Section 34 – Duty of Care in respect of Waste etc
- Environmental Protection Act 1990, Section 47 – Commercial Waste Receptacles
- Gloucester City Council, Environmental Health & Regulatory Services, Enforcement Policy 2010

<b>Revision History</b>		
<b>Version</b>	<b>Author</b>	<b>Effective Date</b>
1.0	Lloyd Griffiths	TBC

This page is intentionally left blank



<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>17<sup>th</sup> September 2014</b>
<b>Subject:</b>	<b>Recycling Service – Trial Collection of Two Additional Items</b>		
<b>Report Of:</b>	<b>Cabinet Member for Environment</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>No</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
<b>Contact Officer:</b>	<b>Lloyd Griffiths, Environmental Services Manager</b>		
	<b>Email: <a href="mailto:lloyd.griffiths@gloucester.gov.uk">lloyd.griffiths@gloucester.gov.uk</a></b>		
		<b>Tel: 396315</b>	
<b>Appendices:</b>	<b>Appendix 1 - Alternative Commodity Options Appraisal</b>		

## 1.0 Purpose of Report

- 1.1 To inform Cabinet of a trial project that is being developed in partnership with AMEY to collect additional items at the kerbside for recycling.

## 2.0 Recommendations

- 2.1 The contents of this report be noted.
- 2.2 Cabinet are asked to endorse the trial project involving the kerbside collection of two additional items for recycling

## 3.0 Background and Key Issues

- 3.1 As a Council we have set ourselves an ambitious recycling target of 50% alongside a more general aim of reducing the amount of residual waste per household we send to landfill. There are both environmental and financial drivers to meet these targets which include reducing our carbon footprint, contributing to a closed loop society, reducing our landfill disposal costs and increasing the amount of revenue we receive from recycling credits and commodity sales.
- 3.2 Although the Waste & Recycling Service is about to undergo a root and branch review there is a clear need to identify and explore opportunities to increase our recycling rates in the interim period and make progress towards our 50% recycling target. In 2013/2014 we recycled 37.5% of all waste collected and as of July this financial year this figure has improved slightly to 38.4%

- 3.3 This proactive project development work forms a very important strand within the Waste & Recycling Action Plan which sits under the ownership of the newly formed Environmental Projects Team. This work also contributes to the attainment of a key Priority contained within the Gloucester City Council Corporate Plan 2014 – 2017 which in trying to achieve a greener Gloucester commits us to widening the range of materials collected for recycling.
- 3.3 Two of the additional items that have been considered are food and drink cartons (F&D cartons) and aerosols which we receive many enquiries about from residents. The Environmental Projects Team has throughout the summer worked with AMEY and material processors in looking at the different options for being able to collect these items having regard to our existing fleet of vehicles and the storage, sorting and bailing facilities available at our Eastern Avenue Depot.
- 3.4 A trial is currently being developed that would see us collect F&D cartons and aerosols that would be placed out for collection in the existing recycling box. The cartons would be collected in nets attached to the rear of our recycling vehicles and the aerosols in under utilised ‘battery box space’ identified on the same vehicles. This type of collection system is in use by several other Waste Collection Authorities.
- 3.5 The trial population is proposed to be 900 properties on seven streets within Longlevens. Longlevens as a ward was chosen as it achieves our highest rates of recycling and we wish to test the volume available to collect these additional items to their fullest. In addition the size and location of the streets will make communicating with residents prior to, during and following the trial more manageable.
- 3.6 It is proposed to commence the trial the week commencing 15<sup>th</sup> September and for it to run for 4 weeks. Communication and promotion of the trial will commence the week commencing 1<sup>st</sup> September using existing resources.
- 3.7 Research undertaken suggests that if such a scheme was to be rolled out City wide then based on our recycling participation rates we would collect in the region of 30 tonnes of F&D cartons and 35 tonnes of aerosols each year. With commodity prices currently standing at £55/t for cartons, £800/t for aluminium and £132/t for steel this would generate an income of approximately £15,000 in commodity sales and £4000 in recycling credits which would go towards off-setting the contract sum. It would also mean we would be sending 65t less waste to landfill and producing a saving of somewhere in the region of £5000 in landfill disposal costs.
- 3.6 This type of approach to developing our Waste & Recycling Service has already seen us implement a food waste trial using corn starch bags as an incentive, use of recycling litter bins within the City Centre and some of our heavily used playing fields and we are also looking at developing a ‘pay per bag’ garden waste service for identified hard to reach properties.

#### **4.0 Alternative Options Considered**

- 4.1 A range of materials that are currently not collected as part of our recycling service have been considered for trial. However due to a range of reasons including ease of collection, ability to onward process and commodity prices, F&D cartons and aerosols were chosen as those materials that are most cost effective to collect and have a good income potential. This situation will be monitored and we will continue to keep abreast of opportunities in respect of other materials such as mixed plastics and cardboard.

#### **5.0 Reasons for Recommendations**

- 5.1 To increase our recycling rates it is essential that we explore a range of cost effective options to collect additional materials. The trial project will assess the success of adapting our current fleet of vehicles to collect cartons and aerosols
- 5.2 The trial project provides us with an opportunity to promote our Waste & Recycling Service and illustrate to our residents that we are committed to achieving they key targets of increasing recycling rates and reducing the amount of waste we send to landfill.
- 5.3 Our Council Plan 2014/2017 commits us to widening the range of materials collected for recycling. If this project proves successful and is implemented City wide it would allows us to achieve this outcome. At the end of the trial, we will also be able to more accurately assess the potential increase in recycling rates if the scheme was rolled out across the City.

#### **6.0 Future Work and Conclusions**

- 6.1 Prior to the trial commencing a communications strategy will be developed and implemented to ensure those residents within the trial area are provided with sufficient information for them to take part. Messages and information will be disseminated via a range of outlets and will commence 2 weeks prior to start of the trial.
- 6.2 During the trial weights will be recorded of the additional materials collected for recycling and we will then calculate what this equates to in terms of recycling percentages, reduction in landfill and recycling credits.
- 6.3 At the completion of the trial all information gathered will be assessed in partnership with AMEY. If successful it is our intention to implement this service across the whole City as of 1<sup>st</sup> December 2014. We would then disseminate information on this change to our service alongside details of the Christmas collection dates.

#### **7.0 Financial Implications**

- 7.1 There will be minimal resource implications in implementing the trial and the impact on AMEY has also been discussed. They have confirmed that collection and processing of additional materials that form part of the trial will not impact unduly on current operations and can be managed within existing resources.

7.2 If the service was to be rolled out across the City we would expect to generate an income of circa £19,000 in commodity sales and recycling credits. In addition by reducing the amount of waste we send to landfill we would also save somewhere in the region of £5000 in landfill disposal costs.

(Financial Services have been consulted in the preparation this report.)

## 8.0 Legal Implications

8.1 No legal implications have been identified.

(Legal Services have been consulted in the preparation this report.)

## 9.0 Risk & Opportunity Management Implications

9.1 The following risk and opportunities have been identified:

Risks	Opportunities
If trial proves unsuccessful, residents might expect the service to be rolled out despite it being undeliverable	To promote the Council's Waste & Recycling Service
The trial and formal implementation of the project proves so successful that it has resource impact on operational delivery of Waste & Recycling Service	To increase our rates of household recycling and increase revenue through additional commodity prices and recycling credits
If commodity prices not achieved Gloucester City Council are liable to make up shortfall as written into contract.	To reduce the amount of waste we send to landfill and reduce our disposal costs
	To achieve a set of outcomes within the Council Plan 2014/2017 under the 'Greener Gloucester' thread.
	To work in partnership with AMEY at both an operational and strategic level and develop the role they can play in helping us achieve our waste & recycling targets

## 10.0 People Impact Assessment (PIA):

10.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

## 11.0 Other Corporate Implications

### Community Safety

11.1 By providing an opportunity for residents to increase the amount of material they can recycle and reduce the amount of waste they send for disposal there is the potential for our street scene to suffer less from discarded side waste and fly-tipping which research has proven to have a positive impact on Community Safety.

### Sustainability

- 11.2 Widening the range of materials we collect for recycling is one of the key steps in achieving our recycling target of 50%. There is sustainability built into this project as whether we remain a Council that provides a kerbside segregation service or an alternative service such as co-mingled collection, we will need to collect a broad as possible range of materials that can be recycled.

### Staffing & Trade Union

- 11.3 No staffing or Trade Union implications have been identified

This page is intentionally left blank



**Appendix 1**  
**Alternative Commodity Options Appraisal**

As part of the Waste & Recycling Action Plan, one of our commitments is to introduce additional commodities for collection as part of our kerbside recycling scheme.

The following table considers lists those additional items that have been considered and details some of the factors that have been taken into account when deciding on the most cost effective option for implementation. All figures calculated are based on a 62% capture rate which we are currently achieving on plastic bottles.

**With all factors considered the most cost effective option at this current time, would be the introduction of food & drink cartons and aerosols to our kerbside recycling collection service.**

Commodity	Potential Volume	Resource / Technical Implications	Potential Income (per annum)
Plastic Trays and Pots	520t / annum	<ul style="list-style-type: none"> <li>• Would need to be collected separately and require additional vehicle;</li> <li>• Low market value;</li> <li>• Fragile re-processing situation as still issues with recycling the black and dark brown trays</li> </ul>	£0-£20 / t  £10,400
Cardboard	1300t / annum	<ul style="list-style-type: none"> <li>• High volume commodity but low weight</li> <li>• Would need to be collected separately and require additional vehicle</li> <li>• Issues with cardboard being compressed in vehicles resulting in increased handling,</li> <li>• Issues with storage of cardboard particularly when wet</li> </ul>	£55-£60 / t  <ul style="list-style-type: none"> <li>• £57,200 revenue from sales</li> <li>• £57,304 from recycling credits</li> <li>• £83,200 savings from avoiding landfill tax</li> </ul>
Aerosols	30-40t / annum	<ul style="list-style-type: none"> <li>• Can be collected using a low cost bespoke method on existing vehicles</li> <li>• Low weight but high value i.e. 46% aluminium and 54% steel</li> <li>• Commodity the public regularly challenge us on</li> </ul>	£610 / t aluminium £170 / t steel  <ul style="list-style-type: none"> <li>• £14,720 in commodity sales</li> <li>• £2204 in recycling credits</li> <li>• Savings of £3,200 in landfill tax</li> </ul>
Food & Drink Cartons	20-30t / annum	<ul style="list-style-type: none"> <li>• Can be collected using a low cost bespoke method on existing vehicles</li> <li>• Commodity the public regularly challenge us on</li> </ul>	£55 / t  <ul style="list-style-type: none"> <li>• £1650 in commodity sales</li> <li>• £1650 in recycling credits</li> <li>• Savings of £2400 in landfill tax</li> </ul>

This page is intentionally left blank

## Gloucester City Council

<b>Meeting:</b>	<b>Audit and Governance Committee</b>	<b>:</b>	<b>8 September 2014</b>
	<b>Cabinet</b>		<b>17 September 2014</b>
<b>Subject:</b>	<b>Treasury Management Update – Quarter 1 Report 2014/15</b>		
<b>Report Of:</b>	<b>Cabinet Member for Performance and Resources</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>No</b>	<b>Budget/Policy Framework:</b>	<b>Yes</b>
<b>Contact Officer:</b>	<b>Jon Topping, Head of Finance</b>		
	<b>jon.topping@gloucester.gov.uk</b>		<b>Tel: 396242</b>
<b>Appendices:</b>	<ol style="list-style-type: none"> <li><b>1. Prudential and Treasury Indicators</b></li> <li><b>2. Treasury Management Investments</b></li> <li><b>3. Economic Outlook</b></li> <li><b>4. Detailed interest rate forecasts</b></li> </ol>		

### 1.0 Purpose of Report

- 1.1 One of the requirements of the revised Code of Practice for Treasury Management in November 2011 recommends that members should be updated on treasury management activities at least twice a year, but preferably quarterly. This report covers Quarter 1, 1<sup>st</sup> April 2014 to 30<sup>th</sup> June 2014.
- 1.2 This report will highlight issues specific to the Council and also highlight the overall economic outlook as provided by the Councils treasury advisors Capita Asset Services.
- 1.3 The body of the report provides an overview of the Councils performance in Quarter 1 ;
  - **Appendix 1** highlights the key performance indicators in line with the Councils Treasury Management Strategy.
  - **Appendix 2** is the investments held at the end of quarter 1.
  - **Appendix 3** is an economic summary provided by the Councils treasury advisors.
  - **Appendix 4** is a detailed commentary on interest rate forecasts

### 2.0 Recommendations

- 2.1 **Audit and Governance Committee** is asked to **RESOLVE** that the report be noted and note that no changes are required to the prudential indicators.
- 2.2 **Cabinet** is asked to **NOTE** the report.

### 3.0 Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2014/15, which includes the Annual Investment Strategy, was approved by the Council on 10<sup>th</sup> April 2013. It sets out the Council's investment priorities as being:

- Security of capital;
- Liquidity; and
- Yield

3.1 The Council will also aim to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term to cover cashflow needs, but also to seek out value available in periods up to 12 months, with highly credit rated financial institutions, using our suggested creditworthiness approach, including sovereign credit rating and Credit Default Swap (CDS) overlay information.

3.2 Investment rates available in the market have been broadly stable during the quarter and have continued at historically low levels as a result of the Funding for Lending Scheme. The average level of funds available for investment purposes during the quarter was £5.4m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the Capital Programme.

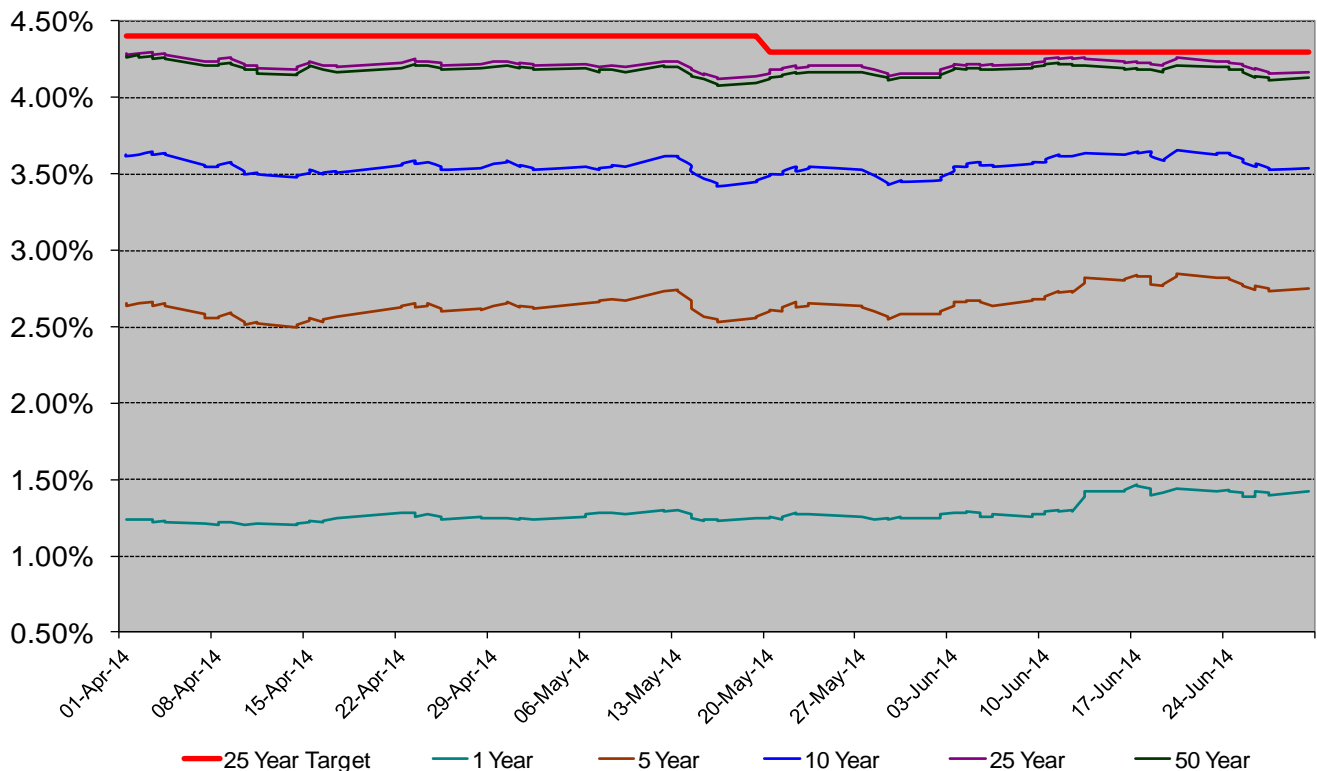
### 4.0 New Borrowing

4.1 The 25 year PWLB target (certainty) rate for new long term borrowing for the quarter remained at 4.40% until the 19<sup>th</sup> May when it fell to 4.30%.

4.2 No borrowing was undertaken during the quarter.

4.3 PWLB certainty rates, quarter ended 30<sup>th</sup> June 2014

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.20%	2.50%	3.42%	4.12%	4.08%
Date	08/04/2014	14/04/2014	16/05/2014	16/05/2014	16/05/2014
High	1.47%	2.85%	3.66%	4.30%	4.28%
Date	17/06/2014	20/06/2014	20/06/2014	03/04/2014	02/04/2014
Average	1.29%	2.66%	3.56%	4.22%	4.18%



#### 4.4 Borrowing in advance of need.

The Council has not borrowed in advance of need during the quarter ended 30<sup>th</sup> June 2014 and has not borrowed in advance in all of 2014/15.

#### 5.0 Debt Rescheduling

5.1 Debt rescheduling opportunities have been limited in the current economic climate and following the increase in the margin added to gilt yields which has impacted PWLB new borrowing rates since October 2010. During the quarter ended 31<sup>st</sup> March 2014, no debt rescheduling was undertaken.

#### 6.0 Compliance with Treasury and Prudential Limits

6.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators (affordability limits) are included in the approved TMSS.

6.2 During the financial year to date the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices. The prudential and treasury Indicators are shown in appendix 1.

#### 7.0 Other

7.1 During 2014/15 the Council continued to maintain an under-borrowing position.

7.2 This under-borrowing reflects that the Council resources such as reserves and provisions will have reduced debt rather than be externally invested. This strategy is sensible, at this point in time, for two reasons. Firstly, there is no differential between the marginal borrowing rate and investment rate so there is nothing to be gained by investing Council resources externally. Secondly, by using the resources to reduce debt the Council will reduce exposure to investment counterparty risk.

## **8. Financial Implications**

8.1 Contained in the report

(Financial Services have been consulted in the preparation this report.)

## **9. Legal Implications**

9.1 There are no legal implications from this report

(Legal Services have been consulted in the preparation this report.)

## **10.0 Risk & Opportunity Management Implications**

10.1 There are no specific risks or opportunities as a result of this report

## **11. People Impact Assessment (PIA):**

11.1 A PIA screening assessment has been undertaken and the impact is neutral. A full PIA is not required.

## **12. Other Corporate Implications**

### Community Safety

12.1 None

### Sustainability

12.2 None

### Staffing & Trade Union

12.3 None

Prudential and Treasury Indicators as at 30<sup>th</sup> June 2014

Treasury Indicators	2014/15 Strategy	Quarter 1 Actual
Authorised limit for external debt	£86M	£66.09m
Operational boundary for external debt	£86M	£66.09M
Gross external debt	£86M	£66.09m
Investments	Nil	Nil
Net borrowing	£86m	£66.09m
<b>Maturity structure of fixed rate borrowing - upper and lower limits</b>		
Under 12 months	0% - 50%	0%
12 months to 2 years	0% - 50%	15.63%
2 years to 5 years	0% - 50%	23.44%
5 years to 10 years	0% - 50%	9.77%
10 years to 20 years *1	0% - 80%	12.10%
20 years to 30 years *1	0% - 80%	39.06%
30 years to 40 years *1	0% - 80%	0%
40 years to 50 years *1	0% - 80%	0%
<b>Upper limit of fixed interest rates based on net debt *2</b>		
Upper limit of fixed interest rates based on net debt *2	100%	46.04%
<b>Upper limit of variable interest rates based on net debt *2</b>		
Upper limit of variable interest rates based on net debt *2	100%	53.96%
<b>Upper limit for principal sums invested for over 364 days</b>		
Upper limit for principal sums invested for over 364 days	Nil	Nil

Prudential Indicators	2014/15 Strategy	Quarter 1 Actual
<b>Capital expenditure *</b> <ul style="list-style-type: none"> <li>• HRA</li> <li>• GF</li> </ul>	£7.100m £6.882m	£0 £439k



**Investment Portfolio**

There were no Investments held as at 31<sup>st</sup> March 2014

### 1.0 Economic Background

- 1.1 After strong UK GDP growth of 0.7%, 0.8% and 0.7% in quarters 2, 3 and 4 respectively in 2013, and 0.8% in Q1 2014, it appears very likely that strong growth will continue into 2014 as forward surveys are very encouraging. There are also positive indications that recovery is starting to broaden away from reliance on consumer spending and the housing market into construction, manufacturing, business investment and exporting. This strong growth has resulted in unemployment falling much faster through the threshold of 7%, set by the Monetary Policy Committee (MPC) last August, before it said it would consider any increases in Bank Rate. The MPC has, therefore, now broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of about eighteen indicators in order to form a view on how much slack there is in the economy and how quickly slack is being used up. Accordingly, markets are expecting a first increase around the end of 2014.
- 1.2 Also encouraging has been the sharp fall in inflation (CPI), reaching 1.5% in May, the lowest rate since 2009. Forward indications are that inflation is likely to fall further in 2014 to possibly 1%. The return to strong growth has also helped lower forecasts for the increase in Government debt by £73bn over the next five years, as announced in the Autumn Statement, and by an additional £24bn, as announced in the March 2014 Budget - which also forecast a return to a significant budget surplus, (of £5bn), in 2018-19. However, monthly public sector deficit figures have disappointed in this quarter.
- 1.3 In June, the Federal Reserve continued with its monthly \$10bn reductions in asset purchases, which started in December 2014. Asset purchases have now fallen from \$85bn to \$35bn and are expected to stop by Q3 201, providing strong economic growth continues this year. First quarter GDP figures were depressed by exceptionally bad winter weather, but growth rates since then look as if they are recovering well.
- 1.4 The Eurozone is facing an increasing threat from deflation. In May, the inflation rate fell further, to reach 0.5%. However, this is an average for all EZ countries and includes some countries with negative rates of inflation. Accordingly, the ECB did take some rather limited action in June to loosen monetary policy in order to promote growth.

## 2.0 Interest Rate Forecast

2.1 The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17
Bank rate	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.75%	2.00%	2.00%
5yr PWLB rate	2.70%	2.80%	2.90%	3.00%	3.00%	3.10%	3.20%	3.30%	3.30%	3.40%	3.50%	3.60%
10yr PWLB rate	3.70%	3.70%	3.80%	3.90%	4.00%	4.00%	4.10%	4.20%	4.20%	4.30%	4.40%	4.40%
25yr PWLB rate	4.40%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	4.90%	4.90%	4.90%	5.00%
50yr PWLB rate	4.40%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	4.90%	4.90%	4.90%	5.00%

2.2 Capita Asset Services undertook a review of its interest rate forecasts in May, after the Bank of England's Inflation Report. However, more recent developments to the Bank of England's forward guidance have necessitated a second updating in this quarter carried out on 30 June. This latest forecast now includes a first increase in Bank Rate in quarter 1 of 2015 (previously quarter 4 of 2015).

## 3.0 SUMMARY OUTLOOK

3.1 Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest recovery in recent history. However, growth rebounded during 2013 and the first quarter of 2014 to surpass all expectations, propelled by recovery in consumer spending and the housing market. Forward surveys are currently very positive in indicating that growth prospects are also strong for the rest of 2014, not only in the UK economy as a whole, but in all three main sectors, services, manufacturing and construction. This is very encouraging as there does need to be a significant rebalancing of the economy away from consumer spending to construction, manufacturing, business investment and exporting in order for this start to recovery to become more firmly established. One drag on the economy has been that wage inflation has been significantly below CPI inflation, so disposable income and living standards were being eroded, (although income tax cuts had ameliorated this to some extent). However, recent falls in inflation have created the potential for the narrowing of this gap and it could narrow further during this year, especially if there is also a recovery in growth in labour productivity (leading to increases in pay rates). With regard to the US, the main world economy, it faces similar debt problems to those of the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth, although labour force participation rates remain lower than ideal.

- 3.2 As for the Eurozone, concerns subsided considerably during 2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy, (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed.

## DETAILED COMMENTARY ON INTEREST RATES FORECAST

### THE UK

#### May Bank of England Quarterly Inflation Report

Over the last four quarters, we have had a continuing run of strong economic news which has consolidated confidence that the UK economy is recovering strongly. However, please note that the Governor said the economy “has only just begun to head back towards normal” after the slowest ever recovery from a recession. Widespread disbelief that unemployment would take nearly three years to fall to 7%, as the Bank forecast at the time of the August Inflation Report, has indeed proved to be well founded as the rate fell to 6.8% in Q1 2014 and then to 6.6% in quarter 2. Accordingly, this latest Inflation Report has seen the Bank provide a view of the economy as moving from a recovery supported by household spending to a more broadly based expansion sustained by:-  
Growth in business investment;

- A change from falling to rising real wages (average wage increases started to exceed the rate of CPI inflation over the last quarter but more recently, this situation has reversed back again);
- Increasing employment;
- Productivity growth to support those real wage increases and improve export competitiveness – expected to reach 2.5% by the end of 2014.

Key economic statistics in the Inflation Report were as follows: -

- GDP has grown at an annual rate of 3.1% over the last four quarters;
- Bank of England GDP forecasts: 2014 unchanged at 3.4%, 2015 upped from 2.7% to 2.9%, and for 2016 unchanged at 2.8%;
- Inflation to be well behaved over the next two years: rising to 2.0% in two years’ time from 1.7% in Q2 2015;
- Growth of productivity has only started to marginally improve, although it is expected to gradually rise back to its average historical rate.

We have reservations that the Bank’s current forecasts for GDP growth may be over optimistic and that strong economic growth could weaken as the main impetus has come from consumer spending and an uplift in borrowing to buy property. Whilst the release of this burst of pent up demand to buy property is having a very welcome effect on the economy, this surge is likely to fade in time and will then leave a question mark over where growth is going to come from. Basically, there are four main areas of demand in the UK economy: -

Consumers – but most consumers are maxed out on borrowing and trying to pay down debt. In addition, although average wage inflation is now higher than CPI inflation, many consumers are still experiencing declining disposable income as their wage increases are continuing to be less than inflation. This will not reverse until productivity and business investment improve, so as to warrant paying higher wages than are being paid currently. It

is mainly higher wages that could provide a solid stimulus to an increase in consumer expenditure which would then underpin strong growth. There are also concerns that a significant number of mortgage holders are going to find it very difficult to manage increases in Bank Rate, and so in mortgage rates, when they do start.

Government – again, maxed out on borrowing and committed to austerity programmes to reduce its expenditure. Further austerity measures are still to come.

Foreigners buying our exports – but the EU, our major export market, is likely to experience tepid growth, at best, for the next few years. Also the rise in the value of Sterling means that imports are becoming cheaper which will cause UK consumers to increase purchases of cheaper imported goods in preference to UK produced competing products, so depressing UK GDP growth.

Business investment in fixed capital formation; but this has fallen from 13.5% to 10.4% of GDP over 2008 - 2013. However, there are encouraging signs that businesses are catching the upturn in optimism and are beginning to increase investment and exports into new markets in emerging countries. However, it will take a significant length of time for this start to make a material impact on total UK GDP growth rates and to take over the baton from consumers.

## **The evolution of forward guidance**

If you have been following the comments flying around through late June and early July, you may have ended up with the impression that Carney and other MPC members have been giving rather confused signals as to what the MPC's thoughts are when making "forward guidance" comments on what is going to happen to Bank Rate and when. Here is a quick recap of how forward guidance has evolved: -

- **August 2013.** The MPC would not consider raising Bank Rate until the unemployment rate falls to 7%; this was deemed unlikely to occur until late 2016.
- **February 2014 Quarterly Inflation Report.** Forward guidance mark 1 was abolished as the unemployment rate fell rapidly (the 7% threshold was breached in April 2014). Mark 2 'fuzzy guidance' was to be based on a range of about eighteen indicators but was still to be driven, ultimately, by the fundamental concept of how quickly the amount of slack in the economy after the recession, was used up. However, there were a wide range of views in the MPC as to how much slack there was and also around how quickly it would be used up, as there is no definitive and objective way of measuring this concept of slack. However, the Bank, and Carney, both commented that market views of likely increases in Bank Rate were in the right ball park (i.e. late 2014 / early 2015).
- **14 May: 2014 Quarterly Inflation Report.** By this time, we had hard data that the UK economic recovery was going full steam ahead in 2014, i.e. this pointed to it being more likely that Bank Rate would have to go up sooner than had been expected previously. Instead of which, Carney went out on a limb and made comments to the effect that the possibility of any Bank Rate increase in 2014 and, arguably, even as soon as Q1 2015 was minimal. No other MPC member

contradicted these comments, so the logical inference was that his comments must also have been a reflection of the view of the MPC.

- **12 June: Carney Mansion House speech.** Carney expressed surprise that financial markets had not factored in a higher probability that Bank Rate could go up in 2014. To say that the financial markets were flabbergasted by this dramatic change of tack since a month ago was a bit of an understatement!
- **18 June: MPC minutes.** The MPC said, (for a second time), that the decision on rates was becoming more balanced. It also said that the low probability (15%) attached in the markets to a rise in 2014 was “somewhat surprising”. So Carney’s comments at the Mansion House were not a Suarez moment of madness but rather comments that the whole MPC agreed with. So the financial markets now had to go back to where they started from; that they WERE right that a Bank Rate increase was likely in 2014, probably towards the end of the year (November 2014 would be the quarterly Inflation Report month when the MPC would be most likely to take action in Q4). However, to be fair to Carney and the MPC, saying that 15% was too low leaves wide open just how too low this was, i.e. should it have been a 30% risk; or 70%? Do those comments really mean the financial markets are now right to pencil in a first increase in Q4 2014?
- **24 June: Select Committee Carney comments.** An MP accused Carney of being an ‘unreliable boyfriend’ i.e. blowing hot one day and cold the next day. Overall, MPs felt that Carney’s attempts at communicating forward guidance had been muddled and left the financial markets, and others, confused in as much as the various attempts at forward guidance had pointed in different directions. Carney attempted to dig himself out of this onslaught by emphasising that the timing for the FIRST increase in Bank Rate would be data driven i.e. no one could say for certain when that would occur. However, what he placed the most emphasis on was the medium term, i.e. the timing of the first increase was of a lesser degree of importance. So, in the medium term, increases would be “**limited and gradual**”. Also, rates would not get back to around 5% as before the financial crisis. He also criticised the financial markets for not responding to the strength of recent economic data and commented that the MPC would change its views according to how data evolved. This evoked a response from one MP to say that in that case, forward guidance was redundant and we had returned to the days of “old fashioned smoke and mirrors”!

### So where are we now?

- Let’s make an attempt at trying to blow away the smoke of battle to see clearly where we are now: -
- Since our previous interest rate forecast on 19 May, short Sterling rates (a good indicator for when financial markets expect the first increase in Bank Rate), have shifted significantly from indicating an early 2015 first increase to Q4 2014.
- The one piece of guidance which appears to have emerged from the fray of battle unscathed is that in the medium term increases in Bank Rate will be “**LIMITED AND GRADUAL**”. Also, rates would not get back to around 5% as before the financial crisis.
- The MPC have also indicated their concerns that an earlier increase in Bank Rate could help them later with implementing a slower pace of increases in Bank Rate

and keeping Bank Rate lower, than if there was a later timing for the first increase. It, therefore, becomes a matter of debate as to how rigidly they will be driven by actual data and what their 2 to 3 year forecasts for inflation (and on the other side of the same coin - slack), indicate, and instead how much weight they will put on their judgement to decide on the optimum time to vote for the first increase given their medium term concerns. Another way of putting this is 'should forecasters now be placing more weight on what they think the MPC will do, rather than what they think inflation, and other data, would warrant on their own in terms of the timing of the first increase in Bank Rate?'

- Many forecasters have, therefore, brought forward their forecast for the first increase in Bank Rate to take account of the various comments that have been made by the MPC and Carney and the fact that economic recovery in 2014 is likely to be very robust. (27.6.14 June Q1 GDP figure came in at an annual rate of 3.0%. Surveys and other economic data are now pointing to Q2 building further momentum to around an annual rate of 3.4%.) We agree with this movement and have moved forward our first increase in Bank Rate from Q4 2015 to Q1 2015.
- But...and this little word BUT can have such a powerful effect! What would happen in the medium term if economic data were to take a nasty turn? Suppose the MPC over estimate the amount of slack in the economy and under estimate the speed with which it is used up? Or, to put it another way, suppose they get their forecasts for inflation over the next 2-3 years too low and inflation builds up quickly and threatens to become a significant risk. Could the commitment to "limited and gradual" increases in Bank Rate melt and disappear like snow on a balmy spring day? One wonders.
- Accordingly, in our revised interest rate forecast, this earlier start to the timing of the first increase in Bank Rate has resulted in slight increases in Bank Rate in the two subsequent years compared to our previous forecast. However, we have slowed down the pace at which increases occur in line with the 'slow and gradual' forward guidance which has been emphasised recently.

## THE GLOBAL ECONOMY

- We can only repeat our previous warnings that we are in times when events can precipitate major volatility in markets. During this year we have seen a flight to safe havens resulting from investment flows out of emerging countries back to western economies as the prospects for higher growth in these economies has improved. This has been triggered by the Fed's start to tapering and successive months of reducing QE purchases by \$10bn per month.
- As for the EZ, while Ireland and Portugal have made very good progress and have been able to exit from their bail out programmes, there remains the prospect that Greece could require a third bailout package, though not one on the same scale as the first two.
- A further concern over the EZ is the potential "Japanification" of the economy as some countries are now experiencing, or are very near to, deflation. Deflation causes a real increase in the value of debt. This is dangerous in itself for already heavily indebted countries but even more so where countries are still running up annual deficits of 3% or more. We are, therefore, concerned that some EZ countries experiencing low growth, will, over the next few years, see a significant



increase in total government debt to GDP ratios. There is a potential danger for these ratios to rise to the point where markets lose confidence in the financial viability of one, or more, countries. However, it is impossible to forecast whether any individual country will lose such confidence, or when, and so precipitate a resurgence of the EZ debt crisis. While the ECB has adequate resources to manage a debt crisis in a small EZ country, if one, or more, of the larger countries were to experience a major crisis of market confidence, this would present a serious challenge to the ECB and to EZ politicians. All eyes are currently on the ECB in terms of whether they will provide further policy support, having resorted to negative interest rates in June in an effort to encourage financial institutions to lend into the “real economy”.

## **CAPITA ASSET SERVICES FORWARD VIEW**

We would remind clients of the view that we expressed in our previous interest rate revision newsflashes of just how unpredictable PWLB rates and bond yields are as we are experiencing volatility which is highly correlated to geo-political developments.

As there remain the threat of potential risks from a number of sources caution must be exercised in respect of all interest rate forecasts at the current time. The general expectation for an eventual trend of gently rising gilt yields and PWLB rates is predicted to remain unchanged, as market fundamentals will focus on the improved UK economic performance as well as issues such as the sheer volume of UK gilt issuance (and also US Treasury issuance) and the price of those new debt issues. Negative (or positive) developments on the geo-political front as well as any fresh issues regarding an EZ-related sovereign debt crisis could significantly impact safe-haven flows of investor money into UK, US and German bonds and produce shorter term movements away from our central forecasts.

Our interest rate forecast is based on an initial assumption that we will not be heading into a major resurgence of the EZ debt crisis, or a break-up of the EZ, but rather that there will be a managed, albeit painful and tortuous, resolution of the debt crisis where EZ institutions and governments eventually do what is necessary - but only when all else has been tried and failed. Under this assumed scenario, growth within the EZ will be tepid for the next couple of years and, therefore, has the potential to dampen UK growth, as the EU is our biggest export market.

Our PWLB forecasts are based around a balance of risks. However, we would flag up the potential for upside risks, especially for longer term PWLB rates, as follows:-

- A further surge in investor confidence that robust world economic growth is firmly expected, causing a greater flow of funds out of bonds and into equities.
- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

Downside risks currently include:

- The situation over Ukraine poses a major threat to EZ and world growth if it was to deteriorate into “economic warfare” between the West and Russia, where Russia resorted to using its control over gas supplies to Europe. Heightened political risks in the Middle East and East Asia could also trigger safe haven flows back into bonds.
- A failure to rebalance UK growth towards exporting and business investment causing a weakening of overall economic growth beyond 2014.

- A resurgence of the EZ sovereign debt crisis caused by ongoing deterioration in government debt to GDP ratios.
- Recapitalising of European banks requiring more government financial support.
- Lack of support by populaces in Eurozone countries for austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which still face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan.
- There are also increasing concerns that the reluctance of western economies to raise interest rates significantly for some years. This plus the huge QE measures which remain in place (and may be added to by the ECB in the near future), has created potentially unstable flows of liquidity searching for yield and therefore heightened the potential for an increase in risks in order to get higher returns. This is a return of the same environment which led to the 2008 financial crisis.

# Gloucester City Council

<b>Meeting:</b>	Overview and Scrutiny Cabinet	<b>Date:</b> 15 <sup>th</sup> September 2014 17 <sup>th</sup> September 2014
<b>Subject:</b>	Financial Monitoring Quarter 1	
<b>Report Of:</b>	Cabinet Member for Performance and Resources	
<b>Wards Affected:</b>	All	
<b>Key Decision:</b>	No	<b>Budget/Policy Framework:</b> No
<b>Contact Officer:</b>	Andrew Cummings – Management Accountant	
	Andrew.cummings@gloucester.gov.uk	Tel: 396231
<b>Appendices:</b>	Appendix 1 – Progress Against Savings Targets Appendix 2 – Capital Programme	

## 1. Purpose of Report

- 1.1 For Cabinet to note the financial monitoring report details including budget variances, year end forecasts, and progress made against agreed savings targets for the 1<sup>st</sup> quarter ended 30<sup>th</sup> June 2014 (Q1). It also highlights some key performance indicators.

## 2. Recommendations

- 2.1 **Overview and Scrutiny Committee** is asked, subject to any recommendations it wishes to make to Cabinet, to note the contents of the report.

- 2.2 **Cabinet** is asked to **NOTE** that:

- (1) In year savings already achieved total £663k.
- (2) A further £467k of savings are currently in the process of implementation.
- (3) The forecast year end position for 14/15 is currently an overspend against budgets of £44k.

## 3. Background

- 3.1 The figures contained within this report forecast the year end position. This is based on the actual expenditure to the end of Month 3 and forecast forwards based on budget monitoring meetings between service managers and financial services staff.
- 3.2 The financial position for each directorate is presented in a summary table showing the budget for the year as well as final position against budget for the end of the 2014/15 financial year.

- 3.3 At this early stage in the year the figures contained within the tables and analysis assume that all agreed savings will be met. Appendix 1 shows the current progress in achieving those savings. As the year progresses if it becomes apparent that savings will not be met they will be added in as a budgetary pressure.
- 3.4 The 2014/15 budget approved by Council in February 2014 includes agreed savings of £1.38 million. All of the agreed savings have been removed from the budgets of the relevant service area in 2014/15. The savings targets set were front loaded to enable a stronger financial position over the life of the Council's Money Plan. Therefore, if the Council achieves its budgeted position there will be a transfer to the General Fund in 14/15 of £637k. The current forecast overspend of £44k would therefore see an increase in the General Fund of £593k.

#### 4. Council Summary

	<b>2014/15 Budget</b>	<b>Forecast Outturn</b>	<b>Forecast Variance</b>
<b>Services</b>	7,653	7,814	161
<b>Resources</b>	3,794	3,900	106
<b>Funding and Corporate Adjustments</b>	(12,084)	(12,307)	(223)
<b>GCC</b>	<b>(637)</b>	<b>(593)</b>	<b>44</b>

- 4.1 Forecasting a year end position at Q1 is difficult to do with a sufficient degree of accuracy. However, the actual performance at Q1 is basically in line with budget. The current forecast position represents just 0.3% of the net revenue budget for the year of £15.782m. This position will result in an increase in the Council's General Fund balance from £1.869m to £2.462m.
- 4.2 The figures contained within the report assume that all budgeted savings will be made. Appendix 1 indicates that £467k of savings are in progress whilst £250k are at risk. If the savings at risk are not achieved in year the forecast outturn position will deteriorate by the level of savings not made and any expected transfer to the general fund would be reduced accordingly.
- 4.3 The increase of £223k currently forecast in the Funding and Corporate Adjustments area is due to a projected saving on budgeted levels of interest paid on external borrowings. This is as result of the Council's recent treasury management policy of

## 5. Services and Neighbourhoods

	<b>2014/15 Budget £000</b>	<b>Forecast Outturn £000</b>	<b>Forecast Variance £000</b>
Director	187	201	14
Public Protection	(449)	(391)	58
Neighbourhood Services	5,551	5,464	(87)
Development Services	300	328	28
Housing Services	689	662	(27)
Cultural Services and Tourism	571	733	162
Contact Centre and Customer Services	804	817	13
<b>Total</b>	<b>7,653</b>	<b>7,814</b>	<b>161</b>

- 5.1 A number of budgetary pressures have been identified in the early monitoring of the directorate and at this stage an overspend of £161k is anticipated.
- 5.2 The significant pressure remains the events at the Guildhall. As in previous years the events are not anticipated to reach the surplus which is required by the budget, historically the budget set was at an unrealistic level. The current prediction for this shortfall is £144k. This makes up the majority of the anticipated shortfall within the area of cultural services and tourism. This shortfall is, however, an improvement on the shortfall experienced in previous years. A service review of this area is currently being carried out which has the reduction of the budget deficit as one of its areas of review. As the year continues the progress against targets for the Guildhall will be closely monitored.
- 5.3 A small overspend of £28k is anticipated on Development Services. This area currently has a number of temporary staff filling posts which is creating a cost pressure within the service. It is hoped to offset this against savings due to staff vacancies to balance the position by the end of the year.
- 5.4 The Green Garden Waste Scheme income projections currently show that income is likely to be £57k under the budget against the approved income budget of £630k. Options are currently being explored to bring in additional income during 2014/15 and managers are currently producing financial analysis to try and quantify the impact of those options.

5.5 Within the Service Area of Public Protection a budgeted saving of £50k within the markets budget is not anticipated to be made in 2014/15. This creates a potential overspend at this stage of the year but it is hoped that other savings within the service will be sufficient to compensate.

5.6 Variances in other service areas remain small and within acceptable tolerance limits for this early stage of the year.

**6. Resources**

	<b>2014/15 Budget £000</b>	<b>Forecast Outturn £000</b>	<b>Forecast Variance £000</b>
Audit	121	128	7
Business Improvement	1,761	1,809	48
Finance	146	86	(60)
BT & T	648	832	184
Director	90	107	17
Parking	(875)	(905)	(30)
Regeneration and Economic Development	426	398	(28)
HR	323	336	13
Legal, Democratic and Communications	1,154	1,109	(45)
<b>Resources</b>	<b>3,794</b>	<b>3,900</b>	<b>106</b>

6.1 A cost pressure is anticipated within the budgets relating to hardware and software purchase and maintenance for BT&T. This is not related to the recent changeover of the BT&T provision to Civica but rather to existing cost pressures within these budgets. The Council is exploring options to procure these items in a more cost efficient manner to keep the future costs within budgeted levels.

6.2 Within Business Improvement an overspend is currently predicted of £48k. The Council is making significant investment (circa £100k) to improve systems security being partly offset by other predicted savings within Business Improvement.

6.3 A restructuring within Asset Management is predicted to deliver budgeted savings of £100k per annum. The restructuring will take place part way through during 14/15 so only partial savings are anticipated in 2014/15.

- 6.4 Financial Services has reported overspends against budget in previous years due to the use of temporary staff to help with the necessary reorganisation of the department. There are no longer any temporary staff within the department so staffing costs are expected to be on budget with a £60k underspend for the department as a whole.
- 6.5 All other services have the small variances to be expected at this time of year. The combined position for the directorate is an anticipated overspend of £106k.

## **7. Savings**

- 7.1 Appendix 1 shows that £663k of savings have already been successfully implemented in 2014/15. This includes £100k from the Senior Management Restructure, a £100k reduction in the management fee to Aspire and £100k of savings from the new Civica IT contract.
- 7.2 An additional £467k of savings are in progress with managers actively working through plans or seeking proposals to implement the agreed savings. Within the Amey contract there is a likely to be a saving of around £100k due to agreement that has been reached with Amey about changes to the mechanism for the annual inflationary contract price increase. Additional savings of £400k are being identified in discussions between Council officers and Amey. Within Cultural Services the Council is currently using the services of a consultant to review the services provided and seek to provide options for reducing the running costs to the Council. The Head of Regeneration and Economic Development is putting together restructure plans which will achieve that area the required savings of £100k per annum.
- 7.3 Appendix 1 highlights the levels of savings that are considered to be at risk. Budget holders continuously strive to achieve further efficiencies and budget surpluses, as they know that in future years, the Council will have less money than it has currently. Management action will be taken in areas where savings plans are at risk of not being achieved or deficit budgets are being forecast.

## **8. Capital Programme**

- 8.1 The Capital Programme budget for the year, including Housing Expenditure, is £16.001m expenditure year to date is £456k. It must be noted that this is early in the financial year and forecast year end expenditure is £9.25m. Capital Programme projects may run over a number of financial years, which will cause in year variances.
- 8.2 Appendix 2 provides summarised details by area.

**9. Supplier Payments**

9.1 The Council is committed to paying invoices within terms. At the end of Quarter 1, the actual achievement was 93% within 30 days. The details on prompt payment (30 days performance) are:

	<b><u>TOTAL QUARTER 1</u></b>	
Number paid within 30 days	2619	93%
Number paid over 30 days	183	7%
Total Invoices paid	2802	
Average Days to Pay (from receipt of invoice to payment date)	9	

**10. Financial Implications**

10.1 Contained in the report

(Financial Services have been consulted in the preparation this report.)

**11. Legal Implications**

11.1 There are no legal implications from this report

(Legal Services have been consulted in the preparation this report.)

**12.0 Risk & Opportunity Management Implications**

12.1 There are no specific risks or opportunities as a result of this report

**13. People Impact Assessment (PIA):**

13.1 A PIA screening assessment has been undertaken and the impact is neutral. A full PIA is not required.

**14. Other Corporate Implications**

<u>Community Safety</u>	None
<u>Sustainability</u>	None
<u>Staffing &amp; Trade Union</u>	None



**Budget Savings Programmes - 2014/15**

Service	Details: aim of the project	2014/15 £000	Achieved £000	In		Not Achieved	Comments
				Progress £000	At Risk £000		
Neighbourhood Services	Amey contract review, ongoing project from 2013/14 with requirement to identify further savings	(500)	(100)	(400)			£100k saving achieved. Continuing discussions with Amey are near conclusion to deliver further savings.
Neighbourhood Services	Environmental Team Review	(100)			(100)		A review of the operations of the Environmental Planning Team is to be carried out to identify potential savings.
Business Improvement	Aspire, ongoing project from 2013/14 with requirement to identify further savings	(100)	(100)				Contract price changed to achieve saving 14/15
Business Improvement	Accommodation Saving	(90)	(90)				
Business Improvement	Grants to VCS	(100)	(100)				
Public Protection	Shopmobility	(50)			(50)		
GLT	Senior Management Restructure		(100)				Early achievement of Senior Management Restructure, saving achieved 14/15 rather than 15/16
Guildhall	Events grant	(10)	(10)				
Public Protection	Market Service	(50)				(50)	No saving expected in 14/15
Development Services	Building Control savings to be gained from Shared Services	(30)	(30)				Will be achieved in year. Long term saving not yet achieved.
Commercial Services	Museums Operational Review	(50)			(50)		Consultant Appointed
Commercial Services	Guildhall Operational review	(50)			(50)		Consultant Appointed
Regeneration	Asset Management Service Review	(100)		(50)		(50)	Proposed Review in place to deliver £100k savings. This will be achieved part way through the year.
Business Improvement	CIVICA, review further savings on contract	(50)	(33)	(17)			Contract price changed to achieve saving 14/15
ICT	BT & T Outsourcing	(100)	(100)				Contract price changed to achieve saving 14/15
		<b>(1,380)</b>	<b>(663)</b>	<b>(467)</b>	<b>(250)</b>	<b>(100)</b>	

This page is intentionally left blank

Summarised Capital Programme 2014/15

Directorate	Revised budget 2014/15	Actual Spend to date	Variance	Forecast	C/F-or request 2015/16
<b>Regeneration</b>	5,220,628	253,149	4,967,479	600,000	4,520,628
The Regeneration capital programme includes the City Centre Fund projects, Kings Quarter, repairs to the Eastgate rooftop car park, Commuted Funds for social housing and various building works projects					
<b>Service and Neighbourhoods</b>	2,553,597	142,295	2,411,302	650,000	1,903,597
The Services and Neighbourhoods capital programme includes agreed Section 106 funded projects, the Lottery funded Townscape Heritage Initiative project, the Herbert Reception upgrade, improvements at the Depot, Crematorium and public spaces					
<b>Resources</b>	331,310	8,805	322,505	200,000	131,000
The Resources capital programme covers various IT projects					
<b>Housing General Fund</b>	795,860	121,326	674,534	700,000	95,860
The Housing General Fund capital programme covers various grant funded housing projects, including Disabled Facilities improvements					
<b>HRA</b>	7,100,000	1,217,480	5,882,520	7,108,780	0
The HRA capital programme funds improvements to the GCH managed housing stock					
<b>TOTAL</b>	16,001,395	1,743,055	14,258,340	9,258,780	6,651,085

This page is intentionally left blank