



**Gloucester
City Council**

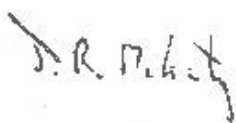
Cabinet

**Meeting: Wednesday, 14th September 2016 at 6.00 pm in Civic Suite,
North Warehouse, The Docks, Gloucester, GL1 2EP**

Membership:	Cllrs. James (Leader of the Council and Cabinet Member for Regeneration and Economy) (Chair), Dallimore (Deputy Leader and Cabinet Member for Communities and Neighbourhoods), Noakes (Cabinet Member for Culture and Leisure), D. Norman (Cabinet Member for Performance and Resources) and Organ (Cabinet Member for Housing and Planning)
Contact:	Atika Tarajiya Democratic Services Officer 01452 396127 atika.tarajiya@gloucester.gov.uk

AGENDA	
1.	APOLOGIES FIELD_PAGE_RANGE To receive any apologies for absence.
2.	DECLARATIONS OF INTEREST FIELD_PAGE_RANGE 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.
3.	MINUTES FIELD_PAGE_RANGE To approve as a correct record the minutes of the meeting held on 20 th July 2016.
4.	PUBLIC QUESTION TIME (15 MINUTES) FIELD_PAGE_RANGE 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"> • Matters which are the subject of current or pending legal proceedings, or • Matters relating to employees or former employees of the Council or comments in respect of individual Council Officers
5.	PETITIONS AND DEPUTATIONS (15 MINUTES) FIELD_PAGE_RANGE To receive any petitions or deputations provided that no such petition or deputation is in relation to: <ul style="list-style-type: none"> • Matters relating to individual Council Officers, or • Matters relating to current or pending legal proceedings

6.	<p>GLOUCESTER LOTTERY FIELD_PAGE_RANGE</p> <p>To consider the report of the Cabinet Member for Communities and Neighbourhoods seeking approval to research the launch of an on line Gloucester Lottery to help fund discretionary support to local voluntary and community sector (VCS) and also enable good causes to raise funds directly.</p>
7.	<p>PROPOSAL TO ADOPT A LATE NIGHT LEVY FIELD_PAGE_RANGE</p> <p>To consider the report of the Cabinet Member for Communities and Neighbourhoods requesting Members to consider whether or not to consult on a late night levy in Gloucester.</p>
8.	<p>FINANCIAL MONITORING QUARTER 1 REPORT FIELD_PAGE_RANGE</p> <p>To consider the report of the Cabinet Member for Performance and Resources updating Members on the financial monitoring report details including budget variances, year-end forecasts, and progress made against agreed savings targets for the 1st quarter ended 30th June 2016.</p>
9.	<p>REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) SIX MONTHLY REPORT ON USE OF RIPA POWERS FIELD_PAGE_RANGE</p> <p>To consider the report on the Cabinet Member for Performance and Resources updating Members on the Council's use of its powers under the Regulation of Investigatory Powers Act 2000 (RIPA).</p>



Jon McGinty
Managing Director

Date of Publication: Tuesday, 6 September 2016

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

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For further details and enquiries about this meeting please contact Atika Tarajiya, 01452 396125, atika.tarajiya@gloucester.gov.uk.

For general enquiries about Gloucester City Council’s meetings please contact Democratic Services, 01452 396126, 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.

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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

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- 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, 20th July 2016

PRESENT : Cllrs. Dallimore (Chair), Noakes, D. Norman and Organ

Others in Attendance

Jon McGinty, Managing Director

Shirin Wotherspoon, Solicitor

Jonathan Lund, Corporate Director (Service Transformation)

Anne Brinkhoff, Corporate Director (Transformation)

Jon Topping, Head of Finance

Atika Tarajiya, Democratic Services Officer

APOLOGIES : Cllrs. James and Porter

12. DECLARATIONS OF INTEREST

There were no declarations of interest.

13. MINUTES

RESOLVED:

That the minutes of the meeting held on 20th July 2016 be confirmed and signed as a correct record and signed by the Chair.

14. PUBLIC QUESTION TIME (15 MINUTES)

Councillor Haigh, referring to agenda item 7, Safe and Attractive Streets Policy, commented that the policy made no mention of the Vagrants Act 1924 and queried whether this legislation had been fully considered when drafting the policy.

Councillor Dallimore advised that the legislation had been taken into account acknowledging that the drafted policy was intended to go further into tackling anti-social behaviour within the City Centre, including street drinking and the use of legal highs.

15. PETITIONS AND DEPUTATIONS (15 MINUTES)

There were no petitions or deputations.

16. RECOMMENDATIONS FROM THE OVERVIEW AND SCRUTINY TASK AND FINISH GROUP ON ACTIONS TO IMPROVE HOUSING CONDITIONS IN THE PRIVATE RENTED SECTOR

Introduction from a Member of Overview and Scrutiny Committee

Councillor Kate Haigh summarised key achievements of the Task and Finish Group advising Members that work undertaken by Officers had achieved an estimated £25,000 in savings. She reported that partnership working had developed closer working relationships with Trading Standards and Fire Service to continue to improve living conditions and lives of residents within the City.

She stressed that continuing enforcement action by the City Council, in addition to working with landlords utilising an asset based community development approach was required to ensure that standards around the City were of the level expected.

Councillor Haigh expressed hope that Cabinet continued to fund the work undertaken by the Private Sector Housing Officer and encouraged the Cabinet Member for Housing and Planning (Colin Organ) to pursue the outcome of the public consultation on extending mandatory HMO licensing undertaken by Central Government approximately six months ago.

In response to Councillor Organ's query regarding Members attending site visits, Councillor Haigh reported that Members did not participate in site visits but were given copies of inspection reports and photos taken of the site to gain a clear understanding of the living conditions experienced.

The Cabinet Member for Performance and Resources (Councillor David Norman) advised in the current economic climate, the City Council would be able to provide funding until April 2017 and thereafter a full review would need to take place.

Response from Cabinet Member for Housing and Planning

Councillor Organ thanked the Task and Finish Group for the excellent work and agreed that all the recommendations had been accepted. He stressed the importance of managing the degeneration of the City and noted that this piece of work delivered a strong message to landlords within the City.

Cabinet Members welcomed the findings of the Task and Finish Group and thanked Members and Officers for all their efforts. They acknowledged that there were areas of the City that suffered from poor living conditions and noted the direct link with poverty of its residents.

RESOLVED:

That the recommendations of the Overview and Scrutiny Task and Finish Group, as set out in Appendix 2 to this report, (and summarised in 2.2) be addressed and the opportunity be taken to action these matters at the earliest opportunity.

17. SAFE & ATTRACTIVE STREETS POLICY

Cabinet considered the report of the Cabinet Member for Communities and Neighbourhoods (Councillor Dallimore) which sought approval for the introduction of a “Safe & Attractive Streets” policy which covers begging, street drinking, rough sleeping and so-called “legal highs”.

Councillor Dallimore acknowledged that there had been complaints from visitors and business regarding the anti-social behaviour within the City Centre. She explained that the policy aimed to create a working balance between finding support and engaging for vulnerable people and enforcement action against those who consistently refused to engage.

She advised that the policy had been met with wide spread support, and noted that policy would be implemented beginning tomorrow. She commented that the option for a public space protection order would be fully explored and a 12 week consultation period would be required.

In response to the query from the Cabinet Member for Culture and Leisure (Councillor Lise Noakes) regarding enforcement action on street drinkers in the City Centre, Councillor Dallimore advised that a designated public place order (DPPO) was in place and allowed the Police to move street drinkers on. She encouraged Members and residents to continue to report incidents to help aid enforcement action.

Cabinet Members expressed disappointment that the anti-social behaviour was affecting tourism within the City. They acknowledged the difficulties in identifying genuine cases of vulnerability and welcomed the pro-active policy aimed to tackle these issues.

RESOLVED:

1. The “Safe & Attractive Streets” policy outlined in Appendix 1 be adopted.
2. Awareness campaigns to help tackle street nuisance and raise awareness of support for rough sleepers be used
3. That the lead Cabinet Member delegates authority to the Head of Public Protection to sign off public space protection orders (PSPO)
4. Consideration be given to exploring Making Every Adult Matter that reviews local services and can develop co-ordinated interventions that can transform lives.

18. CITY CENTRE INVESTMENT FUND ALLOCATIONS AND UPDATE

Cabinet considered the report of the Cabinet Member for Regeneration and Economy (Councillor Paul James) updating Members on the projects within the City Centre Investment Fund (CCIF) delivery programme and which sought approval to reallocate funds to maximise the benefits of the CCIF to the City.

Councillor Dallimore summarised key areas of the report, reporting that funds had been reallocated once it had become clear that the final cost of the projects was less than anticipated. She welcomed funds allocated to Kings Walk Bastion, which recognised the City's Roman history and the allocation set aside for the re-paving for Eastgate and Westgate Street as promised in the 2015 Conservative Manifesto.

Councillor Noakes commented that the monies allocated for the delivery of Cultural Strategy would partially be used to fund improvements to the Kings House Cultural hub, in addition to the delivery of other projects within the Cultural strategy.

RESOLVED:

1. That the following new projects be allocated resources:
 - a) Opening of Kings Walk Bastion, £20,000
 - b) Contribution towards developing the capital components of the cultural strategy, £30,000
 - c) £20,000 be allocated for commissioning economic profiling of the city centre to support the delivery of the Business Improvement District and Kings Quarter.

2. That the following projects receive additional allocations:
 - a) £50,000 be allocated for business support and authority be delegated to the Head of Regeneration & Economic Development, in consultation with the Cabinet Member for Regeneration & Economy, to develop a policy that enables the Council to secure a financial return where appropriate
 - b) £30,000 be allocated for the delivery of a city centre public realm masterplan
 - c) Targeted Historic Grants scheme £40,000 to include £3,000 towards the refurbishment of building plaques

3. That the following be noted:
 - a) The final cost of the ANPR will be met through the contingency sum

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- b) The success of the relocated Gloucester Antiques Centre at 26 Westgate Street has meant that this important heritage building is now occupied and a review of the format and location of the Tourist Information Centre will take place following the completion of the Visitor Information Strategy.

19. COUNCIL ADVERTISING NETWORK

Cabinet considered the report of the Cabinet Member for Performance and Resources which sought approval to continue with the advertising on the Council's website via the Council Advertising Network for another year.

Councillor Norman highlighted key areas of the report, acknowledging that whilst the income generated was less than anticipated, the service did not cost the Council any money. He advised that he had asked for regular meeting to monitor this arrangement.

Cabinet welcomed the proposals, noting that the approach was sensible and contributed towards the Council's savings target.

RESOLVED:

1. A twelve months extension of the term of the contract from October 2016 advertise via the web site through CapacityGrid be approved.
2. The contract be monitored on a regular basis with a report produced at the end of the contract with proposals for the future.

20. GCH GOVERNANCE STRUCTURE & RULE AMENDMENT

Cabinet considered the report of the Cabinet Member for Housing and Planning which sought approval for an amendment to the Rules of Gloucester City Homes in order to implement governance improvements.

Councillor Organ advised Members that the changes were as a result of statutory guidance issued by the Homes and Community Agency. He explained that the makeup of the new board would ensure that the relevant skills and expertise was available to ensure that Gloucester City Homes were able to manage the organisation and diversify their business.

RESOLVED:

That the GCH Rules as appended to this report be approved.

Time of commencement: 6.00 pm

Time of conclusion: 6.34 pm

Chair

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Gloucester City Council

Meeting:	Cabinet	Date:	14 September 2016
Subject:	Gloucester Lottery		
Report Of:	Cabinet Member for Communities and Neighbourhoods		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Jon Topping, Head of Finance		
	Email: jon.topping@gloucester.gov.uk	Tel: 396242	
Appendices:	None		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To gain Cabinet approval to the launch of an on line Gloucester Lottery to help fund discretionary support to local voluntary and community sector (VCS) and also enable good causes to raise funds directly.

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE that:**

- (1) A local authority run Lottery be introduced, called the Gloucester Lottery.
- (2) The purpose of the lottery be to raise funds for local charities, voluntary organisations and good causes in the city.
- (3) The City Council works with Gatherwell, the external lottery management company (ELM) to run the lottery on behalf of the Council.
- (4) The City Council hosts a launch event to promote the lottery.
- (5) Authority be delegated to the Head of Finance to take all necessary steps to introduce the Gloucester Lottery including the final specification in consultation with the Cabinet Member for Communities and Neighbourhoods and the Council Solicitor

3.0 Background and Key Issues

- 3.1 As budget pressures continues to grow on all aspects of the council's work – there will inevitably be an impact on the funding available for good causes during the medium term. The concept of an Gloucester Lottery and other alternative funding arrangements are being considered, with the focus on how this would be delivered, and how this could align with existing funding for good causes.

- 3.2 Gloucester City Council has historically provided substantial financial support for the VCS across the City, helping to deliver a number of corporate aims, and we currently distribute around £314k per annum through Service Level Agreements, ABCD Grants, Members Allocations, Community Builder fund as well as through Community Grants and other one off support.
- 3.3 A Gloucester Lottery has the potential to help all organisations to address any funding pressures they are facing. The lottery proposal will help move Gloucester City from ‘provider to enabler’.
- 3.4 As the savings programme develops the business model of the council will change, away from the provider of all services to a more diverse model of buying and selling services, as well as the public and groups being able to ‘self help’.

4.0 Lotteries – Background

- 4.1 Lotteries have long been a way of smaller organisations raising income. They are regulated by the Gambling Act 2005. There are different types of lotteries available, however in this report we are only discussing ‘local authority lotteries’.
- 4.2 Local authority lotteries are promoted by councils and permit the authorities to use the net proceeds of such lotteries for any purpose for which they have power to incur expenditure.
- 4.3 In all cases, lotteries have to deliver a minimum of 20% of proceeds to good causes. It is expected that the final report will recommend a minimum of 50% of proceeds would go to good causes in the Gloucester Lottery.
- 4.4 As a local authority the Council will have to be licensed by the Gambling Commission.

The Lottery Market Place

- 4.5 There are three well-known national lotteries running in England and Wales – the National Lottery, Health Lottery and the Postcode Lottery. Set out in the table below are some background statistics regarding those providers for comparison.

Provider	Jackpot odds	Any Prize odds	% to good causes	% to operator owner
Euromillions	1:116m	1:13	28%	22%
National Lottery	1:14m	1:54	28%	22%
Health Lottery	1:2m	1:209	20%	22%
Postcode Lottery	No Data	No Data	27.5%	32.5%

- 4.6 A Gloucester lottery would need to have a key set of aims and unique selling points that would resonate with players. Detailed below are some of the key aims;
- Proceeds for local delivery
 - Maximise Community Benefits
 - Minimise Cost

- Deliver Local Winners
- Facilitate wider benefits

- 4.7 A review of available delivery options for the lottery will be undertaken. In doing so it should be remembered that it is very difficult to assess the number of actual players that may take up a Gloucester Lottery.
- 4.8 One key issue is that the lottery will have to be online. This is due to the costs of distribution and sales in any other way. As the Council enhance its digital approach the lottery will be able to be accessed via desktop, mobile and tablet.
- 4.9 The suggested model would operate at two levels:

Central Fund – operating City wide, with profits generated distributed through existing mechanisms used by the Council to local voluntary and community organisations. Players in this option would not specify a group to benefit from the proceeds and the funds will go to existing VCS funding commitments. This will help those organisations which may have fewer local supporters and/or less ability to generate funding support due to the nature and/or size of their services.

Specific Good Causes – this version of the lottery enables groups to ‘sign up’ to take part in the lottery specifically raising the 50% share for their good cause. By signing up they would have their own web page for the lottery helping them in engaging players and raising income. This option removes a number of hurdles for groups who might struggle to take part in their own lotteries (eg holding own license and setting up infrastructure to enable the lottery to run).

The Council would be the overall license holder and control the good causes joining the scheme. Players buying tickets through specific web pages would know that the profits are for that specific good cause. This in turn motivates the group to gain more players to support their specific cause. This option in effect operates as an ‘umbrella’ scheme within the main Gloucester Lottery.

The council would retain some (10%) of the proceeds to help existing funding streams for the VCS, while local organisations would also have the platform to fundraise independently.

A draft acceptance criteria will be prepared for any good causes wishing to join the lottery.

- 4.10 All sales for the lottery (no matter which version the player chooses) would operate via a dedicated website (specific good causes would have their own landing pages), and be funded via an online direct debit or payment card for tickets. This approach would be to keep operating costs at a minimum.

Delivery Options

- 4.11 The options for delivery of a lottery are either in house or through an External Lottery Manager (ELM).

- **In-house** - This option would see the setting up of the necessary posts and systems to run a lottery in-house. This has not been fully costed, but it is considered to be significant for set-up costs alone. It is expected there would be a requirement for a lottery manager and the necessary development of software systems to enable the lottery to run.

- **External Lottery Manager (ELM)**- This option would see a partnership with an existing deliverer of lotteries in the market place. This in effect means 'buying in' the skills and expertise of an existing provider and sharing the risk with them to deliver the lottery. The ELM will deliver all aspects of running the lottery, from ticket payments, prize management and licensing, and share with the Council and good causes the role of marketing.

4.12 The option of using a ELM will be further explored, balancing the set up costs, unknown player numbers and the skills base needed to run a lottery.

4.13 A council lottery has been successfully launched by Aylesbury Vale District Council in November 2015 with £60k having already been raised for good causes. The Council will take into account the research already undertaken by Aylesbury Vale in recommending the proposal to Council including pricing and prize fund allocation.

4.14 The Council lottery will be viewed by the public as follows;

- Non engaging Supporters – These will never be a supporter as they are not motivated by prizes or giving
- Altruistic Supporters – Will support because of the good cause alone.
- Prize motivated Supporters – Motivated by the odds and prize structure
- Optimistic Supporters - Needs the dual motivation of prizes and giving to good causes to support.

With these types in mind the Council Lottery primarily will be seen as an opportunity to support good causes and not a promotion of gambling.

5.0 Reasons for Recommendations

5.1 To help in addressing the budgetary pressures facing the council in the future, and to enable community groups to 'self help' by gaining access to their own lottery within the Lottery umbrella scheme.

5.2 Consultation will be undertaken with the VCS to ensure the implications of the scheme are detailed and to raise awareness of potential benefits

6.0 ABCD Implications

6.1 Enables communities to take more control and build upon their existing work. Is an easier way for grass roots community groups to apply for funding and therefore develop their group further, especially if they have been put off by the application process of the grants scheme in the past.

- 6.2 A Gloucester Lottery would create more publicity and awareness of community groups which would consequently promote their good work to those who most need it and potentially increase their volunteers and supporters.

7.0 Financial Implications

- 7.1 By using an ELM it is expected there will be initial set up costs of approximately £3k. The Council will be required to register with the gambling commission with one off costs of £244 and £692 per annum registration. To enable the lottery to be marketed successfully prior to launch it is expected £3500 will be required for marketing and promotion. These costs would be met from existing budgets.
- 7.2 As the Council is required to make further budget reductions a Gloucester lottery will assist good causes in raising funds.

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

8.0 Legal Implications

- 8.1 It will be necessary for the Council to make an application to the Gambling Commission and appropriate An Application is to be made to the Gambling Commission and appropriate authority for a Lottery Operating Licence, and it is assumed a Remote Gambling Licence.
- 8.2 The Licence will be subject to conditions laid down by the Commission.
- 8.3 The Council must have regard to the Conditions and Codes of Practice which are published by the Commission.
- 8.4 S257 of the Gambling Act 2005 permits councils from employing an external lottery manager (ELM) to run all or part of their lottery. ELMs are registered with the Commission

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

9.0 Risk & Opportunity Management Implications

- 9.1 The propped lottery would not see the Council exposed to risk of payment for prizes. A proportion of each ticket sold is towards the prize fund and the ELM has insurance to ensure the Council is not at risk.
- 9.2 It is of course, based on the success of the Vale Lottery, anticipated that the Gloucester Lottery will be as successful. However, should play of the lottery be suspended or fail entirely, Gatherwell's terms and conditions ensure that neither Gatherwell or GCC will be liable for any loss or failure.

10.0 People Impact Assessment (PIA):

- 10.1 None.

11.0 Other Corporate Implications

Community Safety

11.1 None.

Sustainability

11.2 None.

Staffing & Trade Union

11.3

Background Documents: None

Gloucester City Council

Meeting:	Cabinet	Date:	14th September 16
Subject:	Proposal to adopt a Late Night Levy		
Report Of:	Cabinet member for Communities and Neighbourhoods		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Darren Mountford, Senior Licensing & Markets Officer		
	Email:	darren.mountford@gloucester.gov.uk	Tel: 396240
Appendices:	1. Late Night Levy – Consultation Document		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 The purpose of this report is to consider whether or not to consult on a late night levy in Gloucester.

2.0 Recommendations

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

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

- (1) A proposal be made to adopt a late night levy in Gloucester.
- (2) Gloucester City Council proceed with a formal statutory consultation on the proposal to introduce a late night levy as detailed in **Appendix 1**.
- (3) That the Corporate Director be authorised to take all necessary steps to ensure that consultation is undertaken in accordance with the relevant statutory requirements.

3.0 Background and Key Issues

- 3.1 Gloucester City Council is mindful of the reduced resources available to Gloucestershire Constabulary to deal with alcohol fuelled crime and disorder within the night time economy.

- 3.2 Part two of the Police Reform and Social Responsibility Act 2011 introduced a new discretionary power for Licensing Authorities to introduce a late night levy to apply to their districts.

- 3.3 This discretionary power, if adopted by the Council, enables the Authority to charge a levy from persons who are licensed to sell alcohol late at night as a means of raising a contribution towards the costs of policing the late night economy. It is important to note that the rationale is not to restrict the extent of the late night economy but to ensure a contribution towards the consequential costs.
- 3.4 A report on the Late Night Levy previously went before the Licensing and Enforcement Committee on 18 June 2013. The Licensing and Enforcement Committee resolved:
1. That the report be noted.
 2. That there will be no introduction of a Late Night Levy at this time. Any future implementation will depend on the City enjoying a vibrant night-time economy.

Statutory Criteria for the introduction of the levy

- 3.5 The decision to introduce the late night levy requirement is for the Council to make. However, the Home Office Guidance makes it clear that as a first step the Council is expected to consider the need for a levy with the Chief Officer of Police and the Police and Crime Commissioner (PCC). Their views are fundamental to this process. The PCC would need to support any evidence that the Police provide in order for the Council to consider whether there is a need to introduce a late night levy in Gloucester.
- 3.6 If there is evidence from the Police for a need to introduce a late night levy then the Council would need to consult on its proposal with residents and all premises licence and club premises certificate holders whose authorisations permit the supply of alcohol during the late night supply period.
- 3.7 The guidance does not specify how long the council should consult on the proposal for. The Home Office guidance states that the consultation "...is expected to be proportionate and targeted, so that the type and scale of engagement is relative to the potential impacts of the proposal."
- 3.8 As the regulations do not prescribe how long the Council should consult, it is recommended that a 12 week consultation would be undertaken in accordance with the HM Government's Code of Practice on consultation.
- 3.9 At the end of the consultation, Cabinet will assess the consultation responses. The final decision to introduce the levy and its design would be made by full council.

Implementation of the levy

- 3.10 Following a decision to adopt the levy, the Council must notify the PCC, Chief Officer of Police, neighbouring authorities and all holders of a licence or certificate in relation to premises which permit the supply of alcohol within the late night supply period.
- 3.11 The notice must specify the start date for the levy, the late night supply period, any exemptions and reductions and how the revenue will be shared between the PCC and Gloucester City Council.
- 3.12 Holders of a licence or certificate that will be affected by the decision to adopt the levy must be given the opportunity to apply for a free variation of their licence to exclude themselves from the late night supply period. The cost of processing free

variations will be a deductible expense from the levy receipts in year zero which is the first year in which the levy is introduced.

- 3.13 The guidance also suggests that the Council sets the start date of the levy no less than three months after the notifications have been sent to permit adequate time for licence or certificate holders to apply for a variation of their licences.
- 3.14 Subject to exemptions that may be applied, the levy will apply to the whole of Gloucester City Council's area.
- 3.15 The levy will be payable by the holders of a premises licence or club premises certificate which authorise the sale or supply of alcohol on any days during a period (late night supply period) beginning on or after midnight and ending at or before 6am regardless of whether the premises are actually operating during the period.
- 3.16 The late night supply period can be for any length between midnight and 6am but must be the same every day.
- 3.17 The levy will not apply to Temporary Event Notices that authorise the sale of alcohol during the late night supply period.

Permitted Exemptions and Reductions

- 3.18 The Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012 prescribe a number of permitted exemption categories from the levy. These exemption categories are discretionary and the Council can decide which, if any, should apply.
- 3.19 These exemption categories are:

Premises with overnight accommodation: This exemption is not applicable to any premises which serve alcohol to members of the public who are not staying overnight at the premises, such as a hotel bar which can be accessed by the general public.

Theatres and cinemas: Premises in this category must ensure that, during the late night supply period, the sale of alcohol is only made for consumption on the premises to ticket holders, participants in the production or invited guests to a private event at the premises. Licensing authorities should be satisfied that premises which are eligible for this exemption are bona-fide theatres or cinemas, and that the sale of alcohol is not the primary purpose of their businesses. The definition of a "cinema" or a "theatre" should be readily understood by its plain, ordinary meaning.

Bingo halls: Premises in this category must be licensed and regulated under the Gambling Act 2005.

Community Amateur Sports Clubs ("CASCs"): Premises in this category must have relief from business rates by virtue of being a CASC (Section 658 of the Corporation Tax Act 2010).

Community premises: Premises in this category must have successfully applied for the removal of the mandatory Designated Premises Supervisor ("DPS") requirement and demonstrated that they operate responsibly.

Country village pubs: In England, premises in this category must be the sole pub situated within a designated rural settlement with a population of less than 3,000. The definition of a rural settlement appears in the qualifications for rural rate relief in Part III of the Local Government Finance Act 1988. **This would not apply to any premises in Gloucester.**

New Year's Eve: Licensing authorities can offer an exemption from the levy for holders in relation to premises which only have a relevant late-night authorisation by virtue of their being permitted to supply alcohol for consumption on the premises on 1st January in every year.

Business Improvement Districts ("BIDs"): Licensing authorities can offer an exemption from the levy for premises which participate in BIDs that operate in the night-time economy and have a satisfactory crime and disorder focus. The Government would expect licensing authorities to carefully consider exempting eligible BIDs from the levy. It is up to the licensing authorities' discretion to determine whether the BIDs in their area are eligible. Gloucester City does not currently have a BID however; there is a BID task group set up to consider this

Permitted Reductions

- 3.20 The Council may wish to use the late night levy to promote and support participation by premises in business-led best practice schemes by deciding to apply a 30% reduction for premises that participate in such schemes. The 30% reduction is a flat rate and there are no cumulative discounts applicable for example, where a premise participates in more than one best practice schemes.
- 3.21 Qualifying best practice schemes are schemes that have:
- A clear rationale as to why the scheme's objectives and activities will, or are likely to, result in a reduction of alcohol-related crime and disorder.
 - A requirement for active participation in the scheme by members.
 - A mechanism to identify and remove in a timely manner those members who do not participate appropriately.
- 3.22 The Council has the discretion to determine how best practice schemes can demonstrate that they meet these benchmarks.
- 3.23 The Council can also offer a reduction to holders in relation to on-trade premises that are in receipt of Small Business Rate Relief and have a rateable value of £12,000 or less. This only applies to premises licence holders that supply alcohol for consumption on the premises.

The levy charge

- 3.24 The amount of the levy is prescribed nationally and based on the current licence fee system under the Licensing Act 2003, with holders being placed in bands based on their premises rateable value. The annual charges for the levy will be:

Rateable Value	Late Night Levy Fee	Current Annual Fee	Total Annual cost
Band A (no rateable value to £4,33)	£299	£70	£369
Band B (£4,301 to £33,000)	£768	£180	£948
Band C (£33,001 to £87,000)	£1,259	£295	£1,554
Band D (£87,001 to £125,000)	£1,365	£320	£1,685
Band E (£125,001 and above)	£1,493	£350	£1,843
In respect of premises in band D and E that primarily or exclusively sell alcohol then a multiplier of x2 is applied to the fee in respect of band D and x3 in respect of band E.			
D x 2 Premises in category D that primarily or exclusively sell alcohol	£2,730	£640	£3,370
E x 3 Premises in category E that primarily or exclusively sell alcohol	£4,440	£1,050	£5,490

3.25 Any payment of the levy which is owed to the Council can be recovered as a debt due to the authority. Non-payment of the levy can result in suspension of a premises licence or suspension of club premises certificate.

Levy Revenue

3.26 The net levy revenue must be split between the Council and the PCC. The Council must pay at least 70% of the net levy revenue to the Police after it has deducted the administration costs incurred. The Council can choose to amend the portion of the net levy revenue that will be given to the PCC in future levy years. This decision will be subject to consultation in the same way as the decision is to introduce the levy.

3.27 The Council will be able to retain up to 30% of the net levy revenue to fund services it provides to tackle late night alcohol-related crime and disorder and services connected to the management of the night time economy. These activities must have regard to the connection with the supply of alcohol during the late night supply between 00:00 and 06:00 and related to arrangements for:

- The reduction of crime and disorder;
- The promotion of public safety;
- The reduction or prevention of public nuisance; or
- The cleaning of any relevant highway or relevant land in its area.

The money raised from the late night levy could be spent on existing or new services that meet the above criteria.

3.28 Whilst the regulations and guidance prescribe what the Council must spend its portion of the levy on, it does not place a similar spending restrictions on PCC other than to say they should "...be spent on tackling alcohol-related crime and disorder in the area in which the levy was raised."

3.29 The Council can deduct the costs it incurs in connection with the introduction or variation, administration, collection and enforcement of the levy, prior to the levy revenue being apportioned. The Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012 describe relevant expenses incurred by the Council in connection to:

- The preparation and publication of the consultation document, including publishing it online and sending details to the PCC, the relevant chief officer of police and all premises licence and club premises certificate holders whose authorisations permit the supply of alcohol after midnight on any day.
- The collection of levy payments.
- The enforcement of levy payments.
- The cost of processing applications for a variation in relation to the introduction of the levy.

3.30 The Council is required to publish on its website an estimate of the costs it will deduct from the levy revenue each year.

3.31 In Gloucester, assuming the levy will apply from 00:00 to 06:00 hours, 181 premises will be subject to the levy broken down below:

Fee Band	Number of Premises	Levy	Gross Revenue
A	30	£299	£8970
B	102	£768	£78336
C	21	£1259	£26439
D	8	£1365	£10960
E	20	£1493	£29860
		Total (Gross)	£154565

3.32 The figures quoted above are based on the assumption that the levy will apply from 00:00 to 06:00 hours and does not take into account any exemptions, reductions or the number of premises that may apply for a free variation of their licence so it is likely that the total received will be lower than the gross estimate above.

3.33 Gloucester City could propose that there is a 30% reduction to premises that are signed up to both CitySafe and Best Bar None schemes. Currently there are 15 premises that have signed up to Best Bar None.

3.34 Out of the 181 premises mentioned above 94 premises fall into the levy bracket as they have non-standard timings on their Premises Licence. This means that the premises are only open past midnight on New Year's Eve, Good Friday, Bank Holidays and any other days that the premises specify.

3.35 The maximum gross revenue if all 181 premises contribute as in paragraph 3.31 above is £154,565. The table below shows the estimated costs that may be deducted from the total gross revenue if all 94 premises with non-standard timings decided to vary their licence, to ensure they were excluded from the levy supply period. The 30% reduction is an average estimate based on 10 premises qualifying as Members of both Best Bar None and City Safe schemes. The total deductions of £85,153 would give an estimated gross revenue total of £69,412.

Levy Fee Band	Cost	Estimated number of premises that may vary their licence to be excluded due to non-standard timings or qualify for a 30% reduction.	Estimated revenue deducted from variations and 30% reductions
A	£299	19	£5681
B	£768	55	£42240
C	£1259	13	£16367
D	£1365	2	£2730
E	£1493	5	£7465
Admin costs	£89	94	£8366
30% reduction	£230.40	10	£2304
Total (Gross)			£85153

3.36 For member's information when Cheltenham introduced the Late Night Levy 65 premises out of the 217 that were identified as having a post-midnight licence chose to vary their licence.

3.37 Introducing the late night levy will be a partnership approach between Gloucester City Council, PCC and the Chief Constable. Both the PCC and the Chief Constable have submitted responses in support of its introduction. Their comments are outlined and reflected in the levy design in Appendix 1.

Proposed design for Gloucester

3.38 The proposed design of the late night levy is set out below. This proposed design is subject to the outcome of the formal consultation process.

3.39 It is proposed that the late night supply period be 00:00 to 06:00.

3.40 Out of the permitted exemptions only New Year's Eve will apply.

3.41 There will be a prescribed 30% reduction if premises actively participate in both qualifying schemes of CitySafe and Best Bar None.

3.42 No reduction will apply to premises that are in receipt of Small Business Rate Relief.

4.0 Asset Based Community Development (ABCD) Considerations

There is a legal process within the terms of the Police Reform and Social Responsibility Act 2011 we must follow. One of those processes is that we must consult and engage with businesses that would fall into the levy period. Another process if the levy is adopted, is that the Council every year must advertise how they use the money generated from the Late Night Levy to combat issues surrounding crime and disorder. We will therefore, engage with the Partnership and Engagement Team to develop an effective communication process.

5.0 Alternative Options Considered

- 5.1 If Cabinet decide not to make a proposal to adopt the levy in Gloucester that in effect would be the end of the process for the time being.
- 5.2 There is an opportunity for a Business Improvement District in Gloucester City, a business led initiative lasting five years. The BID has potential to generate income to improve the area of the City it covers. If a BID is adopted for Gloucester City Centre and the BID task group identify improvements to help prevent crime and disorder, this could be an alternative way to address these issues. This could be seen as an alternative to the Levy, but equally if the Levy is introduced an exemption could be investigated and introduced for premises within a BID when the BID comes into effect.

6.0 Reasons for Recommendations

- 6.1 The purpose of the late night levy is to enable those that financially benefit from a vibrant safe night time economy to contribute to the policing and community safety initiatives that enable the licensed premises to flourish.
- 6.2 Gloucester City has many initiatives including high quality CCTV, taxi marshalls and street pastors. These initiatives are resource intensive and the introduction of a late night levy will enable relevant businesses to financially contribute toward these and new schemes ensuring Gloucester City continues to be a safe destination venue.

7.0 Future Work and Conclusions

- 7.1 If cabinet agree to consult on the introduction of a late night levy (as set out in Appendix 1) the consultation period will run for 12 weeks from 15th September to 7th December 2016. This is a formal statutory consultation process and is fairly extensive in terms of requirements. The Local Authority must publish notice of its proposals in a local newspaper circulating in the Local Authorities area and on its website. It is required to send a copy of the notice and consult with:-
- The Police and Crime Commissioner
 - The Chief Officer of Police
 - All Premise Licence holders
 - All Club Certificate holders
- 7.2 It is intended that the consultation responses will be collated and a report presented to Cabinet on 11th January 2017. If, after having considered the responses, the Cabinet agree to recommend the introduction of a late night levy a resolution from full Council will be sought on 26th January 2017. A three month notification period will then take place with implementation of the levy taking place on 1st May 2017.
- 7.3 If the late night levy is adopted then it will be reviewed after the first twelve months of its introduction. This will be through a report back to Cabinet.

8.0 Financial Implications

- 8.1 The proposed scheme would see the Council receive 30% of the net revenue. This money could be used to fund existing schemes or new projects. The Police and Crime Commissioner has indicated a desire for their 70% proportion of the revenue to be spent within the City for the benefit or reducing demand on policing Gloucester's night-time economy.
- 8.2 The introduction of the proposed levy would see a total levy upon the Council of £1,536 to cover both the Guildhall and Blackfriars Priory.
- 8.3 The Council will incur costs in the administration, collection and enforcement of the levy. The extent of these costs will be determined when designing the scheme. Any costs incurred will be met by a separate budget from the revenue raised by the levy, before the split is made between the PCC and the Council.

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

9.0 Legal Implications

- 9.1 The introduction of the late night levy is provided by the Police Reform and Social Responsibility Act 2011.

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

10.0 Risk & Opportunity Management Implications

- 10.1 The risk management implications for this report are as follows:-

- If a late night levy is introduced the Local Authority may see an increase in minor variation applications to reduce the hours of operation.
- It could have an economic impact on any perspective investors.
- The late night levy doesn't just capture the businesses that serve alcohol in crime and disorder hotspots it captures any business that sells alcohol between midnight and 06:00.

11.0 People Impact Assessment (PIA):

- 11.1 The screen stage considered risks to customers in the areas of gender, disability, age, ethnicity, religion, sexual orientation or community cohesion.

12.0 Other Corporate Implications

Community Safety

- 12.1 The late night levy could help promote community safety initiatives by helping reduce Crime and Disorder during the night time economy.

Sustainability

- 12.2 None

Staffing & Trade Union

12.3 None

Background Documents:

The Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012

The Late Night Levy (application and Administration) Regulations 2012

Amended guidance on the Late Night Levy (24 March 2015)

Late Night Levy Consultation Document

Gloucester is a vibrant city, drawing in visitors to attractions such as the Docks, the City centre and to clubs and bars within the City boundary, as part of a vibrant night-time economy for residents and visitors.

Most residents and visitors enjoy themselves safely and responsibly without creating any issues. However, an active night-time economy does bring additional costs for the Council, Police and other agencies dealing with issues such as crime and disorder, anti-social behaviour and hospital admissions.

One of the options the Council has is to introduce a late night levy. Government legislation has given local authorities this option as a potential method to help address policing and community safety initiatives to reduce the above during the night time economy.

The purpose of the levy is to enable those that financially benefit from a vibrant night time economy to contribute to the policing and community safety initiatives that enable the licensed premises to flourish.

Gloucester City Council in partnership with the Police and Crime Commissioner and Gloucestershire Constabulary wishes to consult on its proposal to introduce a late night levy as a partnership approach to policing the night-time economy.

If the levy is introduced it would be a charge made to all alcohol licensed premises within the City boundary (pubs, off licences, restaurants and members clubs) that are authorised to supply alcohol during the defined late night supply period.

This consultation is seeking views on the Council's proposal to introduce a late night levy.

What is the Late Night Levy?

The levy is an additional annual fee payable by certain premises that are authorised to supply alcohol during the late night supply period.

The levy would apply to holders of premises licences and club premises certificates which authorise the supply of alcohol during the late night supply period.

The licensing authority sets the late night supply period, it must begin at or after midnight and end at or before 06:00 hours.

How long does the Late Night Levy continue for and can it be varied?

Once the late night levy has been introduced it will continue until the Council decides that the levy shall cease to apply.

The Council can also vary the late night supply period, the exemptions and reductions or change the split of the proceeds between the Police and the Council.

These changes can only take effect at the end/beginning of the levy year.

There must be further consultation before changes such as these are made.

Can premises vary their licences to avoid the Late Night Levy?

If the Council decides to introduce the late night levy, holders of premises licences and club premises certificates have a right, before the late night levy starts and without payment of any fee, to make a minor variation application to vary their authorisation so that the premises will not be subject to the late night levy. (e.g. by seeking to change the days or hours of operation).

Exemptions

The Licensing Authority may consider that there are some types of premises that should be exempt from the requirement to pay the levy.

The Licensing Authority cannot choose the category of premises for an exemption, they are prescribed in regulations.

The Licensing Authority is not able to exempt specific premises from the requirement to pay the levy.

Under the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012 it gives you the permitted categories of premises that Local Authorities could exempt from the requirement to pay the levy. They are as follows:-

- **Premises with overnight accommodation**
- **Theatres and cinemas**
- **Bingo halls**
- **Community amateur sports clubs**
- **Community premises**
- **Country village pubs**
- **Business Improvement Districts (BIDs)**
- **New Year's Eve**

Reduction Categories

The Council may decide to use the levy to promote and support participation by premises in business-led best practice schemes by deciding to apply a 30% reduction for premises that participate in such schemes. The 30% reduction is a flat rate and there are no cumulative discounts applicable, for example, where a premises participates in more than one best practice scheme.

Qualifying best practice schemes are schemes that have:-

- A clear rationale as to why the scheme's objectives and activities will, or are likely to, result in a reduction of alcohol-related crime and disorder.

- A requirement for active participation in the scheme by members.
- A mechanism to identify and remove in a timely manner those members who do not participate appropriately.

The Council may also offer a reduction to holders in relation to on-trade premises that are in receipt of Small Business Rate Relief. and have a rateable value of £12,000 or less. This only applies to premises licence holders that supply alcohol for consumption on the premises.

Late Night Levy Charges

The amount of the levy has been set nationally and depends on the non-domestic rateable value of the premises. The amounts are:-

Rateable Value Bands	Annual levy charge	Weekly
A - No rateable value to £4,300	£299	£5.75
B - £4,301 to £33,000	£768	£14.77
C - £33,001 to £87,000	£1,259	£24.21
D - £87,000 to £125,000	£1,365	£26.25
E - £125,000 and above	£1,493	£28.71
D x 2 – multiplier applies to premises in category D that primarily or exclusively sell alcohol	£2,730	£52.50
E x 2 - multiplier applies to premises in category E that primarily or exclusively sell alcohol	£4,440	£85.38

The levy will be collected annually at the same time as the annual licence fee. For holders who are granted a licence within the levy year the payment year will run from the date of the grant of the licence. The first payment will be made 14 days after the grant of the licence.

Any payment of the levy which is owed to the licensing authority can be recovered as a debt due to the authority. Non-payment of the levy can result in suspension of a premises licence or club premises certificate.

The Council's Proposal

The Council is proposing the following design for the levy:

Late Night Supply Period

- 00:00 to 06:00

Exemptions

- New Years Eve

Reduction to fees

- The Council is proposing to apply a 30% reduction for premises that participate in both CitySafe and those that have obtained Best Bar None accreditation.
- The Council is not proposing to introduce any reductions for premises in receipt of small business rate relief.

Use of Income

- 70% of the net levy revenue will be paid to the Police and Crime Commissioner for Gloucestershire, being the minimum proportion that the authority is required to pass to the PCC. The remaining 30% will be retained by the Council.

Who are we consulting?

The Council must consult with:-

- Gloucestershire Police and Crime Commissioner;
- Gloucestershire Constabulary's Chief Constable;
- Holders of premises licences and club premises certificates that will be affected by the levy.

In addition, the Council will also consult with:-

- The public via the Council's website and in a local newspaper.
- Ward and Parish Councillors.
- Responsible Authorities.
- Other Stakeholders.

How to respond

At the end of this document there is a form with questions that we would like you to complete.

You can return the completed form to:-

Darren Mountford
Senior Licensing and Markets Officer
Gloucester City Council
Herbert Warehouse
The Docks
Gloucester
GL1 2EQ

Or Email: licence.team@gloucester.gov.uk

Closing date: 7th December 2016

CONSULTATION QUESTIONS

PROPOSAL TO ADOPT A LATE NIGHT LEVY

1. What are your thoughts on a Late Night levy being introduced in Gloucester?

.....
.....
.....

2. Do you think that the Late Night Levy is an appropriate way of funding community safety initiatives?

Yes

No

Please give reasons below:

.....
.....
.....

3. Do you agree that the late night supply period should be set between 00:00 and 06:00?

Yes

No

3a. If 'No' what do you believe the late night supply period should be?

01:00 – 06:00

02:00 – 06:00

03:00 – 06:00

04:00 – 06:00

05:00 – 06:00

Please give reasons below:

.....
.....
.....

4. The Council is proposing to only exempt premises selling alcohol during the supply period on New Year's Eve from the late night levy. Do you agree?

Yes No

If no, please indicate below which premises you think should be exempt and why:

Premises with overnight accommodation

Yes No

Please give reasons below:

.....
.....

Theatres and cinemas

Yes No

Please give reasons below:

.....
.....

Bingo Halls

Yes No

Please give reasons below:

.....
.....

Community premises

Yes No

Please give reasons below:

.....
.....

New Year's Eve

Yes No

Please give reasons below:

.....
.....

5. It is proposed that premises actively participating in both CitySafe and Best Bar None schemes will be eligible for the prescribed 30% reduction. Do you agree with this proposal?

Yes

No

Please give reasons below:

.....
.....
.....

6. It is not proposed to introduce any reductions for premises in receipt of small business rate relief. Do you agree with this proposal?

Yes

No

Please give reasons below:

.....
.....
.....

7. To ensure the levy revenue is used in the most efficient and cost effective manner, it is proposed to develop an innovative approach through an agreement between the Police Crime Commissioner and the Council on where the money is spent. Do you agree with this approach?

Yes

No

Please give reasons below:

.....
.....
.....

8. If a Levy is introduced how do you think it could be best spent?

.....
.....
.....
.....
.....

Note : The money should be spent on the reduction or prevention of crime, the promotion of public safety, the reduction or prevention of public nuisance and cleaning of any relevant highway or relevant land and its area.

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Gloucester City Council

Meeting:	Overview and Scrutiny Cabinet	Date: 5 September 2016 14 September 2016
Subject:	Financial Monitoring Quarter 1	
Report Of:	Cabinet Member for Performance and Resources	
Wards Affected:	All	
Key Decision:	No	Budget/Policy Framework: No
Contact Officer:	Andrew Cummings, Management Accountant	
	Email: Andrew.cummings@gloucester.gov.uk	Tel: 396231
Appendices:	1. Progress against savings targets 2. Capital monitoring 3. Income Targets	

FOR GENERAL RELEASE

1.0 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 1st quarter ended 30th June 2016.

2.0 Recommendations

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

2.2 Cabinet is asked to **RESOLVE** that it be noted that:

- (1) The savings achieved in year to date total £288k with a further £341k in progress.
- (2) The forecast year end position is currently for a reduction to the Council's General Fund balance of £257k.
- (3) The deficit position includes a proposed transfer to the Business Rates Reserve of £120k
- (4) The actual and expected levels of income for the Council shown at Appendix 3.
- (5) The details of specific budgetary issues identified by officers and the actions being taken to address those issues
- (6) The current level of Capital expenditure as shown on Appendix 2.

3.0 Background and Key Issues

- 3.1 The figures contained within this report forecast the year end position. This is based on the actual expenditure to the end of quarter 1 which is then forecast forwards based on budget monitoring meetings between service managers and financial services staff. The year-end forecast is the best estimate at the current time of the year-end position on the Council's General Fund.
- 3.2 A summary table below shows the projected position for each portfolio with each portfolio having a further detailed table analysing the variances in more detail. Reporting the performance in portfolios is a new approach for 2016/17 and it is hoped that this will give elected members, and other readers of the report, a better understanding of the Council's financial position.

4.0 Whole Council Summary

- 4.1 The forecast position at this early of the year is a reduction of the Council's General Fund by £257k as shown in the table below.

Council Summary	16/17 Budget	Current Forecast	Variance
Regeneration and Economy	(907)	(807)	100
Communities and Neighbourhoods	1,148	1,097	(51)
Performance and Resources	5,063	5,003	(60)
Culture	1,486	1,660	174
Planning and Housing	1,705	1,778	73
Environment	4,200	4,414	214
Corporate and Funding	(12,695)	(13,008)	(313)
Transfer to Business Rates Reserve	0	120	120
Total	0	257	257

- 4.2 This estimate includes the current level of progress against the saving targets included within the Council budget as well as any new cost pressures or savings identified within year. The estimated position would take the Council to below its minimum General Fund position and as a result officers are taking steps to identify further savings and identify cost reduction actions which would prevent that situation materialising.
- 4.3 At this early stage of the financial year forecasting many of the in-year expenses and income streams is difficult to do with complete accuracy. Forecasts are made based upon service manager's analysis of their service area along with analysis of both current trends and prior year performance. Where the financial situation becomes clearer as the year progresses this will be reported to members as part of future quarterly updates.
- 4.4 A portion of the surplus within Corporate and Funding is a result of a forecast decreasing in the level of business rates to be paid to Central Government this year. Although this is an in year saving it does reduce the level of business rates

income available to the General Fund in future years and should therefore be placed in a reserve to be used to reduce the impact in subsequent years.

5.0 Regeneration and Economy

	16/17 Budget	Current Forecast	Variance
Economic Development	402	378	(24)
Asset Management	1,021	1,071	50
Commercial Property	(1,631)	(1,663)	(32)
Parking	(825)	(828)	(3)
Senior Management	375	336	(39)
Markets and Street Trading	(249)	(101)	148
Total	(907)	(807)	100

- 5.1 This portfolio is currently forecast to be overspent by £100k at the end of the financial year. This is primarily a result of pressures to the budget within the area of markets and street trading.
- 5.2 There are a number of factors contributing to the overspend in that area, mainly within the Eastgate market. It is in part the result of the fact that the level of vacant units has risen in 2016/17. This has a twofold effect on the financial position of the market. Firstly, the level of income from rents and service charges falls and secondly the Council becomes liable for the business rates on the empty units. Officers are taking steps to try and bring in new businesses to the market which would help alleviate both of those issues. Another factor is that repair costs continue to rise in relation to the building itself. If these reach the same high levels as seen in 2015/16 some use of the repairs reserve may be considered to reduce the impact on the General Fund.
- 5.3 The markets have a £50k savings target and none of this has been achieved to date with no saving expected in 2016/17 either. To resolve this issue a savings plan will have to be put in place or the Council will have to choose to remove the savings target by means of a base budget pressure in the next money plan.
- 5.4 The Asset management and Economic development service is currently anticipated to be on budget for the year. There are some additional costs arising within Asset Management, again largely through spending on repairs, but these should be offset by savings on Commercial Property and Economic Development spending.

6.0 Communities and Neighbourhoods

	16/17 Budget	Current Forecast	Variance
Voluntary Sector Grants	316	302	(14)
Community Strategy and Other Projects	320	293	(27)
Licensing	(89)	(72)	17
Environmental Health	408	361	(47)
Health and Safety	187	155	(32)
Shopmobility	6	58	52
Total	1,148	1,097	(51)

- 6.1 This portfolio is expected to be underspent for the year by £51k as savings and vacancies have been identified to compensate for areas of budgetary pressure.
- 6.2 The main budgetary pressure within this portfolio is the Shopmobility service. The process of transferring this service to a new operator is still ongoing. The detail of the new arrangement would mean the saving to the Council would be delivered over a number of years rather than at the start of the contract. In this financial year there is not expected to be any reduction in the cost to the Council of running the service, irrespective of when the transfer occurs. The revised savings profile will form part of the Money Plan for 2017/18.
- 6.3 The other area which has a budget pressure is Licensing. This is primarily a result of the taxi marshalling scheme. This scheme has continued after the external funding to support it has stopped. As the scheme has no funding built into the Council budget this creates a budgetary pressure within the service and this is expected to be £10k in 16/17. Other licensing income is likely to pick up during the year and the overspend is expected to eventually be limited to be the marshalling service.

7.0 Performance and Resources

	16/17 Budget	Current Forecast	Variance
Internal Audit	177	182	5
Housing Subsidy	(479)	(418)	61
Revenues and Benefits Admin	663	710	47
Financial Services	1,026	876	(150)
IT	1,418	1,455	37
Human Resources	314	314	0
Communications	125	116	(9)
Legal Services	370	360	(10)
Contact Centre and Customer Services	691	704	13
Democratic Services	758	704	(54)
Total	5,063	5,003	(60)

- 7.1 The overall anticipated position for this portfolio is to be underspent by £80k.
- 7.2 Financial Services is currently expected to show an underspend of £150k. This largely reflects the saving generated by disbanding the business improvement team. Roles have been consolidated into existing service areas and a saving of approximately £128k has been generated. This saving will be incorporated into the 2017/18 money plan as an ongoing future saving. The balance of the financial services saving is created by a number of vacancies in the team which are being held to support the new investment in the new financial systems shared service which will also generate ongoing savings for the Council.
- 7.3 The administration of housing subsidy and the rest of the revenues and benefits service are currently forecasting to be over budget for the year. At this early stage of the year it can be difficult to forecast the final costs of this service and it is hoped that it will be within budget by the year end.
- 7.4 A saving in Democratic services is expected as a result of some additional grant funding being received towards the cost of Individual Electoral Registration and also from a vacancy earlier in the year which is now filled.
- 7.5 The pressure within the area of the Contact Centre is as a result of uncertainty around the level of income to be received from the two new funding sources within the budget for the area. These are advertising on the Council website and charging for street naming and numbering. At the time of writing it is not expected that these income streams will reach budgeted levels but this will be kept closely under review during the year.

8.0 Culture

	16/17 Budget	Current Forecast	Variance
Museums	192	304	112
Guildhall	239	279	40
TIC	163	182	19
Aspire Client	428	428	0
Marketing Gloucester	464	467	3
Total	1,486	1,660	174

- 8.1 This portfolio has a number of budgetary pressures and is overall expected to be overspent by £174k at the end of the year.
- 8.2 The Museums service has seen some financial improvement, with higher visitor numbers from the “Robots” exhibition, but it is uncertain at this stage what the final impact on the savings target will be. Options are being explored to reduce the level of overspend in this year but at the time of writing it is forecast to be £112k. A process is underway to consider alternative models of delivering the café function at the Museum of Gloucester. It is hoped that this will prevent the café from running at a loss in year.

- 8.3 The Guildhall continues to make progress in reducing the level of Council subsidy required. The currently forecast outturn position is for an overspend of £40k. This represents the achievement of the majority of the savings target of £150k in place at the start of the previous financial year. The Guildhall management are continuing to explore new income generating ideas and cost savings as a means of bringing the Council in line with the budget set.
- 8.4 The pressure at the TIC represents a shortfall of forecast income against commercial targets for shop and ticket sales. It is hoped that the summer period will go some way to offsetting that forecast shortfall. This will be further reviewed in the Quarter 2 monitoring report.

9.0 Planning and Housing

	16/17 Budget	Current Forecast	Variance
Housing Strategy	147	151	4
Private Sector Housing	339	341	2
Planning	474	553	79
Homelessness	745	733	(12)
Total	1,705	1,778	73

- 9.1 The planning service has significant additional costs expected in year as a result of the longer Joint Core Strategy Process and therefore the preparation of the City Plan now running concurrently. This is only partially offset by the income from planning applications being expected to be higher than budgeted. The service is still expected to be over budget by £79k during the year and further options to deliver savings are being identified.

10.0 Environment

	16/17 Budget	Current Forecast	Variance
Waste and Streetcare	4,794	5,207	413
Neighbourhood Management	49	51	2
Countryside and Allotments	117	106	(11)
Cemetery and Crematorium	(964)	(1,125)	(161)
Flooding and emergency planning	133	104	(29)
Head of Service	71	71	0
Total	4,200	4,414	214

- 10.1 The primary variance in this portfolio is the savings target against the Amey contract. The target is £432k in this financial year. A new model of recycling collection has been developed, including Council procurement of assets, and will partly achieve the saving in 2017/18. The model will, however, only be implemented late in 2016/17 and therefore no saving is currently expected against this year's target. An away day has been scheduled with Amey to explore in year savings options but the outcomes are not known at the time of writing. The

pressure that this creates in Waste and Streetcare is partly offset by an increased level of income created by the Garden Waste Scheme.

- 10.2 The 2016/17 budget includes an allowance of £300k for the payment to Amey for the shortfall of recycle income achieved against the target. At the present time this is anticipated to be sufficient for the actual cost incurred.
- 10.3 The revised charging structure at the Crematorium is anticipated to increase income by more than the budgeted savings level. The current forecast is to generate an additional £161k saving for the Council. If this continues then additional income can be fed into the Council's budget for 2017/18.
- 10.4 A vacancy within flooding and emergency planning is creating a saving within the service. This is expected to continue and partially offsets the increased cost elsewhere in the portfolio

11.0 Progress against savings targets

- 11.1 Full details of the Council's progress against its savings targets are shown at Appendix 1. Where savings are dependent on increased income, such as at the Crematorium, they are shown as in progress as full achievement will only be certain at year end.
- 11.2 The most significant savings pressures for 2016/17 are the carried forward and new totals for the Amey contract representing £432k of the total of £1.173 million. If the Council can achieve in year savings against (see para 10.1) it will have a very positive impact on the forecast year-end outturn.

12.0 Capital Programme

- 12.1 The Capital Programme budget for the year has increased to £13.101m taking into account budgets brought forward from 2015/16. Forecast outturn at quarter 1 is little over £9m. The Expenditure for quarter 1, including amounts committed, totals £2.009m. The areas of major capital expenditure in quarter 1 include £0.665m on the Kings Quarter development where expenditure is currently concentrated on the Bus Station. £0.541m has been spent on the Eastgate Rooftop Car Park, upgrading the roof ensuring the asset remains operational in accordance with the Council's contractual duty. £0.279m has been spent on ICT projects, continuing the server and hardware refresh programme which includes the migration of computer hardware to Windows 7 as the Council increases resilience with its systems and progresses to PSN compliance.
- 12.2 The nature of capital projects means that many of them span a number of financial years, budgets are set per project any unspent budgets at the end of any one financial year may be carried forward into the next
- 12.3 A summarised table for the Capital Programme is shown as Appendix 2.

13.0 Prompt payment performance

13.1 The Council aims to make payments to all suppliers promptly and in accordance with contract terms. The performance on invoice payments during the quarter is below.

	<u>April</u>		<u>May</u>		<u>June</u>		<u>Qtr 1</u>	
Number paid within 30 days	704	92%	559	91%	800	98%	2063	94%
Number paid over 30 days	58	8%	58	9%	17	2%	133	6%
Average Days to Pay (from receipt of invoice to payment date)	8		10		6		8	

14.0 Asset Based Community Development (ABCD) Considerations

14.1 There are no ABCD implications as a result of this report.

15.0 Alternative Options Considered

15.1 When consider how to reduce budgetary pressure or make savings officers explore a wide range of options.

16.0 Reasons for Recommendations

16.1 It is a good practice for members to be regularly informed of the current financial position of the Council. This report is intended to make members any of any significant issues in relation to financial standing and any actions that officers are taking in response to identified variances.

17.0 Future Work and Conclusions

17.1 Work will continue to reach savings targets or limit in year budget pressures. A further financial monitoring report will be produced for members at the end of the second quarter.

18.0 Financial Implications

18.1 All financial implications are contained within the report which is of a wholly financial nature.

19.0 Legal Implications

19.1 There are no legal implications from this report

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

20.0 Risk & Opportunity Management Implications

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

21.0 People Impact Assessment (PIA):

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

22.0 Other Corporate Implications

Community Safety

22.1 None

Sustainability

22.2 None

Staffing & Trade Union

22.3 None

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Savings Monitoring 2016/17

Prior Year Savings

Service	Details: aim of the project	Target £000	Achieved £000	In Progress £000	At Risk £000	Comments	Status
Public Protection	Shopmobility	(50)	0	0	(50)	Transfer of service underway but minimal saving expected	
Public Protection	Market Service	(50)	0	0	(50)	No further progress made on delivery of savings	
Neighbourhood Services	Amey contract review, ongoing project from 2013/14 with requirement to identify further savings	(232)	0	(100)	(132)	Waste and recycling review complete but no saving is expected in 2016/17	
Development Services	Planning Services Review	(40)	0	(40)	0	Vacancies in the planning service should offset the current savings gap	
Cultural Services	Guildhall Operational review	(62)	(22)	(40)	0	Increased income is being targeted to close the gap in budgets	
Cultural Services	Museums Operational Review	(132)	(10)	(10)	(112)	No further progress in savings is being made	
Total		(566)	(32)	(190)	(344)		

Savings Target 2016/17

Service	Details: aim of the project	Target £000	Achieved £000	In Progress £000	At Risk £000	Comments	Status
Cemeteries and Crematorium	Building additional income achieved into the base budget and review of crematorium charging structure	(100)	0	(100)	0	Income is currently expected to be above target and the additional surplus will help reduce other Council pressures in year	
Neighbourhood Services	Roundabout advertising and advertising on signs	(18)	0	(18)	0	Income is currently expected to be on target but will be monitored throughout the year	
Public Protection	Stray Dog service being managed through Worcestershire Regulatory Services	(12)	(12)	0	0	New service model is delivering the expected savings	
Neighbourhood Services	Amey contract review, on-going project from 2013/14 with requirement to identify further savings	(200)	0	0	(200)	Waste and recycling review complete but no saving is expected in 2016/17	
Environmental Protection	Charging for inspection of abandoned vehicles	(3)	(3)	0	0	Likely to deliver more than budgeted	

Service	Details: aim of the project	Target £000	Achieved £000	In Progress £000	At Risk £000	Comments	Status
Environmental Protection	Shared working on contaminated land	(5)	(5)	0	0	Vacancies mean the team will deliver the saving in year.	😊
Asset Management	Restructure of service	(5)	(5)	0	0	Saving has been acheived	😊
Human Resources	Shared Service for Human Resources service with Gloucestershire County Council	(54)	(54)	0	0	Service is in place and saving has been delivered	😊
Contact Centre /Planning	Introduction of charges for street naming and numbering	(30)	0	(30)	0	Some income is being received but it is not yet clear if the target can be reached	😐
Financial Services	Adjustment of Minimum Revenue Provision	(100)	(100)	0	0	Acheived in 2016/17	😊
Various	Efficiencies against current budgets	(75)	(75)	0	0	All minor budget changes have been acheived	😊
Customer Services	Council Advertising Network	(5)	(2)	(3)	0	Some income is expected but it may not meet the £5k target	😐
Total		(607)	(256)	(151)	(200)		
Savings Brought Forward		(566)	(32)	(190)	(344)		
Total		(1,173)	(288)	(341)	(544)		

Capital Programme 2016/17**Appendix 2**

Scheme	Revised budget 2016/17	Actual Spend to date	Forecast
Kings Quarter development	7,144,630	556,334	6,000,000
City Centre Investment Fund	1,243,530	72,225	383,070
HCA Regeneration Grant money	79,270	0	0
GCC Building Improvements	307,665	76,477	256,490
Voltage Optimisation - Main Buildings	45,175	0	0
ICT Projects	400,000	278,875	400,000
Eastgate Rooftop Carpark Improvements	713,905	540,933	713,905
Housing projects	816,330	152,664	807,000
Drainage and Flood Protection Works	592,290	21,201	100,000
Townscape Heritage Initiative - HLF	1,081,600	121,989	150,000
Ranger Centre Barns/Storage	67,360	2,279	5,000
Horsbere Brook Local Nature Reserve works	92,345	2,630	2,630
Play Area Improvement Programme	87,725	24,698	87,725
Crematorium Cremator Improvements	45,220	152	45,220
Grant Funded Projects	43,175	1,689	1,545
Elmbridge Open Space Improvements	16,000	2,915	16,000
Robinswood All Paths Project	111,750	18,834	41,750
Flex Replacement	0	38,575	0
GL1 Emergency Works	49,205	2,523	49,205
Kings Square emergency paving works	0	146	146
SWRDA Asset Transfer works	7,645	0	7,645
City Centre CCTV System	73,550	57,681	85,000
Retaining Wall 10 Alney Terrace	47,000	0	0
Crematorium Vehicles	35,562	35,484	35,560
Guildhall Sound Desks	0	496	496
TOTAL CAPITAL PROGRAMME	13,100,932	2,008,798	9,188,387

Financing Source	2016 / 17 £000
External Grants	9,455,771
Capital Receipts	2,691,970
Borrowing	953,191
Sub total	13,100,932

Service Area	Income to end of Month 3 £000	Budgeted Income 2016/17 £000	Forecast Income £000	Forecast Variance £000	2015/16 Income £000
Parking	(392)	(2,252)	(2,266)	(14)	(2,332)
Asset Management Investment Properties	(620)	(1,764)	(1,862)	(98)	(1,754)
Markets	(117)	(459)	(374)	85	(406)
Regeneration and Economy	(1,129)	(4,475)	(4,502)	(27)	(4,492)
Museums	(23)	(126)	(109)	17	(107)
Guildhall	(175)	(478)	(501)	(23)	(494)
Guildhall Bar and Cafe	(39)	(179)	(154)	25	(150)
Tourist Information Centre*	(52)	(429)	(261)	168	(355)
* A significant portion is ticket sales so lower sales also equals lower cost					
Culture	(289)	(1,212)	(1,025)	187	(1,106)
Cem and Crem	(512)	(1,755)	(1,937)	(182)	(1,801)
The Arbor	(36)	(137)	(154)	(17)	(154)
Waste Management (incl garden and bulky waste)	(156)	(1,248)	(1,363)	(115)	(1,406)
Environment	(704)	(3,140)	(3,454)	(314)	(3,361)
Licensing	(65)	(270)	(269)	1	(273)
Communities and Neighbourhoods	(65)	(270)	(269)	1	(273)
Private Sector Housing	(64)	(76)	(111)	(35)	(116)
Development Services	(122)	(588)	(630)	(42)	(631)
Planning and Housing	(186)	(664)	(741)	(77)	(747)
Overall Council Position	(2,373)	(9,761)	(9,991)	(230)	(9,979)

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Meeting:	Cabinet	Date: 14 September 2016
Subject:	Regulation Of Investigatory Powers Act 2000 (RIPA) – Six Monthly Report	
Report Of:	Cabinet Member For Performance And Resources	
Wards Affected:	All	
Key Decision:	No	Budget/Policy Framework: No
Contact Officer:	Jon Topping, Head of Finance	
	Email: jon.topping@gloucester.gov.uk	Tel: 396242
Appendices:	None	

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To report to Cabinet on the Council’s use of its powers under the Regulation of Investigatory Powers Act 2000 (RIPA).

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that the contents of the report be noted.

3.0 Background and Key Issues

- 3.1 The Regulation of Investigatory Powers Act 2000 (RIPA) came into force in 2000. Both the legislation and Home Office Codes of Practice strictly prescribe the situations in which and the conditions under which councils can use their RIPA powers. All authorities are required to have a RIPA policy and procedure that they adhere to in using their RIPA powers.
- 3.2 The Council reviewed and updated its RIPA policy and procedure on 25 September 2014. The procedure requires the use of RIPA powers to be reported to Cabinet on a six monthly basis.
- 3.3 Since the last report to Cabinet, the Council has not used its RIPA powers and there are no further actions to report at this stage.
- 3.4 Following a change in senior management, minor changes to the list of Authorised Officers have been made and the Head of Finance has now been appointed as the RIPA Co-ordinator. The Heads of Neighbourhood Services and Regeneration and Economic Development continue to be Authorising Officers. These are the only proposed changes to the Procedural Guide.

4.0 Alternative Options Considered

4.1 There are no alternative options relevant to this matter.

5.0 Reasons for Recommendations

5.1 No action is required and the recommendation is therefore for Council to note the Council's use of its RIPA powers.

6.0 Future Work and Conclusions

6.1 The annual review of the Council's RIPA policy will be due in the latter half of 2016 and a report with any recommendations being made will be brought to Council in due course.

7.0 Financial Implications

7.1 There are no financial implications arising out of this report.

8.0 Legal Implications

8.1 The legal implications are set out in the main body of the report.

9.0 Risk & Opportunity Management Implications

9.1 Reporting on the Council's use of its RIPA policy and procedure helps to ensure that the Council's use of its powers remain appropriate.

10.0 People Impact Assessment (PIA):

10.1 The RIPA legislation requires the Council to give substantial consideration to the people impact of using its RIPA powers each and every time a RIPA application is authorised.

10.2 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 The use of RIPA powers by the Council can contribute to ensuring community safety.

Sustainability

11.2 There are no sustainability implications arising out of this report.

Staffing & Trade Union

11.3 There are no staffing implications arising out of this report.

Press Release drafted/approved

11.4 Not applicable for this report.

Background Documents:

Regulation of Investigatory Powers Act 2000

Protection of Freedoms Act 2012

Gloucester City Council Regulation of Investigatory Powers Act 2000 Procedural Guide

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