



# Gloucester City Council

## Cabinet

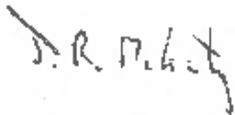
**Meeting: Wednesday, 9th October 2019 at 6.00 pm in Civic Suite, North Warehouse, The Docks, Gloucester, GL1 2EP**

<b>Membership:</b>	Cllrs. James (Leader of the Council and Cabinet Member for Regeneration and Economy) (Chair), Watkins (Deputy Leader and Cabinet Member for Communities and Neighbourhoods), Cook (Cabinet Member for Environment), Gravells (Cabinet Member for Planning and Housing Strategy), Morgan (Cabinet Member for Culture and Leisure) and H. Norman (Cabinet Member for Performance and Resources)
<b>Contact:</b>	Democratic and Electoral Services 01452 396126 <a href="mailto:democratic.services@gloucester.gov.uk">democratic.services@gloucester.gov.uk</a>

## 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</b> (Pages 5 - 10)  To approve as a correct record the minutes of the meeting held on 11 <sup>th</sup> September 2019.
<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 or deputation is in relation to: <ul style="list-style-type: none"><li>• Matters relating to individual Council Officers, or</li><li>• Matters relating to current or pending legal proceedings</li></ul>

6.	<p><b>LEADER AND CABINET MEMBERS' QUESTION TIME (15 MINUTES)</b></p> <p>Any Member of the Council may ask the Leader of the Council or any Cabinet Member any question without prior notice, upon:</p> <ul style="list-style-type: none"> <li>• Any matter relating to the Council's administration</li> <li>• Any matter relating to any report of the Cabinet appearing on the summons</li> <li>• A matter coming within their portfolio of responsibilities</li> </ul> <p>Only one supplementary question is allowed per question.</p>
7.	<p><b>WASTE AND RECYCLING PROPOSALS (Pages 11 - 18)</b></p> <p>To consider the report of the Cabinet Member for Environment seeking the approval of Members for a number of investments to improve the recycling and garden waste collection service.</p>
8.	<p><b>GLOUCESTER COMMUNITY BUILDING COLLECTIVE (Pages 19 - 32)</b></p> <p>To consider the report of the Cabinet Member for Communities and Neighbourhoods providing an update on the City's successful community building activities, their national recognition and to set out future steps for the establishment of a Community Interest Company.</p>
9.	<p><b>ARMED FORCES COMMUNITY COVENANT UPDATE (Pages 33 - 40)</b></p> <p>To consider the report of the Cabinet Member for Communities and Neighbourhoods seeking to provide an update to Members on the support offered to current and former members of the armed forces, reservists and their families as part of our commitment to the Gloucestershire Armed Forces Community Covenant.</p>



**Jon McGinty**  
**Managing Director**

**Date of Publication: Tuesday, 1 October 2019**

## 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.

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### **Recording of meetings**

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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.

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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, 11th September 2019

**PRESENT** : Cllrs. James (Chair), Watkins, Cook, Gravells, Morgan and H. Norman

**Others in Attendance**

Corporate Director

Corporate Director

Head of Policy and Resources

Head of Place

Major Projects Consultant

Principal Planning Officer (not present for items 41-42)

Democratic Services and Elections Officer

**APOLOGIES** : None

**28. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**29. MINUTES**

**RESOLVED** that the minutes of the meeting held on 10th July 2019 and the special meeting held on 14<sup>th</sup> August 2019 be confirmed as a correct record and signed by the Chair.

**30. PUBLIC QUESTION TIME (15 MINUTES)**

There were no public questions.

**31. PETITIONS AND DEPUTATIONS (15 MINUTES)**

There were no petitions or deputations.

**32. LEADER AND CABINET MEMBERS' QUESTION TIME (15 MINUTES)**

There were no questions to the Leader of the Council or Cabinet.

**33. GLOUCESTER CITY PLAN - PRE-SUBMISSION PUBLICATION**

Cabinet considered the report of the Cabinet Member for Planning and Housing Strategy that sought agreement on the 'Pre-Submission' Gloucester City Plan for publication and submission to examination to enable the Council to progress the Gloucester City Plan to adoption to help meet identified growth needs.

The Cabinet Member for Planning and Housing Strategy outlined the background to the proposed City Plan and thanked the officers and partner organisations who had worked to advance it so far. He further thanked the Overview and Scrutiny Committee who had considered the report in depth at their meeting of 2<sup>nd</sup> September 2019 and advised Members that all their recommendations had been adopted.

The Cabinet Member for Planning and Housing Strategy drew Members' attention to the innovative nature of some of the policies within the plan. These included the Affordable Housing (Policy A2), with a threshold of 25% affordable housing in developments exceeding the 20% previously recommended, Protection of Public Houses (Policy B2) and Fall Prevention from Taller Buildings (Policy C3), believed to be the first such policy in the country. The Cabinet Member for Communities and Neighbourhoods noted the breadth of issues addressed and contributions from across the region that would enable the plan to make a real difference to health and wellbeing and change people's lives for the better. The Cabinet Member for Environment reiterated previous comments on the detail, thoroughness and progress made. The Cabinet Member for Regeneration and Economy reminded Members that the City Plan would continue to develop through the coming consultation, examination and adoption stages.

**RECOMMENDED** to Council that it is approved that the Pre-Submission Gloucester City Plan for Publication under the Town and Country Planning (Local Planning) (England) Regulations 2012 as the version of the Gloucester City Plan proposed to be submitted to the Secretary of State for independent examination.

**34. COMMUNITY SAFETY UPDATE REPORT**

Cabinet considered the report of the Cabinet Member for Communities and Neighbourhoods that updated Members on the Stronger Safer Gloucester Partnership's most recent community safety work.

The Cabinet Member for Communities and Neighbourhoods emphasised the importance of community safety with its direct impact on the local environment, and economy as well as health and wellbeing. She described the progression of the Partnership from a reactive approach to one of three parts: prevention, protection and response where the root causes of issues were addressed. An approach that she stated had produced initiatives such as NightSafe and Street Aware with demonstrable results.

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The Cabinet Member for Culture and Leisure commented that he had noticed the difference the Partnership made and sought clarification of the acronym LSOA (Appendix 1 Key Data Outcome Measures). The Cabinet Member for Communities and Neighbourhoods explained that this was Lower Super Output Area, an area needing attention previously described an area of deprivation.

**RESOLVED** that the community safety work of the Stronger Safer Gloucester Partnership be noted.

**35. CULTURE VISION AND STRATEGY 2016-2026 PROGRESS REPORT, GLOUCESTER CULTURE TRUST ANNUAL REPORT TO COUNCIL**

Cabinet considered the report of the Corporate Director and Gloucester Culture Trust Director that presented a progress report on delivery of the City's Cultural Vision and Strategy 2016-2026 and an update on delivery of the Great Place Programme. The report also presented the annual activity report of the Gloucester Culture Trust which was established as part of the Cultural Strategy to lead the City's cultural development and deliver the City's strategy.

The Cabinet Member for Culture and Leisure summarised the report as a great example of partnership working. He noted the good progress made by the Gloucester Culture Trust in creating employment and engaging with people, especially young people, across the whole city. He further commented on the commitment demonstrated by the City Council through its own investment that has encouraged external funders.

**RESOLVED to RECOMMEND** to Council that:

- (1) the Strategy Update and Annual report be welcomed
- (2) the significant progress made during 2018/19 be noted
- (3) the Trust's stated priorities to 2022 be endorsed
- (4) the potential significant external funding opportunities opened by having an active, well-regarded, and successful Cultural Trust with a growing track record of delivery be noted.

**36. GLOUCESTER CULTURE TRUST FUTURE FINANCIAL SUPPORT AND KINGS HOUSE**

Cabinet considered the report of the Leader of the Council, Cabinet Member for Regeneration and Economy and the Cabinet Member for Culture and Leisure that sought a commitment from the City Council for future funding from to allow the Culture Trust to continue to develop the range of its activities and attract further, substantial, external funding into the City, agreement to explore the potential of sustaining a Gloucester Festivals Innovation Fund and approval to offer Kings House as a base for the Culture Trust's Creative Workspace Hub and music studios for The Music Works.

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The Cabinet Member for Culture and Leisure reminded Members of the high level of active engagement in and commitment to culture in Gloucester in comparison to other local authorities and how it benefitted the whole of the city. He commented that the proposed facilities to support local artists would be groundbreaking for Gloucester and enable Gloucester's cultural offer to move even further forward in future. The Cabinet Member for Regeneration and Economy advised Members that the use of the Regeneration Investment Fund was appropriate as the proposals satisfied the fund objectives as did the use of Kings House which had been empty for many years under private ownership. The Cabinet Member for Environment informed Members that he had noticed a marked growth in cultural activities in Gloucester in recent years and commented that improvement required investment.

**RESOLVED:**

- (1) to note the potential significant external funding opportunities opened by having an active, well-regarded, and successful Cultural Trust with a growing track record of delivery
- (2) to commit to providing further core funding of £100,000 over 3 years from 2020/21 and authorise the Corporate Director to enter into grant and service level agreements with the Gloucester Culture Trust.
- (3) to strategically review the effectiveness of the 2019/20 City Council Festivals & Events programme with a view to identifying the potential to commit to allocating a proportion of the budget towards a Gloucester Festivals Innovation Fund
- (4) to authorise the Corporate Director, after consultation with the Cabinet Lead Members for Regeneration and Economy and Culture and Leisure and the Solicitor to the Council, to negotiate terms and conclude leases with the Gloucester Culture Trust and The Music Works in each case for a term of 20 years from completion and at a peppercorn rent, and upon such other terms and conditions as the Corporate Director considers appropriate.

**37. FINANCIAL MONITORING QUARTER 1 2019/20**

Cabinet considered the report of the Cabinet Member for Performance and Resources that sought for the year-end forecasts, and progress made against agreed savings targets for the 1st Quarter ended 30th June 2019 to be noted.

The Cabinet Member for Performance and Resources summarised the position in each portfolio and placed them in the context of an overall positive trend.

**RESOLVED** that it be noted that:

- (1) the forecast year end position is currently for a decrease to the Council's General Fund balance of £131k against a budgeted decrease of £91k.
- (2) the details of specific budgetary issues identified by officers and the actions being taken to address those issues

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(3) the current level of Capital expenditure as shown in Appendix 2 of the report.

**38. STRATEGIC RISK REGISTER UPDATE AND RISK MANAGEMENT ACTION PLAN 2019/20**

Cabinet considered the report of the Head of Audit Risk Assurance (Chief Internal Auditor) that presented the Strategic Risk Register and the Risk Management Action Plan 2019/20.

The Cabinet Member for Performance and Resources highlighted the key features of the report.

**RESOLVED** that both the Strategic Risk Register and the Risk Management Action Plan 2019/20 be noted and endorsed.

**39. GYPSY, TRAVELLERS AND TRAVELLING SHOWPEOPLE - ACCOMMODATION NEED UPDATE**

Cabinet considered the report of the Cabinet Member for Planning and Housing Strategy that updated Members on the current position in identifying permanent residential sites for Gloucester's Gypsy, Traveller and Travelling Showpeople communities and transit sites for those travelling through the county.

The Cabinet Member for Planning and Housing Strategy gave the background to the report, in particular the successful partnership between officers and the County Council and reminded Members that it addressed countywide issues that required close working with other agencies, organisations and councils.

**RESOLVED** that:

(1) the City Council's position with regard to permanent site opportunities for the Gypsy, Traveller and Travelling Showpeople community be endorsed; and

(2) it be noted that officers have made a formal request under the 'Duty to Cooperate' to Gloucestershire district planning authorities seeking assistance in identifying a deliverable site to provide for the needs of Gloucester's Gypsy, Traveller and Travelling Showpeople community.

(3) the ongoing work within the County to review the need for transit sites and temporary tolerated stopping places be noted.

**40. EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED** that the press and public be excluded from the meeting during the following items of business (Agenda items 15 and 16) on the grounds that they are likely, in view of the nature of business to be transacted or the nature of the proceedings, that if members of the press and public are present during

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consideration of these items there will be disclosure to them of exempt information as defined in Schedule 12A of the Local Government Act 1972 as amended.

**41. ST. OSWALDS REGENERATION REVIEW**

Cabinet considered the report of the Cabinet Member for Regeneration and Economy that sought an agreement on a way forward for the development of the vacant land at St. Oswalds in conjunction with the retail park owned by Hammerson.

**RESOLVED** as per the recommendations in the confidential report

**42. GLOUCESTERSHIRE AIRPORT LIMITED**

Cabinet considered the report of the Cabinet Member for Environment that sought approval to further support Gloucestershire Airport Limited (GAL) through a series of recommendations in delivery of the business plan following the work commenced in 2017 by both Gloucester City and Cheltenham Borough Councils.

**RESOLVED** as per the recommendations in the confidential report

**Time of commencement: 6.00 pm**

**Time of conclusion: 6.45 pm**

**Chair**

# Gloucester City Council

<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>9 October 2019</b>
<b>Subject:</b>	<b>Waste and Recycling Proposals</b>		
<b>Report Of:</b>	<b>Cabinet Member for Environment</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>Yes</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
<b>Contact Officer:</b>	<b>Meyrick Brentnall</b>		
	<b>Email:</b>	<b>Meyrick.brentnall@Gloucester.gov.uk</b>	<b>Tel:</b> <b>396829</b>
<b>Appendices:</b>	<b>None</b>		

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

- 1.1 To seek the approval of Cabinet to a number of investments to improve the recycling and garden waste collection service.

### 2.0 Recommendations

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

- 2.1.1 that an investment of £135,000 per annum be approved for the lease of an additional Refuse Collection Vehicle (RCV) and crew for use on the garden waste service to be reviewed after 3 years.
- 2.1.2 that a one-off investment of £38,000 be approved to pigeon proof the recycling shed for the purpose of Health and Safety, quality of recycled material and longevity of operational equipment/building.
- 2.1.3 that business cases are developed based upon the latest information and market prices and that, where the case is beneficial, delegated authority is given to the Head of Place, after consultation with the Cabinet Member for the Environment to make the necessary investments:
- (i) a one-off capital investment for the upgrade of the existing aluminium/steel baler resulting in additional forecast income due to higher quality recyclates
  - (ii) an investment in additional baler capacity to cater for all mixed fibres (paper and cardboard) resulting in additional forecast income due to higher quality recyclates
  - (iii) a one-off investment for a communications campaign from November 2019 to market the benefits of recycling and the garden waste service our residents and promote the most effective ways of presenting waste for kerbside collection

2.1.4 That the proposals around a glass screen contained in para 3.13 – 3.15 are noted, and that if after further monitoring the situation there is a clear business case for implementation then the power to purchase the necessary equipment is delegated to the Head of Place.

### **3.0 Background and Key Issues**

3.1 Waste collection and recycling is a dynamic service with markets and demand for services changing frequently. It is also an area of intense technological change with new equipment and techniques frequently coming on stream.

3.2 The last significant change to the recycling service was in January 2017 when a fleet of Romaquip vehicles were purchased and an intensive kerbside collect service was introduced. At the same time a baler and eddy current separator were introduced at the Eastern Avenue depot allowing further sorting of recycled materials. As recipients of recycle are increasingly demanding higher quality this equipment is fundamental to the financial sustainability of the service.

3.3 We are at a point where new technology coming on to the market and the need for high quality uncontaminated recycle means there is a sound business case for further investment in new equipment and plant. This report details a number of the higher value projects that could be taken forward.

#### **Garden Waste**

3.4 The Garden Waste collection service was introduced in 2005 initially as a free service funded by a grant from Defra, but since 2011 it has been a paid for service. Residents are given a 240-litre wheeled bin and are invited to use it for their garden waste. The waste is collected in a standard Refuse Collection Vehicle (RCV) by our contractor Amey who take it to Hempsted where it is composted and used as soil conditioner.

3.5 If the service did not exist a large amount of garden waste would find its way into residual waste and negatively impact upon our residual waste figures. Garden waste in landfill gives off methane a significant greenhouse gas. Alternatively, if incinerated it would impair the efficiency of the combustion process as it is mostly water, it would reduce heat and energy output of the plant.

3.6 When the paid for service was first introduced there were around 13,000 customers which increased over time to a peak of 20,000 households in 2016. Following an increase in prices in 2017 and 2018 the numbers declined slightly, however, these have since recovered.

3.7 The Council had an understanding with Amey that the number of sign ups exceeded 20,000 then the service would need to be extended with the commissioning of an extra vehicle and crew. We have now reached 20,021 households (July 19) and the service is at capacity with crews struggling to complete their rounds and the number of complaints about the service reflect this.

3.8 This is a paid for discretionary service and at the current level of £44 per household the service does not operate at a loss. A new RCV and crew would cost around £135,000 per annum and maintaining the charge at £44 per household would require an additional 3000 properties to sign up for the new vehicle and crew to pay for itself.

3.9 Gloucester is currently growing at approximately 550 dwellings per year (and has been for the past 10 years) and with the current Garden Waste take up rate of about 40% there should be a gradual increase in customers irrespective of how successfully it is marketed. It should not be forgotten that there are wider environmental benefits of the service and residents do value its convenience. There are some additional

benefits concerning resilience of the overall service (if an RCV breaks down then we have one potentially to cover) and the garden service is also suspended at Christmas allowing Amey to direct all resources to household collection at a very difficult time of year.

### **Baler**

- 3.10 The existing baler is currently not at full capacity due to health and safety concerns, as such we are unable to bale aluminium and steel and this has led to a significant reduction in income. To upgrade the baler so that we are confident that the problems will not re-occur will cost £25,300, however, the benefits are significant as we will be able to bale aluminium and steel with an increased value over existing of £84,000 pa and thus pay back the investment in a few months.
- 3.11 As well as ensuring the existing baler is fit for purpose by upgrading it there is also an additional option of a new, more powerful, 'wide hopper' baler allowing Amey to bale all mixed fibres (paper and cardboard). Currently we collect card and paper separately and that does cause confusion with residents, with the resultant cross contamination leading to a depressed value. If we can bale the material mixed we have an off taker ready to take it and pay £50 per tonne. More than 4000 tonnes of this material a year is collected at the kerbside and there is an opportunity to increase income from this material by £180,000 a year. This type of baler costs £300,000 to purchase but would give a simple pay back within 2 years. Alternatively there is an opportunity to hire the equipment for £7,500 a month or £90,000 a year. Renting the equipment has the benefit of de-risking the task as if for example the market changes again, we can return the equipment (subject to lease agreement terms). There is also less risk in terms of failure and maintenance. This option would give us additional revenue of £90,000 per year. There are other benefits too, having two balers would add resilience to the service and baled materials are easier to store. The storage buildings at Eastern Avenue were built when the volumes of recycling being handled on a daily basis were much lower than now. Baling all materials collected would allow us to use the space available in a better way, reducing the litter which is windblown in the yard. Given the volatility of this particular waste stream it is recommended we opt to rent the necessary equipment.

### **Communications plan**

- 3.12 As with any other business operation, marketing is key to ensuring that customers are engaged with the service. Recycling is no different and as such it is important we continue to market the benefits of recycling to our residents and wider community. Since China stopped taking recyclate for re-processing there has been a number of negative press reports about where recycling goes, resulting in some people questioning why they are bothering. Also, if we are going to adopt some of the above recommendations then residents will be asked to present waste slightly differently, as such it is considered an opportune time to send out an information leaflet combined with Christmas collection information. It is therefore proposed that a marketing campaign is launched in November, to advise residents that there are changes to the way they need to present their recycling, reminding them of the environmental benefits of recycling, the advantages of signing up to the Green waste service and include a calendar of collections for the following 12 months. This at its core would focus on a leaflet posted to every household in the City. We expect this to cost in the region of £25,000 with the majority of that cost being for postage to 56,000 households. The financial benefits of this are very difficult to predict but if nothing else there is a real need to increase recycling rates to meet quite ambitious Government

targets to recycle 55 % of all waste produced by 2025, 60% by 2030 and 65% by 2035. Any increase in uptake of Garden waste will help offset the cost of the new vehicle and crew.

### **Glass Screen on sort line**

- 3.13 Glass is a frequent contaminant on the sort line. Although two operatives pull out the large items, it is the small pieces, such as nail varnishes and air fresheners that cause the problem. Glass damages the belt and causes significant down time. Since March this year there have been 3 incidences where glass has caused the machinery to be out of action for a significant period costing £13,500 in transport costs and gate fees and an estimated further £10,000 in lost revenue from sales.
- 3.14 The other problem with glass is that it is considered the worst contaminator by processors. Small fragments of glass recently discovered inside bales of plastic lead to them being returned to us and the end result was disposal to landfill/incineration. This has an impact on our off takers and they lose confidence in our product and inevitably reduce the price they pay us.
- 3.15 It is possible to improve the efficiency of our processing equipment with the addition of a glass screen at the front end. This innovation would remove all small fragments of glass and allow the quality of our aluminium, steel, HDPE and mixed plastic to be significantly improved. An indicative price for this equipment is £160,000 but it can be argued that this piece of equipment will prolong the life of both the sorting line and balers significantly. There is also the potential to be able to sort small amounts of commingled recycling for periods such as Christmas catch up, further reducing operational costs. Savings are difficult to predict as all we have to go on is past performance of the plant. Given the large nature of the investment it is proposed that the situation is further monitored and if a clear business case can be made then the head of place makes a decision to invest under delegated authority.

### **Pigeon Proofing of Recycling Shed**

- 3.16 The recycling shed is an open fronted building that if built today would be enclosed. There are many problems associated with this, but one is the issue of roosting pigeons and the quite significant droppings they leave. This is unpleasant for the operatives, damages the fabric of the building and results in the occasional breakdown of operational machinery resulting in delays and added costs. The Environment Agency who issue the waste management licence to Amey have also started to raise concerns. Enclosing the whole building while preferable would be very expensive. As such we asked a contractor to quote to proof the inside of the building against roosting birds. This has come in £38,000. This does include initial cleaning which Amey have offered to carry out so costs should come down, also when out to tender it may come in cheaper so this should be seen as a maximum to complete the work.

## **4.0 Asset Based Community Development (ABCD) Considerations**

- 4.1 The recycling service at its heart requires residents to engage and recycle and is therefore a good example of ABCD in action. The proposals within the report should enable residents to do more and in a simpler manner thus increasing their participation in the scheme. The recycling team are champions of ABCD and have

successfully increased recycling across the city by regular engagement with “recycling champions”.

## **5.0 Environmental Implications**

- 5.1 There are clear environmental benefits to a well-resourced and efficient recycling/garden waste service. Recycling ensures resources are not depleted and that Carbon dioxide and other greenhouse gas emissions are reduced. Ensuring that plastics and other similar materials are kept out of the environment and re-used in some way is increasingly seen as important.

## **6.0 Alternative Options Considered**

- 6.1 With regard to Garden waste we could suppress demand by raising prices and thus negate the need for a further vehicle and crew. This does present a reputational risk in that it is likely that substantial price increases would lead to public criticism. Generally, we could do nothing which would mean income would be lost and the service would deteriorate with resulting increase in complaints. There are also financial benefits to what is proposed that would not be realised.

## **7.0 Reasons for Recommendations**

- 7.1 There are a number of improvements that are proposed for the Garden waste and recycling service. The former service is considered at capacity and a decision will need to be made whether or not to expand the service or limit uptake by refusing new applicants or increasing the cost. The report suggests that for a variety of environmental, operational and long-term financial reasons an extra vehicle and crew are procured in order to accommodate the expansion of the service.

With regard to other capital improvements a clear business case has been put forward that will lead to increased revenue. They also have the advantage of making recycling simpler, ensuring markets are found for recyclates and improving the credibility of the service in the eyes of the public.

Finally, the communications plan will increase awareness and it is hoped increase engagement and therefore recycling rates. Apart from the environmental benefits there are financial ones to the authority in terms of increased recycle value and costs associated with residual waste

## **8.0 Future Work and Conclusions**

- 8.1 This is a global fast-changing market both for recyclates and the technology to deal with them. All the above will need to be appraised to ensure they are delivering the predicted income/savings and the whole operation needs to be evaluated regularly to take advantage of new processes and markets.

## **9.0 Financial Implications**

- 9.1 The additional Green waste vehicle and crew will cost £135,000 pa. Growing membership of the service by 3000 households would cover the additional cost and it is expected that this will happen naturally with growth in the city over a period of time and a predicted steady rise in take up of the service. We are hopeful it will break even in simple terms after 5 years.

- 9.2 The current baler upgraded to comply with BAMA and BSEN60079 regulations, which would mitigate the health and safety issues has been costed at £25,300. This includes replacement of the baler for the two weeks needed to carry out the work, all transport costs and commissioning. Based on present prices, the estimated increase in sales value of baled steel and aluminium is £84,0000 per annum.
- 9.3 The new baler at a rental cost of £90,000 a year should yield £180,000 additional revenue pa, and thus be £7,500 a month in the black from the outset of the operation.
- 9.4 The glass screen at £160,000 would be a significant investment but will reduce the downtime of our sorting equipment, reduce the need to bulk out materials at cost and prolong the life of both the sort line and balers. The ability to be able to sort commingled recycling during periods of “catch up” is another advantage. Further monitoring is required before an investment of this magnitude is recommended.
- 9.5 The communications plan is hard to predict but the £25k spend will not only increase recycling, reduce residual but ensure that the Green waste service is marketed, and Christmas/new year collection schedules communicated in a manner that we know customers prefer and has the greatest success rate.

## **10.0 Legal Implications**

- 10.1 Any purchases of equipment per recommendations 2.1(i) – (iii) and (vi), and any purchase resulting from a decision to buy a glass screen, will need to be in accordance with the Council’s own contract procedure rules (see part 4 of the Council’s Constitution). In particular recommendations 2.1(i) and (iii) will result in expenditure in excess of the European Union mandated current goods and services threshold and will require a full procurement exercise under the provisions of the Public Contracts Regulations 2015 or a permitted alternative procedure such as purchasing via a framework agreement. At present this requirement remains unaffected by the prospect of the United Kingdom leaving the European Union on 31<sup>st</sup> October 2019.
- 10.2 With regard to paragraph 6.1, charging is governed by the provisions of the Controlled Waste (England and Wales) Regulations 2012 which, in conjunction with section 45(3) of the Environmental Protection Act 1990, allow the Council to make “a reasonable charge” for the collection of waste. The term “reasonable” in this context has no formal definition but is generally held to mean sufficient to allow a local authority to cover the cost of providing the collection service. This acts as a limitation on how much the annual charge can be increased, even if it is thought desirable to impose a substantial rise.
- 10.4 Regulation 12 of the The Waste (England and Wales) Regulations 2011 requires the Council to “take all such measures available to it as are reasonable in the circumstances to apply the following waste hierarchy as a priority order—
- (a) prevention;
  - (b) preparing for re-use;
  - (c) recycling;
  - (d) other recovery (for example energy recovery);

(e) disposal.

Measures which increase the quantity of waste being recycled will assist the Council demonstrating increased compliance with Regulation 12. The Council will be able to demonstrate that less waste is falling into the less desirable categories of (d) and (e).

### **11.0 Risk & Opportunity Management Implications**

11.1 Recycling markets change constantly and over the last 12-18 months prices have been affected by China no longer accepting low quality recycling from the western world. It is clear that quality material is the key factor in finding stable end markets and keeping income levels up. There is an opportunity to enter into 12 month contracts for baled mixed paper, plastic, aluminium and steel. This will secure a set price and remove the risk that may exist from market forces.

### **12.0 People Impact Assessment (PIA) and Safeguarding:**

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

### **13.0 Community Safety Implications**

13.1 There are no predicted impacts upon community safety.

### **14.0 Staffing & Trade Union Implications**

14.1 None

**Background Documents:** None

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<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>9 October 2019</b>
<b>Subject:</b>	<b>Gloucester Community Building Collective</b>		
<b>Report Of:</b>	<b>Cabinet Member for Communities and Neighbourhoods</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>Anne Brinkhoff, Corporate Director (Partnerships)</b>		
	<b>Email:</b>	<b>anne.brinkhoff@gloucester.gov.uk</b>	<b>Tel:</b> <b>394765</b>
<b>Appendices:</b>	<b>1. Vision, Mission and Operating Principles for Community Building in Gloucester</b> <b>2. Recommendations of the Overview and Scrutiny Committee</b>		

**FOR GENERAL RELEASE**

**1.0 Purpose of Report**

To provide an update on the City’s successful community building activities, their national recognition and to set out future steps for the establishment of a Community Interest Company.

**2.0 Recommendations**

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

- (1) the progress in delivering community building activities in Gloucester be noted
- (2) secondments and placements from Gloucestershire County Council (Adult Social Care) and the Constabulary (PCSOs) are welcomed
- (3) the investment by Barnwood Trust of 2 days/week for a period of 52 weeks to mentor and facilitate the current team, further develop the Collective and undertake fund-raising be welcomed
- (4) the next steps in the development of the Collective to become a community led organisation from October 2021 be noted
- (5) the increasing national interest in our community building work, including our involvement in Nesta’s ‘Upstream Collective’, the Key Cities work and the Centre for Public Impact be noted
- (6) whilst plans for fund-raising are noted, the Council underwrite the salaries of the three City Council employed community builders until December 2020 amounting to £90,000 to provide job certainty and protect our investment in training and developing them as individuals and as a team
- (7) a Community Interest Company (CIC) for the purposes of community building be established, more specifically: -
  - a. that the name of this company is ‘Gloucester Community Building Collective CIC’
  - b. that the City Council is the sole member

- c. to note that the Leader intends to appoint the Council's Corporate Director (Partnerships) and Head of Communities as the sole Directors
  - d. that Cabinet nominate a charity in the event that the CIC is wound up
- (8) authority be delegated to the Corporate Director (Partnerships) in consultation with the Cabinet Member for Communities and Neighbourhoods to agree and enter into all necessary documentation to implement the above-mentioned recommendations, including the Memorandum and Articles of Association, Form CIC36 and Form INO1

### **3.0 Background and Key Issues**

- 3.1 Asset Based Community Development (ABCD) is about growing sustainable communities, building connections between people that live in the area and empowering people to take action on things that are important to them – which will often be different to what statutory/public sector agencies perceive to be important. ABCD is not about setting up new services or groups, although people may come together informally as a result of building connections, but it can contribute to or complement the priorities of statutory partners. This is because building stronger communities supports people's feeling of safety, well-being and health more broadly. The focus of community building is not on providing specific outputs but about providing stronger community connections which, in turn, will provide increases in wellbeing and health. The council's commitment to ABCD is written into the current council plan (2017-2020) with an aspiration to become a Centre of Excellence. Although we recognise that there might be a financial case for this way of working, our commitment to ABCD is based on the belief that people live more fulfilling lives when they have the power to shape their own outcomes and change things that matter to them. For communities to thrive, they need to be given the tools and resources to find solutions that work for them and for the places where they live
- 3.2 In December 2018, Cabinet approved plans for the medium and longer-term delivery of community building in Gloucester. This included the vision, mission and operating principles (Appendix A), the establishment of a formal partnership with Barnwood Trust and Gloucestershire Constabulary, commitment of the 'Your Gloucester' budget (£10kpa) and £5k from the Gloucester Lottery central pot to the partnership for two years. Cabinet also authorised the Corporate Director (Partnerships) to work towards the establishment of an independent legal entity. This report seeks to update Cabinet on progress with the community building project.

#### Community building activities and partner engagement

- 3.3 Since January 2019 community building activity has grown and is delivered by a team of dedicated community builders who are funded through the City Council, CCG, and County Council (Adult Social Care). The team are co-located and work independently from the Age UK offices in the City Centre. They are developing their own identity as a Community Building Collective in preparation of becoming an independent legal entity. Line management and oversight is through the Head of Communities at Gloucester City Council. The team are encouraged to work in a self-managed way with external facilitation, mentoring and training, some of which has been delivered through Barnwood Trust.

- 3.4 The team of nine are funded through partnership contributions as follows:
- Gloucester City Council (1 established; 2 new fixed-term posts )
  - Gloucestershire County Council (3 secondments; for an initial 2 year period)
  - Gloucestershire Constabulary (3 PCSO placements to start from November '19)
  - CCG (1 established post, fixed term – this is located at Roots Café but works collaboratively with the Collective)
- 3.5 Community Builders are based in Moreland, Tuffley, Kingsholm, Westgate and Elmbridge, with two further areas for new secondees yet to be agreed. The work to date has been focused on getting to know the area, facilities, people and groups as well as engaging with ward Councillors, community leaders and organisations. They have engaged in a wide range of community events over the summer months including the Tuffley Festival where they held an ideas stall, Tuffley Park Social Club fun day run by Moreland residents and Linden Residents Association World Café event.
- 3.6 A Memorandum of Understanding sets out the roles and responsibilities of the three partnership organisations (Gloucester City, Barnwood Trust and the Constabulary) with regards to operational management and the strategic development of the partnership. Partnership meetings are held monthly to review progress.

#### Developing the model – a phased approach

- 3.7 The experience of the last six months has highlighted that a phased approach is required to successfully grow the project into an independent company that is led by the community. The proposed phases are outlined below.

#### **Phase 1 (January 2019 – December 2020) – developing**

Project sponsorship ultimately lies with Gloucester City Council with input and support of Barnwood Trust and Gloucestershire Constabulary. Governance is through a Memorandum of Understanding, until a CIC (or similar) is in place. Delivery will come from a small team of community builders on fixed-term contracts (City Council) plus secondments from partners (County Council, Constabulary). Performance monitoring and systems for sharing information/stories of activity and impact will be developed.

Key activities include:

- Establishment of an independent legal entity (specifically a CIC) by the Council initially
- Bringing together a team of community builders (through direct appointments and secondments from partners) that are co-located and work to an agreed and consistent methodology
- Articulating a succinct 'theory of change' and developing work and performance monitoring criteria, processes and mechanisms that provide evidence of delivery and impact (input, output, outcome)

- Fundraising for the short and medium term, through negotiations with partners (staff secondments), identifying funding opportunities and submitting funding applications to a range of local/national partners, including the National Lottery
- Commence the development of a long-term financing option and approach, for example a social or community investment model
- Establishing and developing ways of showcasing and communicating the work of the CIC
- Commence a dialogue with the community to allow a transfer of governance, ownership and management gradually but as early as possible.

### **Phase 2 (October 2020 – October 2021) – transition to community-based model**

Project established with shared governance between statutory planners and the community, some reliance on external grants but increasing financial independence.

- CIC (or similar) established with a small/growing number of community representatives as Directors
- External funding secured (i.e. through National Lottery; on-going secondments/placements) for the team of community builders to be funded in the medium-term
- Theory of change in place and performance monitoring systems embedded
- Agreed approach to operational management of the CIC (i.e. including TEAL or more mainstream approaches), and processes and practices in place
- Agreed approach to longer-term funding of the community building project

### **Phase 3 (October 2021 – on-going) – community led with evolutionary purpose**

Project established and governed by community. Financial independence. High visibility locally, county-wide and nationally.

- Strong Governance rooted in communities; Gloucester City Council no longer the largest shareholder but a core and key supporter in its role as local leader and place shaper
- Staffing structure in place – a likely mix of secondments/placements and staff directly employed by the legal entity
- Purpose continues to evolve – but grounded in ABCD principles
- Organisational arrangements for management are maturing
- Financial independence
- Explore opportunities for ‘traded services’
- Strong visibility throughout Gloucester

3.8 The experience of the last six months has also highlighted the complexity of the project and the need for dedicated development time. Acknowledging the City Council’s commitment to community building and protecting their investment in community building over the past five years, Barnwood Trust are investing in an independent dedicated resource (2 days/week for one year) to support phase 1 of the project.

Becoming a nationally recognised centre of excellence

- 3.9 Gloucester is receiving national recognition for its successes in community building and asset-based approach to service delivery. The [Centre for Public Impact](#) visited the City in March to learn about our activities and what potential it holds for the future of local government. We hosted a visit from the 'Key Cities' in June and have been approached about taking an active part in a new 'portfolio for communities' and take a proactive part in engagement with government departments.
- 3.10 Gloucester City has bid successfully to join the 'Upstream Collaborative' run by Nesta ([www.nesta.org.uk](http://www.nesta.org.uk)), a well-known and respected innovation foundation working in the public and private sectors. Starting in October 2019, the Upstream Collaborative is a network to support Local Government innovators to share, accelerate and evaluate new operating models that work upstream of social problems, creating the conditions from which good outcomes are more likely to emerge. It will bring together a group of senior, strategic leaders from pioneering councils from across the country to share their experiences and learn from each other as part of a collaborative network. Together, they will test how to build a shared movement of local government leaders experimenting with new operating models to find more effective and sustainable ways to meet citizens' needs. We will be sharing our experience and expertise of strengths-based working and will seek support for the Community Building Collective project.

#### Community Interest Company

- 3.11 As outlined in the December 2018 report to Cabinet, the rationale for an independent organisation such as a Community Interest Company (CIC) is that it allows community building to happen without the constraints of any one organisation. It is likely to achieve a wider buy-in from communities and a range of partner organisations and would ensure a longer-term success of the project. It would enable a joined up, coherent and consistent methodology for community building which is crucial for a scaled up and city-wide approach. In the longer term it enables community building to be led by the community itself
- 3.12 Advantages of a CIC are that specific social goals can form the organisational objectives ensuring that the project is always delivered with those objectives in mind. It also allows access to a wide range of funding opportunities through both grant making trusts and commercial activity should that be required to deliver the objectives. The governance and reporting requirements of a CIC are straightforward which means that as the CIC begins to transfer to community ownership, they will still be able to fulfil the legal obligations in the future.
- 3.13 The following operational points must be noted:
- It is envisaged that current staff employed by the City Council will not be transferred into the CIC for the foreseeable future.
  - Staff funded through successful fundraising activities will be appointed by the CIC.
  - Until such time that the CIC is appointing staff, governance, HR, Legal, ICT and other support will be provided by Gloucester City Council

#### **4.0 Asset Based Community Development (ABCD) Considerations**

- 4.1 This project supports the vision for Asset Based Community Development in Gloucester

## **5.0 Environmental Implications**

- 5.1 N/A

## **6.0 Alternative Options Considered**

- 6.1 Setting up a dedicated council team to deliver Community Building was considered which has been tried before. This approach does not have the independence required for community work of this nature and the risk is that communities will not engage with the Community Builders as they are seen as part of the Council
- 5.2 Setting up a company, wholly owned by the Council was considered, however, we do not consider that this would be viewed to be independent of the Council and it may still be unable to apply for some funding.

## **7.0 Reasons for Recommendations**

- 7.1 Community Building is fundamentally inclusive. By setting up an independent CIC we give Community Builders the ability to work across the whole City with everyone, rather than being places within an organisation with specific objectives (inclusion, disability, health, etc).

## **8.0 Future Work and Conclusions**

- 8.1 As outlined in sections 3.7 above

## **9.0 Financial Implications**

- 9.1 As noted in the December 2018 Report the salaries of the Community Builders during the first two years were expected to be covered through secondments from the partner organisations and the City Council. This additional cost to the Council of £90k was to be met through fundraising and the extent of any additional financial commitment from the Council will need to be appropriately considered for inclusion in the 2020/21 budget process.
- 9.2 The setting up of a Community Interest Company (“CIC”) will require the input and support of several of the Council’s support services (Finance, Legal, Human Resources, etc) and accordingly the costs of this support will need to be included in future budget setting processes.
- 9.3 It is also essential that robust financial reporting and performance monitoring mechanisms are developed and implemented with regard to the proposed CIC from the outset, including a clear timetable for financial reporting to the Council and partner organisations.

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

## **10.0 Legal Implications**

- 10.1 The Council is empowered to set up the company by section 1 of the Localism Act 2011 – “the general power of competence”. Although wide ranging in what it permits authorities to do, the power is circumscribed by any legal provisions applicable to the proposed activity (see paragraphs 10.2 to 10.5 below).
- 10.2 The Company, Limited Liability Partnership and Business (Names and Trading Disclosures) Regulations 2015 require that the company’s name is suffixed by the words “Community Interest Company” or “CIC”).
- 10.3 Paragraph 2.2(7)d of this report describes the operation of the “asset lock” which ensures that the company’s assets on dissolution are not distributed for the benefit of any individuals but continue to be used for the wider public good. The assets can only be distributed to “an asset locked body” i.e. one which is “(another) community interest company, a charity, a permitted registered society or (an equivalent) body established outside the United Kingdom.” The Council has nominated a specific asset locked body in its articles of association i.e. Gloucester Round Table Charitable Trust Fund
- 10.4 With regard paragraph 3.4 of this report and Phase 3 of the timetable any secondments should be documented by formal agreements to avoid any possibility of staff transferring to the company by operation of TUPE (The Transfer of Undertakings (Protection of Employment) Regulations 2006) once the company transfers its governance to the community.
- 10.5 The Council’s nominated Directors will be required to comply with their duties under the Companies Act 2006, a summary of which is appended to this report.

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

## **11.0 Risk & Opportunity Management Implications**

- 11.1 Inability to raise funds for the longer term (phase 2 and 3). - If funding beyond the first phase is not achieved the CIC will be wound up.
- 10.3 Loss of partnership support - the project has the support of several partners so one or two partners retracting support will have a notable but not significant impact.

## **12.0 People Impact Assessment (PIA) and Safeguarding:**

- 12.1 This project is fundamentally inclusive and aims to work with all residents in all wards over the 10 year period.
- 11.2 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

### **13.0 Community Safety Implications**

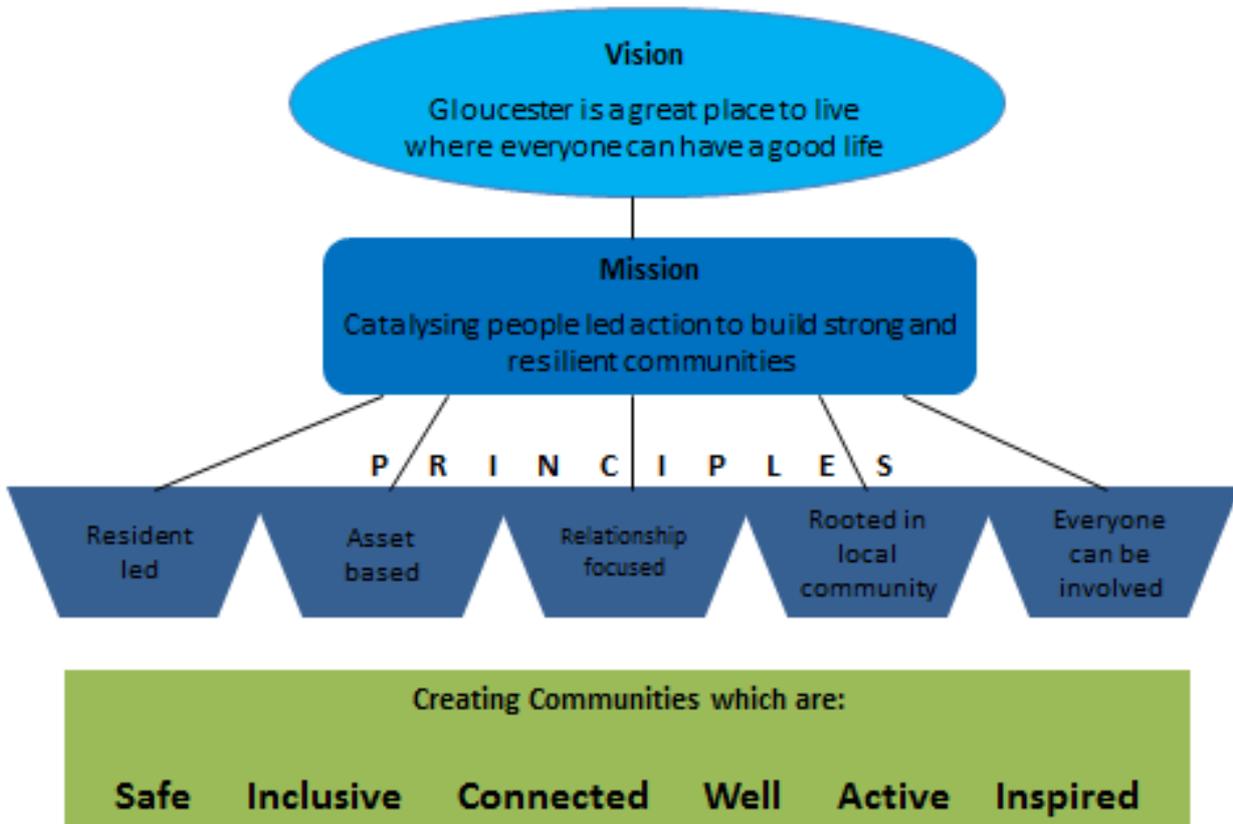
13.1 This project is expected to have a positive impact on community safety over the 10 year period and research suggests that this will be the case

### **14.0 Staffing & Trade Union Implications**

14.1 Staffing from the City Council will be involved with the work of the CIC through secondments. This will ensure staff continue to benefit from the pay and conditions of the City Council.

**Background Documents:** None

## Appendix 1



## APPENDIX 2

### **DUTIES OF DIRECTORS UNDER THE COMPANIES ACT 2006**

Summarised below are the seven general duties set out in ss.170 to 181 of the Companies Act 2006 ('the Act').

#### **1. Duty to act within their powers**

This duty is set out in section 171 of the Act and codifies the common law rules that directors should exercise their powers under the terms that were granted for a proper purpose. A director's powers are set out in the articles of association and in the Members' Agreement (if any).

## **2. Duty to promote the success of the company**

This duty is set out in section 172 of the Act. It imposes a duty to act in the way a director considers, in good faith, would be most likely to promote the success of the company. Although this duty is still owned to the Members of the Company as a whole, when exercising this duty the director is required to have regard to various factors, including, the following:

- (a) the likely consequences of any decision in the long term,
- (b) the interests of the company's employees,
- (c) the need to foster the company's business relationships with suppliers, customers and others,
- (d) the impact of the company's operations on the community and the environment,
- (e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly as between members

It can be seen that among other things, this duty introduces wider corporate social responsibility into a director's decision making process.

It is important that detailed minutes are taken when exercising decisions to document the fact that directors have had regards to various factors listed in section 172.

## **3. Duty to exercise independent judgment**

Section 173 of the Act imposes a positive duty on a director of a company to exercise independent judgment. It is important to recognise that a Council nominated director cannot subordinate the interests of the company to those of the Council.

## **4. Duty to exercise reasonable care, skill and diligence**

This duty is set out in s. 174. It prescribes the degree of 'care, skill and diligence' expected from a director as follows:

- a. the general knowledge, skill and experience that may reasonably be expected of a person carrying out the functions carried out by the director in relation to the company; and
- b. the general knowledge, skill and experience that the director has.

If a director is appointed to undertake a particular function, then that director will be expected to exercise the skills required of that post in all aspects of decision makin.

## **5. Duty to avoid conflicts of interest**

This duty is set out in section 174 of the Act. It applies to a transaction between a director and a third party, such as the exploration of any property, information, opportunity. The duty does not extend to a transaction between a director and his own company, in respect of which s177 applies

which requires a director to declare his interest to the other directors. It should be noted that such transactions can be authorised by the non-conflicted directors on the board provided that certain requirements as listed in s175 (5) (6) including who can participate and vote on such authorisation are complied with.

## **6. Duty not to accept benefits from third parties**

This duty is set out in section 176 of the Act and states that a director is not permitted to accept a benefit from a third party by reason of (a) his being a director or (b) his doing or not doing anything as a director.

## **7. Duty to declare interest in proposed transaction or arrangement with the company**

Section 177 of the Act requires a director to disclose his interest to the board of the company when a transaction is proposed between a director and his company. The requirement for disclosure is dispensed in circumstances where the interest cannot reasonably be regarded as likely to give rise to a conflict of interest or if other directors are already aware or 'ought reasonably to be aware' of the director's interest.

## **LIABILITIES OF DIRECTORS UNDER THE COMPANIES ACT 2006**

### **Personal liability**

Directors act as agents of the company. There are a number of circumstances when a director may be held personally liable for company debts.

- Wrongful Trading - A director could be found guilty of wrongful trading if, at some point prior to the company going into insolvent liquidation, they knew or ought to have concluded that the company would have no reasonable prospect of avoiding insolvent liquidation. If a director is found to be guilty of wrongful trading, the Court may make an order to require a contribution to the assets of the company, to be distributed amongst its creditors.
- Fraudulent Trading – A director would be found guilty of fraudulent trading if it appeared to the liquidator that the company carried on business with the *intent* to defraud its creditors or for any other fraudulent purpose. It is not enough to show that the directors continued to run up debts whilst the company was insolvent, it must be shown that there was actual dishonesty, involving real moral blame.
- Misfeasance or breach of fiduciary duty - A director has a duty to act in the best interests of the company. Therefore if, in the course of a winding up the company, it appears that a director has misapplied or retained, or become accountable, for any money or other property

of the company; or been guilty of any misfeasance or breach of any fiduciary or other duty, the Court may order the director to restore money or property with interest or pay compensation to the company. Some examples include: where a director enters into a contract on behalf of the company, but fails to disclose the company's interest; or if a director signs a cheque or places an order without stating that they are acting on the company's behalf, the other party may hold him liable. If the company avoids the transaction, the director may be left to deal with the financial consequences.

It is worth noting that the primary catalyst for directors' external personal liability is the imminent insolvency or winding up of the company. It is rare for directors to experience personal financial liability whilst the company is a going concern.

**Gloucester Community Building Collective – Recommendations of the Overview and Scrutiny Committee 30/09/2019**

The Overview and Scrutiny Committee **RECOMMENDS** that:

- (1) Cabinet consider providing criteria for measuring how the Company meets its aims;
- (2) A further update on the Company's operations be provided to the Overview and Scrutiny Committee prior to the commencement of Phase 2;
- (3) A review is undertaken at the conclusion of Phase 1 to determine whether the Company had met its aims and, if it is determined that it had not, to cease operations;
- (4) To conduct a canvass of charitable organisations in the City and for Members to be asked to provide nominations for a particular charity to be the recipient of any assets in the event of the Company's dissolution;
- (5) Cabinet examine a performance management framework and commission an evaluation of impact study in partnership with the University of Gloucestershire.

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# Gloucester City Council

<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>9 October 2019</b>
<b>Subject:</b>	<b>Armed Forces Community Covenant Update</b>		
<b>Report Of:</b>	<b>Cabinet Member for Communities &amp; Neighbourhoods</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>Ruth Saunders – Head of Communities</b>		
	<b>Email: ruth.saunders@gloucester.gov.uk</b>		<b>Tel: 39(6789)</b>
<b>Appendices:</b>	<b>1. Gloucester City Council – Specific Measures</b>		

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

- 1.1 To provide an update to Cabinet on the support offered to current and former members of the armed forces, reservists and their families as part of our commitment to the Gloucestershire Armed Forces Community Covenant ('the Covenant').

### 2.0 Recommendations

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

- (1) work undertaken to support current and ex-service personnel as part of the Council's ongoing commitment to the Covenant be endorsed,

### 3.0 Background and Key Issues

- 3.1 An Armed Forces Covenant exists between the people of the UK and the Armed Forces and their families. It lays out the principles that should exist in the relationship between the Armed Forces and the rest of the Nation, including respect, support and fair treatment. It makes clear that no-one who has served should face disadvantage from their service and that, in some cases, special consideration is appropriate.
- 3.2 A Gloucestershire Armed Forces Community Covenant ('the Covenant') stands alongside the Armed Forces Covenant and is a voluntary statement of mutual support between the people of Gloucestershire and the local Armed Forces community.

- 3.3 Through its membership of the Covenant, Gloucester City Council has made a commitment to the wider Armed Forces Covenant, to support the Armed Forces community within Gloucester and the wider County. Cllr Andy Lewis represents the Council as its Armed Forces Champion and this position is appointed to (or re-appointed to) annually by the Council.
- 3.4 In following these commitments, the Council is involved in a number of areas to support the Armed Forces, their families and those who have served to be a part of the wider community. The aims of the Covenant are as follows –
- Encourage local communities to support the Armed Forces community in their areas;
  - Encourage the Armed Forces community to help and support the wider community, whether through participation in events and joint projects or other forms of engagement;
  - Promote understanding and awareness among the public of issues affecting the Armed Forces community;
  - Recognise and remember the sacrifices made by the Armed Forces community, and
  - Encourage activities which help to integrate the Armed Forces community into local life.
- 3.5 The 2011 census results indicated that over 300 serving members of the military were living in Gloucester at the time of the survey, not including partners or children.
- 3.6 In January 2019 the Ministry of Defence estimated that by 2028 there will be 1.6 million veterans living in the UK with over a half of all veterans being aged 65 or older and 87% of all veterans being male.
- 3.7 Gloucestershire is home to 18 Army Cadet detachments with 2 of these being located in Gloucester, namely - Malmesbury Road Platoon and the Gloucestershire ACF Band & Corps of Drum.
- 3.8 In the previous 12 months, 8 ex service personnel have been re-housed in Gloucester through the Gloucestershire Homeseeker Choice Based Lettings Scheme with our allocations policy enabling them to benefit from priority need.
- 3.9 The charity Alabare run a 12 bed home for veterans base in Longlevens which is the second of their Gloucestershire properties.
- 3.10 In September 2019 the exhibition 'Art in the Aftermath' open in an empty retail unit in Kings Walk. This is run by the Gloucestershire Charity 'Style for Soldiers' and features work by injured soldiers and veterans.
- 3.11 A list of specific measures that the Council implements in support of the Covenant is included at Appendix 1 and covers areas such as housing advice

& support, enabling and supporting events and charitable causes and access to Council services. It is these customer facing aspects of the Council which are likely to be more relevant to our Armed Forces.

- 3.12 The Council is also represented by Councillors and senior officers at several annual events to mark a range of important dates such as Remembrance Day but also events to celebrate our local armed forces community operating out of Imjin Barracks. In addition, the Council recognise both the historical and ongoing sacrifices and efforts of our armed forces by marking key dates with the flying of flags.
- 3.13 Our District Council partners in addition to Gloucestershire County Council are also signed up to the Covenant and continue to work together to improve how councils can collaborate as a network, with a particular focus on -
- 1) Identifying where contributions can be made to the South West Regional Development Project;
  - 2) Obtaining a better understanding of the needs of children and young people in the armed forces community;
  - 3) Opportunities for applications to the £10m Military Covenant Fund, and
  - 4) Future networking arrangements
- 3.14 The South West Regional Development Project is funded from £190,000 of Military Covenant Fund monies obtained by a consortium of South West Councils with some of this money being used to develop awareness & knowledge of the Covenant across amongst front line public service staff so that veteran and serving personnel can be supported better.
- 3.15 South West Consortium of local authorities, (Forces Connect South West) has now launched their new outreach vehicle. Funded by the MOD Covenant Trust Fund the new outreach vehicle is part of a package of resources developed to raise awareness of the covenant and make a difference in the support provided to the whole military community in the South West.
- 3.16 The Armed Forces Covenant Fund launched in 2015 provides £10m each year to support members of the Armed Forces community. Applications are welcomed from Local Government, to support local delivery of Armed Forces Covenants. To date the Council has not applied for funding.

#### **4.0 Asset Based Community Development (ABCD) Considerations**

- 4.1 For the Armed Forces Community, the Covenant encourages the integration of service life into civilian life and encourages members of the Armed Forces community to help their local community.

#### **5.0 Alternative Options Considered**

- 5.1 There are no alternative options for consideration

## **6.0 Reasons for Recommendations**

6.1 The Council are committed through the Gloucestershire Armed Forces Community Covenant to work in partnership and act together to honour the covenant and encourage support for the Armed Forces Community working and residing in the City and to recognise and remember the sacrifices that they have and continue to make.

## **7.0 Future Work and Conclusions**

7.1 The Council's new website and intranet will provide a platform for awareness to be raised even further both internally and externally about the Covenant, but more importantly to also act as an online resource for former and serving Armed Forces personnel. This information page is due to be live by the end of 2019.

7.3 Officers within front line services, particularly those in Community Wellbeing & Housing to provide advice and signpost ex serving personnel supporting them to do things where they live. The Council, through the Gloucester Lottery, offers small grants to support residents who are not currently involved in local community activities to develop projects using the asset based community development approach and such an opportunity may assist somebody with what can often be a difficult transition period.

7.4 Gloucester City Council remains committed to our Armed Forces community and an annual update report for Cabinet will continue to be provided each autumn.

## **8.0 Financial Implications**

8.1 There are no financial implications associated with this report.

(Finance have been consulted in the preparation of this report)

## **9.0 Legal Implications**

9.1 There are no legal implications associated with this report.

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

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

10.1 N/A

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

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

## **12.0 Other Corporate Implications**

### Community Safety

12.1 There are no community safety comments associated with this report.

### Sustainability

12.2 There are no sustainability comments associated with this report.

### Safeguarding

12.3 There are no safeguarding comments associated with this report.

### Staffing & Trade Union

12.4 There are no staffing or trade union comments associated with this report.

## **Background Documents:**

Gloucestershire Armed Forces Community Covenant

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## Appendix 1 – Gloucester City Council Specific Measures

Theme	Measure(s)
Organisational Development	Staff who are members of the Territorial Army or other military support service are, supported through flexible working arrangements contained in HR policies
Building Control	For Armed Forces personnel returning from duty with a disability, the Council provides free Building Control advice and will not charge for any applications made for extensions or alterations to their home.
Remembrance Sunday Event	The Council continues to work with armed forces on events including the sale of poppies for Remembrance Sunday and the promotion of Armed Forces Day through internal & external communications and inclusion in the Council's events calendar.
Armed Forces Day Committee	The Council's Armed Forces Champion is involved with the re-formed Armed Forces Day Committee and AFD 2019 was a success.
British Legion Poppy Day	The Council will continue to support the British Legions Poppy Day through an arrangement with GL1 for free use of accommodation for The Remembrance Sunday event.
War Memorial, Cenotaph & War Graves	The Council commits to maintaining the war memorial at the cenotaph in Gloucester Park and the war graves at Tredworth Cemetery, to a high standard.
Army Recruitment Events	The Council will continue to support recruitment events by enabling access to suitable sites
Housing Advice & Homelessness	In the previous 12 months, 8 ex service personnel have been re-housed in Gloucester through the Gloucestershire Homeseeker Choice Based Lettings Scheme with our allocations policy enabling them to benefit from priority need.
Benefit Claimants	Where applicants are in receipt of housing benefit (HB) and/or council tax support (CTS), the City Council has adopted a policy to disregard as income some extra elements of war disablement pensions.  In 2018/2019 the Council awarded an extra £40,841.63 in HB as a result of this policy, and the Council received subsidy from DWP covering 74% of this expenditure - therefore the cost to the City Council of this policy in 2018/2019 was around £10,210.41.
Discretionary Housing Payments (DHP)	The Council provides further help with housing costs through the use of DHP, with a local procedure enabling us to disregard as income some extra elements of war disablement pensions (the same as in housing benefit) when awarding payment
Under-occupation Reductions in Housing Benefit	Legislation continues to assist armed forces personnel in that a bedroom used by members of the armed or reserve forces will not be counted as a 'spare' room whilst they are away from their main place of residence, providing that they have an intention to return to the property and they were in fact treated as a non-dependant person prior to their absence.
Access to Council Venues	The Council offers discounts to Defence Privilege card holders to use at the Guildhall. Access to the Gloucester Museum is free of charge.

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