



# Gloucester City Council

## Cabinet

**Meeting: Wednesday, 6<sup>th</sup> December 2023 at 6.00 pm in  
Civic Suite, North Warehouse, The Docks, Gloucester, GL1 2EP**

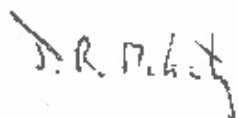
<b>Membership:</b>	Cllrs. Cook (Leader of the Council and Cabinet Member for Environment) (Chair), Norman (Deputy Leader of the Council and Cabinet Member for Performance and Resources) (Vice-Chair), S. Chambers (Cabinet Member for Planning and Housing Strategy), Lewis (Cabinet Member for Culture and Leisure) and Padilla (Cabinet Member for Communities and Neighbourhoods)
<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 (Pages 7 - 14)</b>  To approve as a correct record the minutes of the meeting held on 8 <sup>th</sup> November 2023.
<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. A question may be rejected if it:  (i) Is not about a matter for which the local authority has responsibility or influence; or (ii) Is illegal, improper, defamatory, frivolous or offensive; or (iii) Is substantially the same as a question which has been put at a meeting of the Council, Cabinet or Committee in the past 6 months; or (iv) Requires the disclosure of confidential or exempt information; or (v) Is related to confidential staffing matters; or (vi) Is relating to the personal affairs or conduct of individual Members or Officers.  To ask a question at this meeting, please submit it to <a href="mailto:democratic.services@gloucester.gov.uk">democratic.services@gloucester.gov.uk</a> by 12 noon on Friday 1 <sup>st</sup> December 2023 or telephone 01452 396203 for support.

<p><b>5.</b></p>	<p><b>PETITIONS AND DEPUTATIONS (15 MINUTES)</b></p> <p>To receive any petitions or deputations provided that no such petition or deputation is in relation to:</p> <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>
<p><b>6.</b></p>	<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 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> <p>Questions must be submitted to <a href="mailto:democratic.services@gloucester.gov.uk">democratic.services@gloucester.gov.uk</a> by 12 noon on Friday 1<sup>st</sup> December 2023. Responses to questions will be published in an addendum to the agenda by 12 noon on the day of the Cabinet Meeting.</p>
<p><b>7.</b></p>	<p><b>IMPACT, RECOVERY AND LESSONS LEARNT FROM THE CYBER ATTACK IN DECEMBER 2021</b> (Pages 15 - 36)</p> <p>To consider the report of the Cabinet Member for Performance and Resources seeking Members to note the impact of the cyber-attack on the Council, residents and customers, and the lessons learnt from the subsequent recovery.</p>
<p><b>8.</b></p>	<p><b>LOCAL COUNCIL TAX SUPPORT SCHEME 2024/25</b> (Pages 37 - 44)</p> <p>To consider the report of the Cabinet Member for Performance and Resources seeking approval to retain the current Local Council Tax Support Scheme for 2024/25.</p>
<p><b>9.</b></p>	<p><b>REVIEW OF OFFICE ACCOMMODATION FOR FACE-TO-FACE APPOINTMENTS</b> (Pages 45 - 68)</p> <p>To consider the report of the Cabinet Member for Performance and Resources providing a proposal for moving Face-to-Face bookable appointments from The Gateway, 92-96 Westgate Street, to the management suite at Eastgate Shopping Centre and to review the service to identify service improvements and costs associated with maintaining The Gateway.</p>
<p><b>10.</b></p>	<p><b>CAR PARKING- TARIFF INCREASE &amp; CHARGING HOURS AMENDMENTS</b> (Pages 69 - 80)</p> <p>To consider the report of the Cabinet Member for Performance and Resources seeking Members to review car park tariffs and zoning to ensure consistency and that they reflect changing demand and the Council's carbon neutral aims.</p>

11.	<p><b>FINANCIAL MONITORING: QUARTER 2 2023-24</b> (Pages 81 - 92)</p> <p>To consider the report of the Cabinet Member for Performance and Resources presenting the year-end forecasts, financial pressures on the Council during the Quarter ended 30<sup>th</sup> September 2023 and performance against certain key financial performance indicators.</p>
12.	<p><b>TREASURY MANAGEMENT UPDATE - MID YEAR REPORT 2023/24</b> (Pages 93 - 104)</p> <p>To consider the report of the Cabinet Member for Performance and Resources updating Members on treasury management activities for the six month period of 1<sup>st</sup> April 2023 to 30<sup>th</sup> September 2023 in accordance with the Chartered Institute of Public Finance and Accountancy Code of Practice for Treasury Management.</p>
13.	<p><b>TOURISM AND DESTINATION MARKETING PROGRESS REPORT 2023 &amp; 2024 OBJECTIVES</b> (Pages 105 - 138)</p> <p>To consider the report of the Cabinet Member for Culture and Leisure presenting progress on the Tourism and Destination Marketing function against the objectives issued in October 2022, and seeking approval of objectives for 2024.</p>
14.	<p><b>CHELTENHAM, GLOUCESTER AND TEWKESBURY COMMUNITY INFRASTRUCTURE LEVY JOINT COMMITTEE</b> (Pages 139 - 152)</p> <p>To consider the report of the Cabinet Member for Planning and Housing Strategy proposing the establishment of a Joint Committee to facilitate governance of the allocation of Community Infrastructure Levy receipts received by Cheltenham, Gloucester and Tewkesbury.</p>
15.	<p><b>INFRASTRUCTURE FUNDING STATEMENT 2022/2023 AND ANNUAL COMMUNITY INFRASTRUCTURE LEVY (CIL) RATE SUMMARY STATEMENT</b> (Pages 153 - 194)</p> <p>To consider the report of the Cabinet Member for Planning and Housing Strategy seeking approval to publish the Infrastructure Funding Statement and the Annual CIL Rate Summary Statement.</p>
16.	<p><b>ADOPTION OF UPDATED VALIDATIONS CHECKLIST FOR PLANNING APPLICATIONS</b> (Pages 195 - 202)</p> <p>To consider the report of the Cabinet Member for Planning and Housing Strategy proposing that the updated validations checklist for planning applications is adopted.</p>



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

**Date of Publication: Tuesday, 28 November 2023**

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

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

### **Recording of meetings**

Please be aware that meetings may be recorded. There is no requirement for those wishing to record proceedings to notify the Council in advance; however, as a courtesy, anyone wishing to do so is advised to make the Chair aware before the meeting starts.

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

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

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

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

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## CABINET

**MEETING** : Wednesday, 8<sup>th</sup> November 2023

**PRESENT** : Cllrs. Cook (Chair), Norman (Vice-Chair), S. Chambers, Lewis and Padilla

**Others in Attendance**

Cllrs Hilton, Hyman and Wilson

Managing Director

Monitoring Officer

Head of Finance and Resources

Head of Place

Director of Communities

Head of Transformation and Commissioning

Democratic and Electoral Services Officer

**APOLOGIES** : None.

### 36. DECLARATIONS OF INTEREST

There were no declarations of interest.

### 37. MINUTES

**RESOLVED** that the minutes of the meeting held on 11<sup>th</sup> October 2023 are confirmed as a correct record and signed by the Chair.

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

The Democratic and Electoral Services Officer read the following question submitted by a member of the public:

*I would like to put a question forward for the item Open Space Strategy. When the council reviews its grounds maintenance contract can maximising the introduction of low mow areas to boost biodiversity be built into the review. Can the Council as part of this review work with community volunteer groups to identify potential low mow areas which could be trialled prior to being adopted permanently?*

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The Cabinet Member for Environment gave the following response:

*The Council continually reviews its grounds maintenance service in order to identify opportunities to increase biodiversity. We are happy to consider requests to vary mowing regimes where there is demonstrable support from local residents, and where this would not have implications for road safety.*

The Democratic and Electoral Services Officer read the following question submitted by a member of the public:

*In the light of the harm plastic pitches cause the environment due to microplastic pollution, chemical maintenance, killing the biodiversity underneath and contributing to urban heat, why does the City Council on the one hand state it recognises climate emergency and environmental issues, but on the other hand vote through taking away green space (available for everyone's leisure and wellbeing) for a 'pay to play' plastic pitch?*

The Cabinet Member for Environment gave the following response:

*The City Council is responsible for providing a range of facilities to support the wellbeing of its residents. This includes the provision of sports facilities which help to deliver a range of mental and physical health benefits. There is an identifiable need for an additional 3G all-weather sports pitch in Gloucester in order to meet a growing demand from local adult and youth teams. Efforts have been made to ensure that the development, as a whole, has a positive impact on the environment with plans to improve the biodiversity of the site through the creation of wildflower areas, a sustainable urban drainage systems (SUDS) and the planting of over 100 new trees.*

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

There were no petitions or deputations.

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

In respect of question 1 Councillor Hyman queried whether savings would be made by outsourcing as this had not been the case with Marketing Gloucester Ltd and Aspire Sports and Cultural Trust. The Cabinet Member for Culture and Leisure commented that this had only become apparent in hindsight. He noted that these were small companies whereas Freedom Leisure, the chosen interim leisure services provider, was considerably larger and operated multiple sites. He expressed confidence that they would be cheaper for the taxpayer.

In respect of question 4 Councillor Hilton reminded Members that many roads across his ward had had a severe buildup of fallen leaves which needed prompt clearing to prevent problems. He asked for a clearing schedule relating to the Kingsholm and Wotton ward and specific streets within it. The Cabinet Member for Environment drew attention to the schedule provided (Questions Report Appendix 1). He noted that the four-week programme that this document laid out included references to the ward in question and particular streets within it.

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In respect of question 5 Councillor Hilton sought clarification concerning how many housing units the 38 families in hotel accommodation referred to in the report (3.13) would require. The Cabinet Member for Planning and Housing Strategy reiterated the administration's desire to end the use of hotels and provide accommodation best suited to people's needs within the financial constraints. She advised that the situation was too fluid to be sure but that it would become clearer as progress is made.

In respect of question 6 Councillor Hilton informed Members that he believed that the Environment Agency Flood Risk Map had not been revised to account for the flood alleviation major works carried out approximately ten years ago in his and the Westgate wards. He enquired if this was the case. The Cabinet Member for Planning and Housing Strategy gave assurance that a written answer would be provided.

In respect of question 7 Councillor Hilton asked if the Transport Hub stained glass windows would be in place for spring 2024. The Cabinet Member for Environment confirmed that these were in production and anticipated that they would be installed either late this or early next year. He noted that Councillors had already had the opportunity to inspect one of the windows when displayed in the Eastgate Council offices some weeks ago.

In respect of question 9 Councillor Wilson queried whether the 13.1% in the response should be a ratio rather than a percentage as the former was used by the Moody's ratings agency in their rankings. The Cabinet Member for Performance and Resources invited the Head of Finance and Resources to respond. The Head of Finance and Resources confirmed that it should be a ratio but would double check. He further advised that the figure included investment returns and that the actual calculations could be made available.

In respect of question 10 Councillor Wilson sought more detail on how far the Council was from issuing a S114 Notice. The Cabinet Member for Performance and Resources gave assurance that Cabinet Members and officers were doing everything in their power to prevent it and closely monitoring the constantly moving position. She noted that the Quarter 2 Financial Monitoring report would be published for the December Cabinet meeting enabling people to make their own judgement.

**41. ANNUAL REPORT ON THE GRANT FUNDING PROVIDED TO THE VOLUNTARY SECTOR**

Cabinet considered the report of the Cabinet Member for Communities and Neighbourhoods that outlined the Council's financial contributions towards the voluntary and community sector during the year 2022/23.

The Cabinet Member for Communities and Neighbourhoods drew Members' attention to the principles of Asset Based Community Development model of working which underpins activities of the Council in this sector (4.1-5). He gave

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examples of some of the 71 organisations that the Council had invested a total of £101,250 in.

The Cabinet Member for Environment informed Members that he was always pleased to see this annual report showing how much support was being given. The Cabinet Member for Culture and Leisure reminded Members of the importance of this support as what might seem like a small amount of money often had a disproportionately large impact for the organisation involved. The Cabinet Member for Planning and Housing Strategy commented that it was great to see property developers contributing to the community through the Community Infrastructure Levy Neighbourhood Fund (4.5).

**RESOLVED** that the report is noted and the same approach is endorsed for the 2023/24 year.

**42. DOMESTIC ABUSE AND PLACES OF SAFETY**

Cabinet considered the report of the Cabinet Member for Planning and Housing Strategy that sought that funding from other members of the Strategic Housing Partnership (the Partnership) be accepted to deliver Domestic Abuse Housing for Gloucestershire as lead authority for the Partnership and to ensure that the Council can receive partner funds to cover costs of the work.

The Cabinet Member for Planning and Housing Strategy advised Members that the number of places of safety available for individuals and families would be doubled with scope for more should they accept the recommendations of the report. She informed them that a recent experience meeting an individual and their child who had endured a very difficult situation had reminded her of how such support transforms people's lives. The Cabinet Member for Planning and Housing Strategy highlighted the importance of the collaboration by the Partnership across district and regional borders in delivering this vital service. She further emphasised the benefit of the critical training pathways lead by the Partnership which enable the early signs of domestic abuse to be recognised and appropriate support to be offered.

The Cabinet Member for Performance and Resources thanked the Director of Communities and her team for their work and noted that it represented a prime example of partnership working delivering a very much needed service for the community. The Cabinet Member for Culture and Leisure commented that no one should live in fear at home and urged people in that situation to come forward and seek assistance.

**RESOLVED** that:

- (1) delegated authority is given to the Corporate Director following consultation with the Head of Finance and Resources and Director, One Legal to accept funding from other members of the Strategic Housing Partnership to deliver Domestic Abuse Housing;

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- (2) delegated authority is provided to the Corporate Director in consultation with the Head of Finance and Resources and the Director of One Legal to accept tenders following procurement exercises carried out on behalf of the Strategic Housing Partnership; and
- (3) the Council continues to employ a lead Member of staff on behalf of the Strategic Housing Partnership with a shared funding arrangement.

**43. TEMPORARY ACCOMMODATION ACQUISITION PROGRAMME**

Cabinet considered the report of the Cabinet Member for Planning and Housing Strategy and the Cabinet Member for Performance and Resources that proposed that a programme of capital investment be set out to increase the Council's temporary accommodation portfolio to reduce the costs associated with using hotels and other buildings.

The Cabinet Member for Planning and Housing Strategy outlined the background to the report and reasons behind the increase in families requiring temporary accommodation (3.2) which she stressed was a national as well as a local issue. She noted that the proposed programme was only one of the solutions that the Council is working on to ensure that households who find themselves in the terrible position of homelessness can be supported. The Cabinet Member for Performance and Resources drew Members' attention to the financial implications (9.1) and made it clear that each acquisition should be decided on a case-by-case basis so that the right decision is made both for individuals and the finances of the Council. She thanked both the Communities and Finance Teams and especially the Housing Innovation Manager and Financial Services Manager. The Cabinet Member for Environment expressed his own gratitude to officers for moving so fast to find solutions to what was a nationwide problem. He noted that this proposal was innovative and advised Members that he had been approached by a Metropolitan Council with praise for it.

**RECOMMENDED** to Council that:

- (1) delegated authority be provided to the Corporate Director in consultation with the Cabinet Member for Performance and Resources and the Director of One Legal to:
  - a) approve the establishment of a capital investment fund, funded from borrowing, to enable an acquisition programme for buildings or other structures for use as temporary accommodation for households who present as homeless to the Council
  - b) explore options and appoint a provider, or other arrangement, to manage the temporary accommodation provided on behalf of the Council

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- c) procure and appoint contractors and associated professional services to carry out any works required to bring the properties into use as units of temporary accommodation
- (2) acquisitions be made in accordance with the principles of this report and the total costs will not exceed £5m.

**44. CHELTENHAM, GLOUCESTER AND TEWKESBURY STRATEGIC AND LOCAL PLAN - PUBLIC CONSULTATION (REGULATION 18)**

Cabinet considered the report of the Cabinet Member for Planning and Housing Strategy that sought approval for public and stakeholder consultation in relation to the Cheltenham, Gloucester and Tewkesbury Strategic and Local Plan (SLP) Consultation Document.

The Cabinet Member for Planning and Housing Strategy outlined the background to the report. She advised Members that the cross-boundary approach was one that she strongly supported for the benefits it gave the authorities in production of the plan and developers and communities in its practice. She reminded Members that the proposed consultation would shape a draft SLP scheduled for early 2025 (3.8). The Cabinet Member for Culture and Leisure commented that consultation with all relevant parties was vital for future accommodation and jobs to be in the right place for what is a growing city.

**RECOMMEND** to Council that:

- (1) the Strategic and Local Plan Consultation Document (Appendix 1) be approved for consultation under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012
- (2) authority be delegated to the Head of Place, in consultation with the Cabinet Member for Planning and Housing, to prepare diagrams illustrating the general location of development options for inclusion in the consultation document, and to make any other necessary minor amendments, corrections and additions to the document prior to publication for consultation.

**45. PROPOSED DISPOSAL OF BARBICAN HOUSE, 31 COMMERCIAL ROAD, TO GLOUCESTERSHIRE ACADEMY OF MUSIC**

Cabinet considered the report of the Cabinet Member for Performance and Resources that sought to progress the proposed disposal of Barbican House to Gloucestershire Academy of Music (GAM) further to the previous Cabinet decision (8<sup>th</sup> December 2021 Minute 70).

The Cabinet Member for Performance and Resources highlighted the key features of the report. She reaffirmed the Council's commitment to supporting GAM and that the extension of the previously agreed timeline to would enable the Council to do so. The Cabinet Member for Culture and Leisure commented that GAM was highly regarded and good for the City. He advised that anything that could be done to



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keep them here should be done. The Cabinet Member for Environment stated that GAM already formed a vital part of Gloucester's cultural offer and that having Barbican House as their own would strengthen this further.

**RESOLVED** that authority is delegated to the Head of Finance and Resources, in consultation with the Cabinet Member for Performance and Resources and Property Investment Manager, to agree terms to dispose of the freehold interest or a long leasehold interest in Barbican House within the next two years.

**46. OPEN SPACE STRATEGY CLARIFICATION**

Cabinet considered the report of the Cabinet Member for Environment that proposed that a revised Open Space Strategy be adopted.

The Cabinet Member for Environment summarised the report and directed Members' attention to the detail of the proposed changes (3.3). He advised them that although financial savings were unlikely, they would reduce future risk (11.3). The Cabinet Member for Performance and Resources underlined the importance of communicating with residents and that Ward Members be involved if the maintenance of particular areas is changed.

**RESOLVED** that:

- (1) amendments to the current Open Space Strategy, which have been made in order to clarify the Council's policy in respect of unadopted land, are noted
- (2) the Amendments Open Space Strategy is adopted
- (3) authority is delegated to the Corporate Director, in consultation with the Cabinet Member for Planning and Housing Strategy, to make any other necessary minor factual amendments and corrections to the Open Space Strategy.

**47. REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) - ANNUAL UPDATE**

Cabinet considered the report of the Cabinet Member for Performance and Resources that updated Members on the Council's use of its powers under the Regulation of Investigatory Powers Act 2000 (RIPA).

The Cabinet Member for Performance and Resources advised Members that there had been no changes to the procedural guide and that the powers had not been used in the past year.

**RESOLVED** that the annual update on the use of RIPA powers is noted.

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**Time of commencement: 6.00 pm  
Time of conclusion: 6.34 pm**

**Chair**



<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>6 December 2023</b>
<b>Subject:</b>	<b>Impact, Recovery and Lessons Learnt from the Cyber Attack in December 2021</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>Iain Stark, Head of Transformation and Commissioning</b>		
	<b>Email: iain.stark@gloucester.gov.uk</b>	<b>Tel:</b>	<b>396156</b>
<b>Appendices:</b>	<b>1. Executive Security Summary of the Incident</b> <b>2. ICO Reprimand</b>		

**FOR GENERAL RELEASE**

**1.0 Purpose of Report**

1.1 To note the impact of the cyber-attack on the Council, residents and customers of the council that occurred in December 2021 and the lessons learnt from the subsequent recovery.

**2.0 Recommendations**

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

- (1) the contents of the report on the cyber-attack be noted;
- (2) it be noted that the council has learnt a number of lessons from the cyber-attack that occurred in December 2021 and that these will be monitored by the Council’s Information Governance Board to ensure they are embedded.

**3.0 Background on the attack**

3.1 On 20 December 2021, the council became aware that it was the subject of a sophisticated and well organised cyber-attack that resulted in data being extracted from the council’s network and servers being encrypted with ransomware. Ransomware is a specialised piece of software that scrambles the information stored on a computer and asks for payment for a key to unscramble it.

3.2 In the days following the attack, with the assistance of Civica, the National Cyber Security Centre (NCSC), the NCC group, the Local Government Association (LGA) and the Department for Levelling Up, Housing and Communities (DLUHC), an investigation was carried out that determined the attack was carried out by well-known criminal organisation in an attempt to exploit money by charging for the decryption keys for the information.

- 3.3 The investigation was able to determine that the attack initiated from a specially crafted email received on 24 November 2021 designed to look like part of an ongoing conversation with one of the council's suppliers. This is an attack method known as spear phishing. This email contained a link to a malicious piece of software that was used to create a hidden backdoor into the council's network and launch the attack. A redacted version of the executive summary of the report on the attack is included in Appendix 1
- 3.4 In the intervening time between the email being received and 20 December 2021 the attackers worked to establish a foothold in the councils' systems and steal data before launching their ransomware attack. The impact of this attack on the council was immediate and extremely significant resulting in the encryption of all servers making almost every council system inaccessible and subsequently most services ceased being able to function effectively.
- 3.5 Prior to the ransomware being deployed by the attackers, systems within the council were compromised and data was extracted from within them. Forensic investigation determined that around 230GB or 240,000 files were transferred to a file sharing website in New Zealand and from then to an unknown destination. This technique is common in these types of attacks as the change in time zones hinders co-ordination between law enforcement agencies. Initial checking of the files identified that personally identifiable data as defined by GDPR (General Data Protection Regulation) (the Act) may have been compromised. To meet its obligations under the Act the council attempted numerous methods to identify individual data subjects about whom information was contained.
- 3.6 The only systems unaffected were those in the cloud, principally Microsoft 365, so email, Teams (including the phone system) and SharePoint were still available. Due to it being hosted independently the council's website was also unaffected. While there was an initial concern about the integrity of the council's email system, an external security authority was able assess the system and determine it had not been compromised. This proved critical to how the council was able to operate in the early days of recovering from the attack, as telephones could still be answered, emails received and perhaps most importantly Teams could be used to store and share files. The website was used to advise residents that an incident was ongoing and later to provide updates on the attack and recovery.
- 3.7 As an interim measure prior to a complete replacement, specialist security software was installed on to all the existing staff laptops and similar devices. This allowed them to be comprehensively monitored and detect any specific compromise. In the longer term, new standard laptops were procured, configured and issued to staff.
- 3.8 A ransom note had been left by the cyber attackers on the affected systems demanding that the council should contact them for payment or data would be released and the council's files and systems would be left unusable. In line with NCSC guidance, no attempt was made to contact or negotiate with the attackers or to pay the ransom.

#### **4.0 Recovery**

- 4.1 Recovering from a cyber-attack is a lengthy, complex and costly task requiring new or alternative equipment. When recovering from a cyber-attack, systems cannot be

restored from backup systems simply as they were. The data needed to be assessed to ensure it was safe to use and the underlying systems and networks needed reviewing to ensure they were configured to the most secure posture and best practice., It was critical to ensure that the same attack methods were not still available in the restored systems. This process is referred to as building back better.

- 4.2 To facilitate the recovery, specialist support was used and from this a design template was created that now determines how the council manages and maintains its technology. Where possible, cloud hosted solutions were used to provide resilience and create a dispersed design that minimised single points of failure. This design means that should a failure or future attack affect one part of the council the other systems hosted separately will continue to function and the impact can be minimised. It should be noted that this was the strategic direction the council was moving in prior to the attack.
- 4.3 Systems to be recovered were prioritised by the recovery team and the management team at the council. With the support of suppliers and partners over the next 18 months systems and services were restored and returned to use.
- 4.4 Recovery of the systems used by services is complicated and relies on the skills of the recovery team with the support of the software supplier. For some services this knowledge was readily available, however in other cases, the specifics of how systems were configured and how they connect to each other had to be developed from the ground up. Understanding the relationships between different systems was complex and ensuring the data could flow correctly separate services took time to build.
- 4.5 System and data recovery was only part of the picture. The day-to-day business of the council did not stop during the cyber-attack nor afterwards during the recovery process. Subsequently, all data that was generated in the work around processes and temporary systems must eventually be migrated back to the primary systems once they are back up and running. This body of work is complex and time consuming to do but it important as there are statutory registers and data sets that need to be maintained and held such as planning and financial information.
- 4.6 The recovery process was complicated by the council's move to Eastgate Offices in 2022. This required time from the IT teams to connect and configure systems in the new office space to allow staff to work. The other significant change during this period was the decision by Civica in February 2022 that they would no longer provide the outsourced IT service.

## **5.0 Impact on services**

- 5.1 The impact of the loss of normal systems on staff and residents was considerable. Over time staff were able to create innovative work arounds to keep services functioning, however for a significant period while systems were either offline or being rebuilt, services were either unable to deliver to residents or were substantially slower.
- 5.2 Being unable to access planning information and the register of applications led to delays in determining the outcome of planning applications.

- 5.3 The same core system that used for planning is also used for processing licence applications and similarly this meant that all data was unavailable and new licences or renewals could not be processed.
- 5.4 Residents in the process of buying property within the city were affected as the council was unable to provide the land search service. This impacted on people moving within the borough as this information is used by mortgage providers to check for anything unusual in the property's history.
- 5.5 Without the systems for revenues and benefits, the council was unable to generate the data to make benefits payments or collect council tax and business rates. As the timing of the attack was the week before Christmas, more payments were due to be made. Failure to make these payments would have had an impact on some of the most vulnerable residents in the city. This was the highest priority system to be recovered and, in partnership with our payments processors, payment files were rapidly manually recreated to ensure all benefits were paid.
- 5.6 Loss of access to the financial systems meant that manual processes were needed to process purchases, pay invoices and receive payments. It also meant the council had only limited information as to what its budget position was throughout the year. This significantly increased the amount of work the finance team and managers needed to carry out to ensure the council was operating within its budgets.
- 5.7 There was no way to process changes or additions to the electoral roll. This was both updates from the register to vote website and residents contacting the council directly. It was fortunate that the elections at the council had happened prior to the attack in May 2021, as this would have been extremely challenging without access to systems. Further to this, difficulties with the recovery of the elections system meant that all postal votes needed to be re-registered in the system.
- 5.8 The council's online forms were dependent on several systems that were directly affected by the incident. As a result of this the council was not able to use its existing web-based forms and customers had to either email in their requests or telephone. The impact of this was that processes that normally had very little staff resource requirements suddenly needed far more resources and took longer to process.
- 5.9 The garden waste service relied on online forms and several other systems to function and were taken offline by the cyber-attack. This meant the council was unable to collect payments for the approximately 21,000 garden waste subscriptions when they were due. For several months garden waste bins were just emptied while information was gathered to enable the payment collections to be made and stickers sent out. This was further hampered by the finance system being unavailable to create the invoices that go along with the subscriptions.
- 5.10 This is by no means a comprehensive list of the impact of the cyber incident as the impact was felt across every service the council offers.

## **6.0 Impact on partners and stakeholders**

- 6.1 The council has shared services for communications and human resources including pay roll, legal services and for building control. In response to the attack email

communication was limited by these the partners, this made it very difficult to have transactions with them. This limited access to getting support from HR, getting information to and from pay roll, getting support with communications and engaging with the council's legal service.

- 6.2 At the time of the attack the council provided the underlying IT systems to the leisure centres at GL1 and Oxstalls. The attack meant very manual processes had to be used to run the centres.
- 6.3 Because of the attack the normal services from central government were unavailable. This meant that updates were not available from the Department for Work and Pensions (DWP) and the central Register to Vote service.

## **7.0 Impact on staff**

- 7.1 The cyber-attack and associated recovery had a lasting effect on staff at the council. The initial impact was high stress and confusion among staff caused by the uncertainty of what was happening and the volume of work that was suddenly needed with very limited systems to help. Further to this getting clear and consistent communication to staff was a challenge while systems were down, and information was limited. The staff survey in March 2023 found that 49.3% of staff felt their personal morale had been affected during the incident. Further to this 31.8% of staff felt their personal morale was still affected by the attack.
- 7.2 In the survey, staff were asked what the hardest aspects of working through the cyber-attack were. This was a free text response enabling staff to fully express their experiences. The responses were grouped in to broad categories and the most frequent were as follows "having to learn and use workarounds that can be slower", "loss of historical documents or data", "not having systems available to work from", "new technology not working well or the time taken to issue it", "lack of access to finance or budget information", "challenge of supporting staff" and "not enough communication on the recovery".
- 7.3 The same staff survey also asked what positive came out of the cyber incident. The top categories of response were "improvements made to how systems work", "working together as teams and the whole council to support each other", "increased awareness of cyber and data risks", "learning how to get the most from Microsoft Teams" and "being able to create work arounds quickly".

## **8.0 Impact on councillors**

- 8.1 As the council's email and Teams systems had not been affected by the attack, councillors were largely able to continue to carry out their duties during the cyber-attack and subsequent recovery period. The largest impacts were:

- Lack of access to the Modern Gov system that managed committee papers for meetings such as full council and cabinet.

- An increase in contact from residents requesting assistance while the normal channels at the council were disrupted by the attack.

- 8.2 Regular briefings with councillors were held to ensure they were kept up to date with what had happened, how it was being dealt with and how recovery was progressing.

## **9.0 Business continuity**

- 9.1 While the telephone system and email were available, very few of the back-office systems were working so staff had to initially rely on basic procedures to handle requests. However, within weeks innovative temporary work arounds were created by staff to handle and store data, track requests and carry out as much business as usual as possible. It is a testament to the resilience and creativity of staff at the council that these were created so quickly and so much work was able to resume. The LGA Corporate Peer Challenge in November 2022 noted that “Gloucester City Council has done remarkably well to continue to deliver its facilities and services, post the cyber incident experienced; senior leadership and service managers should be commended for their creativity in developing work arounds and solutions to maintain effective service delivery for residents and businesses”.
- 9.2 A planning register was created in Teams to record the determination of planning applications. Storage in Teams storage was used to manage and collaborate on the application information and plans.
- 9.3 A simple to use food premises inspection system was setup in Teams with premises listed in directories by alphabetical order.
- 9.4 Shared spreadsheets were created to keep UBICO up to date with waste management information and street cleaning.
- 9.5 With online forms unavailable PDF documents were created very quickly to allow residents to make benefit claims or submit changes. To ensure that benefits got paid before Christmas, the bank file from 1 November 2021 was reverse engineered to create the payment files for the subsequent months. A similar process was used to create the direct debit instructions to collect council tax and business rates. This was used until the revenues system was fully back up and running in June 2022
- 9.6 MS Forms were used to capture private sector housing requests, a basic purchasing system word documents and spreadsheets and creating new areas on the website to manually publish meeting agendas and information.

## **10.0 Service area positives and negatives**

- 10.1 A lesson learnt exercise with the representatives from each service area identified several positives that should be taken from during the attack and the following recovery.

There was effective use of the online telephone system during the incident this meant the contact centre remained operational.

The teamwork and collaboration of staff both in terms of creating work arounds to help deliver service and to help support fellow members of staff.

The council was able to draw on its experiences and lessons from working during COVID-19 to support remote work.



Due to the good relations with government bodies and partners, support was there when the council needed it.

Staff recognised that there had been training on cyber security, including exercises like mystery shopping and WARP exercises.

The creativity and empowerment of staff to develop workarounds and use cloud-based systems was key to ensuring services continued to function.

There was still access to IT support systems (that were cloud based) so help was available although the response time was slower during the initial time of the attack.

Microsoft 365 was not affected by the attack, this meant that Teams, Outlook, SharePoint and all other related systems were still available, this was the foundation that allowed the council to cope during the early days of the attack and recovery.

There was strong collaboration and support from other organisations and security agencies along with a recommendation not to rush the investigation into the attack. This ensured that nothing was missed and that everything was safe to be recovered.

## 10.2 The exercise with service areas picked up on the following negative elements.

Communication was difficult with residents, staff and councillors. This was in part due to systems disabled in the attack and until recently there were limits on what could be disclosed in messages due to ongoing investigations. The lack of available systems both for staff and online meant that anyone who needed information had to call the council, this led to significant increase in demand on front facing staff. The block on emails between the County Council and the council made it more difficult to get messages out and manage the situation.

While the council had business continuity plans, the impact and duration of the attack and recovery was far more significant than the actions in the plans were intended for.

While staff cyber training was being carried out this was not routinely being done as part of the induction process and only being done as part of an annual process.

The effort of reintegrating the substantial volume of workaround data back into the council's primary systems whilst also delivering services as normal. This was a body of work that has been difficult to achieve.

## 11.0 ICO investigation

- 11.1 On 22 December 2021, once the full extent of the attack had become clear, the ICO were notified of the data breach and began their own investigation. This investigation, supported by staff at the council, concluded with a report that was published on 23 August 2023. This report is included in Appendix 2

- 11.2 The report was issued as a reprimand to the council and makes several recommendations that could have helped prevent the incident or reduced the impact of it.
- 11.3 Lack of appropriate logging and monitoring systems. While the council had some log monitoring at the time of the cyber-attack, it did not have a central logging system or security information and event management (SIEM) system. This would have assisted in the detection of the attack and may have prevented it from spreading across the council's systems.
- 11.4 Failure to implement measures and test, assess and evaluate the effectiveness of security technical and organisational measures for ensuring the security of processing. While the council had some documentation and processes these were sufficient for dealing with smaller breaches, they were not sufficient for this incident. The ICO recognised that the council had existing backup systems and acknowledged that the breach was due to a phishing attack not an existing vulnerability or outdated systems.
- 11.5 The ICO made the following three recommendations:
- i) That the council's technical and organisational measures – including those introduced as post incident remedial measures – are regularly tested and there is a documented process in place for evaluating, and improving, the effectiveness of these measures.
  - ii) Perform a full review of the council's backup and disaster recovery measures. Including both technical and organisational measures in place to restore access to personal data, understand what personal data has been impacted during an incident and demonstrate compliance with Article 32(1)(c) if a future incident occurs.
  - iii) Review the council's records of processing and asset registers to ensure there is a concrete understanding of what personal data is being processed, which systems store personal data and the risks posed by a breach of confidentiality, integrity or availability for the personal data being processed.
- 11.6 It should be noted that this is the lowest form of enforcement action the ICO can chose to take in response to this sort of data breach.

## **12.0 Lessons learnt**

- 12.1 Prior to the attack, the setup and configuration of some systems had been extensively customised by external consultants. During the recovery it was not possible to recover this customisation and this hampered restoration of some systems. For future development and configuration, clear documentation must be kept and if external partners are used then the knowledge must be shared or there must be clear service agreements to ensure ongoing support.
- 12.2 As the council continues with to use technology services in the cloud, hosted by suppliers or in software as a service (SAAS) system, it is important to ensure that these services are included in cyber security and incident response plans.
- 12.3 When there were no systems available to deliver services at the council, staff developed their own systems and workarounds. The learning and development from

this work needs to be brought into the transformation programme for the council to harness these skills and the knowledge.

- 12.4 Managing expectations of staff, suppliers and the public. Recovery from cyber incidents is a complex matter. The technical requirements to bring systems back online needs to be combined with supporting law enforcement activity and these operations can take a significant time to conclude. However, it is important that staff, councillors and the public are kept up to date with regular communications and progress where it is possible. Where possible a timetable for recovery of services should be shared even if this is a live document that needs to be amended. Clear messages and protocols should be available to all staff specific communication may be required for those line managing staff or team leaders to ensure that staff feel engaged.
- 12.5 The council has a programme of regular cyber training for staff and councillors this should be reviewed to ensure that is embedded with technology and systems being used.
- 12.6 User awareness is a key line of defence against phishing and fraud emails. Continuing phishing awareness training both to educate in spotting these attacks but also embedding the actions to take if an email is received.
- 12.7 Review of cyber incident response procedures for the whole council. Review roles and responsibilities and how the comms works both internal and externally and the escalation process and empowering staff on how and when to act. The plan should include potential contacts with organisations who have experienced similar incidents, law enforcement agencies and the ICO.
- 12.8 Carry out simulated cyber and disaster exercises to test the council's plans. These should include participation from service areas, senior management, councillors and critical partners.
- 12.9 Review of critical communications protocols with shared services and partners. In the event of a cyber incident at either the council or a partner organisation there should be an established mechanism of how to inform each other of ongoing incidents and a protocol for managing recovery. There should also be established security response to enable third party services to still function for the council.
- 12.10 A high risk to the council is from a compromised companies that either supply to the council or have services supplied to them from the council. Once an attacker has compromised part of the supply chain, they can use the infrastructure of that organisation to attack other organisations either up or down the supply chain. The phishing email that initiated the attack in November 2021 came from a company that was a supplier to the council. It is essential that cyber awareness and security is part of the procurement procedure and contract monitoring with all suppliers.
- 12.11 There is a challenge to restore faith and trust in technology and data security with staff, councillors, partners and the public. This can only be earned by demonstrating, living and championing the cyber lessons from the attack and industry best practice.
- 12.12 Relationships with partners, nearby councils, agencies and warning advising and reporting point (WARP) are vital to ensure the long-term cyber security of the council.

These relationships need to be maintained to ensure we can learn from others and share intelligence.

- 12.13 Review of data asset registers along with retention and classification schedules this needs to include information that may have been gathered in alternative systems while the primary ones were unavailable.
- 12.14 A recommendation from the ICO was that the council implement a SIEM solution to monitor events and log files to and alert when suspicious activity occurs.
- 12.15 A recommendation from the ICO that the council carries out regular testing and reviews of the council's backup processes and restoration procedures. The knowledge of system workarounds that were used should be documented so in the event of another long-term system failure these can be used.
- 12.16 A recommendation from the ICO that the council to review what data is being processed, where it is stored and any risks. The council needs to be able to monitor who has access to this data and ensure that this can be reviewed in the event of an incident.

### **13.0 Monitoring of lessons**

- 13.1 As the council returns to business as usual with its systems it is imperative that the lessons learnt from this incident become embedded within the organisation, its policies and procedures.
- 13.2 An action plan from these lessons learnt has been developed and will be overseen by the council's Information Governance Board and Senior Management Team. Owing to the sensitive information contained that will be contained in the action plan, this will not be published in line with the council's position on sharing information that might jeopardise its cyber security.

### **14.0 Social Value Considerations**

- 14.1 The impact of the cyber incident to residents, businesses of Gloucester and customers of the council was significant. By embedding the lessons learnt into the council the impact and severity of any future cyber incident can be reduced and the services protected.

### **15.0 Environmental Implications**

- 15.1 Nil

### **16.0 Financial Implications**

- 16.1 To date the recovery costs from the cyber incident are as follows.

Revenue costs: £ 728,352.63

Specialist security consultants, software and support to aid recovery.

This amount includes the following that was received in grant funding to aid the investigation into the incident and support recovery.

LGA - £50,000

DLUHC - £200,000

Capital costs: £ 141,701.68

Replacement of servers, firewalls, laptops and other key equipment.

It should be noted that much of this work was forecast to happen within 12 to 24 months but was brought forwards as part of the recovery.

Cloud hosting costs: £ 272,400.21

Migration of systems to cloud hosting as part of the building back better strategy.

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

Nil

## **18.0 Legal Implications**

18.1 By virtue of Article 58 of UK GDPR the ICO have a number of corrective powers including warnings, enforcement notices, fines, prosecutions and reprimands.

18.2 The Council has been issued with a formal reprimand and whilst the ICO will look at mitigating factors, if the Council fails to comply with the recommendations within the report there is the risk of further enforcement action being taken. Non-compliance may also be considered in any subsequent separate incidents, and any penalties imposed may be higher as a result. The Council may also suffer reputational damage and claims from third parties as a result.

## **19.0 Reasons for Recommendations**

19.1 The disruption caused by the cyber-attack has had a lasting impact on the residents and businesses of Gloucester and the council. The lessons learnt are key to ensuring that in the event of any future incident that damage and impact would be significantly reduced.

## **20.0 Risk & Opportunity Management Implications**

20.1

<b>Risks</b>
Not embedding the lessons learnt would put the council at risk of last damage from future cyber incidents along with significant reputational and financial damage.

<b>Opportunities</b>
To learn and develop the council's systems and cyber resilience by embedding the identified lessons learnt.

## **21.0 Community Safety Implications**

21.1 Nil

## **22.0 Staffing & Trade Union Implications**

22.1 Nil

**Background Documents:** None

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# 1 Executive Summary

This redacted report presents the findings of the Project Silver Seagull investigation conducted on behalf of Gloucester City Council. The investigation was conducted between 23/12/2021 and 12/01/2022 and was authorised by Civica UK Ltd, on behalf of Gloucester City Council.

## 1.1 Investigation Summary



On 20/12/2021 Gloucester City Council were made aware of systems not operating as expected and staff being unable to connect remotely to servers. Civica UK Ltd were contacted and instigated an initial investigation which identified that Gloucester City Council were the subject of a ransomware attack by a group known as Conti.

Conti ransomware is operated as Ransomware-as-a-Service (RaaS) and means that there are operators and affiliates. Operators are the group behind the creation and maintenance of the ransomware. The affiliates are trusted parties who compromise the networks of victims and facilitate the deployment of the ransomware and exfiltration of data, with any ransom payment split between the two parties. If the victim fails to pay the ransom then any exfiltrated data is published on the Conti leak site and made available for anyone to download. It was evident that the threat actor had done their best to cover their tracks and used the ransomware in a destructive manner to impede any investigation.

Evidence of data exfiltration was identified on the host DC-VS-PTC, with the Rc1one tool being present. Rc1one provides an easy and effective way of copying data to an array of cloud storage providers and private servers, therefore is popular among threat actors. The firewall logs for the Gloucester City Council environment show that 226.5GB of data was exfiltrated to 126 different IP addresses which relate to the cloud application Mega.nz. Rc1one and Mega.nz are known tools utilised by the Conti threat actor. The data exfiltration took place between 15/12/2021 9:47:57 and 16/12/2021 23:29:42. Due to the nature of Rc1one, no data staging is required and data can be taken from either local or network locations. Therefore, it cannot be determined what data was taken however the threat actor is seen to move laterally to the file server DC-VS-V601 seconds before the exfiltration commences, and it is therefore highly likely that the data captured by the threat actor is from the host DC-VS-V601, which is the main file server for Gloucester City Council.

The earliest malicious activity by the threat actor was identified as 24/11/2021, when a spearphishing email was sent to REDACTED@gloucester.gov.uk at 14:58. The user thereafter clicked the malicious link and downloaded a malicious zip file, attributed to Bazarloader malware, to the host GCC004208. The next stage involved a trojan being downloaded which is attributed as IcedID malware, confirming GCC004208 as patient zero. Some internal reconnaissance of the users' endpoint was thereafter conducted with no further malicious activity identified until 14/12/2021. It is highly likely this delay was due to a disconnect between the threat actor group responsible for the initial access and the



threat actor group responsible for the further compromise.

On 14/12/2021, malicious activity restarted with the Bazarloader malware executing. It is then hypothesised that credential elevation was gained to the wider environment when a member of IT staff logged on remotely to the endpoint **CCC004208** to assist with a Citrix issue. A short time after the IT remote logon a user is seen to RDP to the host **APPVLIVHKP40** and deploy a Cobalt Strike beacon, which was installed as a Windows Service to ensure persistence. Further RDP connections and Cobalt Strike deployments followed with the activity taking place between 14/12/2021 and 18/12/2021. Cobalt Strike is a popular tool for adversary simulation and although distribution is tightly controlled, there are non-legitimate copies which are used by threat actors for malicious purposes. Deployment of Cobalt Strike was done in two ways, firstly by pushing out an executable via SMB to the **\$Admin** share which created a new service on the infected hosts. Deployment was also identified via executing encoded PowerShell commands.

The threat actor installed AnyDesk on the host **DC-VS-PTC**. AnyDesk is a remote access tool which is popular with ransomware actors. It is highly likely this was installed as a persistence mechanism to ensure continued access to the Gloucester City Council environment. Forensic artefacts also identified Atera which is a Remote Monitoring and Management (RMM) application. Atera was found on the hosts **APPVTSIHKP02** and **Webv1ivhkp16**. The purpose of installing this is to gain remote control of the host and install further software. Atera was used to install a legitimate remote access tool called Splashtop which could allow the threat actor a remote connection to any host on the network with it installed. Atera was first installed within the environment on 15/12/2021.

A number of the tools were utilised by the threat actor throughout this attack including **Process Hacker**, **Netscan** and **Power Tool**. The Conti ransomware binary was executed by threat actor at 21:18:07 on 18/12/2021.

It should be noted that the effectiveness of this investigation was significantly affected due to the lack of a centralised SIEM and no Endpoint Detection and Response (EDR) tool being deployed within the Gloucester City Council estate prior to the incident taking place.

Based on the artefacts recovered during this investigation it is recommended that any recovery in respect of restoration of backups is considered from two specific points. Should recovered hosts be in the form of an entire server rebuild (bare metal, without forensically wiping local storage), the recommended recovery date is 24/11/2021, prior to the malicious email being received. If the preferred remediation option is to rebuild the database (leaving the OS and applications intact) the suggested restore for backups date is 13/12/2021.

*Note - This report has been redacted. NCC will not be liable for any reliance on this report by third parties due to the disclosure.*





**DATA PROTECTION ACT 2018 AND UK GENERAL DATA  
PROTECTION REGULATION  
REPRIMAND**

**23 August 2023**

**TO: Gloucester City Council**

**OF: Civic Suite**

**North Warehouse**

**The Docks**

**Gloucester**

**GL1 2EP**

The Information Commissioner (the Commissioner) issues a reprimand to Gloucester City Council in accordance with Article 58(2)(b) of the UK General Data Protection Regulation ('UK GDPR') in respect of certain infringements of the UK GDPR.

**The Reprimand**

The Commissioner has decided to issue a reprimand to Gloucester City Council in respect of the following infringements of the UK GDPR:

- Article 32(1)(b) which states that organisations must have appropriate technical and organisational measures in place, appropriate to the risk of their processing, including the ability to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems and services.
- Article 32(1)(c) which states that organisations must have appropriate technical and organisational measures in place,

appropriate to the risk of their processing, including the ability to restore the availability and access to personal data in a timely manner in the event of a physical or technical incident.

- Article 32(1)(d) which states that organisations must have appropriate technical and organisational measures in place, appropriate to the risk of their processing, including a process for regularly testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the processing.

The reasons for the Commissioner's findings are set out below.

### **Lack of appropriate logging and monitoring systems**

As noted in the post-incident forensic report, Gloucester City Council did not have a centralised logging system or SIEM in place. This significantly restricted Gloucester City Council's ability to effectively monitor and respond to security incidents, detect anomalous activities, and identify potential threats.

Implementing technical and organisational measures to detect and respond to incidents is a key aspect of cyber security, and there is significant guidance available on logging and monitoring best practice. For example, the NCSC provides guidance on logging and monitoring systems, stating that "Collecting logs is essential to understand how your systems are being used and is the foundation of security (or protective) monitoring. In the event of a concern or potential security incident, good logging practices will allow you to retrospectively look at what has happened and understand the impact of the incident. Security monitoring takes this further and involves the active analysis of logging information to look for signs of known attacks or unusual system behaviour, enabling organisations to detect events that could be deemed as a security incident, and respond accordingly in order to minimise the impact". As part of this guidance, the NCSC recommend that organisations should

“Consider which logs [they] want to draw into a centralised location for analysis”

Additionally, following the ransomware attack, it became apparent that the threat actor had successfully deleted logs, erasing crucial evidence and hindering both Gloucester City Council’s investigation and remediation of the incident. This also prevented early detection of the incident through the log review process that Gloucester City Council had in place with a third party supplier. Industry standards and best practice cover the requirement that logs be protected from tampering – for example the NCSC recommends that organisations should “Protect [their] logs from tampering so that is it hard for an attacker to hide their tracks and you can be confident that they accurately represent what has happened”. GCC failed to prevent such tampering and, when combined with the lack of centralised logging systems or appropriate log review processes, this hindered Gloucester City Council’s ability to detect and recover from this incident.

The Commissioner considers that a SIEM, or an alternative measure that would have improved Gloucester City Council’s ability to effectively detect and quickly mitigate security incidents, along with appropriate considerations on how to protect logs from tampering would have been appropriate security measures for Gloucester City Council to implement proportionate to the risk of their processing activity.

**Failure to implement measures and test, assess and evaluate the effectiveness of security technical and organisational measures for ensuring the security of processing.**

During the post-incident response, the Commissioner considers that Gloucester City Council did not restore access to personal data, or the systems that stored personal data, in a timely manner. Additionally, Gloucester City Council were unable to determine the data subjects at risk of harm from the incident in order to notify them.

During our investigation, it was noted that the process Gloucester City Council followed to access and review impacted data – in order to determine what categories of personal data had been compromised and which data subjects were at risk – was reliant on ad-hoc systems and

processes through, for example, downloading data through the home WiFi networks of Gloucester City Council employees. There is limited evidence to suggest that Gloucester City Council had appropriate technical or organisational measures in place to respond to the incident, restore impacted data and identify risks to specific data subjects.

Article 32(1)(C) of the UK GDPR states that organisations should have appropriate measures in place to restore access to personal data in the event of an incident. Article 32(1)(d) further suggests that measures should be regularly tested to evaluate the effectiveness of such measures, and Recital 87 of the UK GDPR provides additional context into considerations the Commissioner makes on the notification to data subjects, stating "It should be ascertained whether all appropriate technological protection and organisational measures have been implemented to establish immediately whether a personal data breach has taken place and to inform promptly the supervisory authority and the data subject". In this incident, Gloucester City Council did not recover access to personal data in a timely manner, were unable to determine which individual data subjects were at risk as a result of the incident, and did not demonstrate an appropriate process to identify and analyse impacted data in order to aid in these areas of their incident response.

During the investigation, it was considered whether Gloucester City Council had an appropriate incident response process documented, along with appropriate information and asset classification documents that would have aided in the identification and recovery of impacted personal data. Whilst evidence was provided to show that some documentation and processes were in place in this regard, correspondence from Gloucester City Council on 25 May 2022 stated that the methodologies they had in place – whilst sufficient for smaller breaches – were not sufficient for this incident.

Considering the 25 May 2022 correspondence and the ad-hoc incident response and data analysis process observed during our investigation, the Commissioner considers that Gloucester City Council did not appropriately implement technical and organisational measures that would have aided in the recovery of personal data and mitigation of risks to data subjects. We further note that this had a knock-on effect on Gloucester City Council's Article 34 compliance, requiring notification of data subjects without undue delay, and was a contributing factor in Gloucester City

Council not issuing Article 34 notifications until 17 months after their initial breach report to the Information Commissioner's Office.

### **Mitigating factors**

In the course of our investigation we have additionally noted that:

- Gloucester City Council did have backup systems in place. Backup systems are recognised as a key technical measure to aid in the timely recovery of access to personal data, and the Commissioner considers Gloucester City Council's backups as evidence that Gloucester City Council were taking steps to comply with Article 32(1)(c). However, these backups were not utilised in favour of a full rebuild of Gloucester City Council's systems – which significantly impacted the timeline for recovery of access to personal data.
- The initial attack vector for this incident was a phishing email received from a legitimate third-party email address. No specific vulnerabilities, either through outdated systems or otherwise, were found to have contributed to the threat actor gaining initial access to Gloucester City Council's systems.
- Gloucester City Council did have some systems in place for gathering and reviewing logs, for example through regular reviews from a third-party supplier of logs generated by Gloucester City Council's systems. Whilst this has been considered as evidence that Gloucester City Council took some steps to comply with Article 32(1)(b), the logging and monitoring systems were not considered to be adequate or proportionate to the risk of Gloucester City Council's processing.

### **Remedial steps**

The Commissioner has also considered and welcomes the remedial steps taken by Gloucester City Council in the light of this incident. In particular, the implementation of a SIEM following the incident to improve Gloucester City Council's Article 32(1)(b) compliance and the other

security hardening measures that have been undertaken, such as those outlined in Gloucester City Council's correspondence to the Information Commissioner's Office dated 14 March 2023.

### **Decision to issue a reprimand**

Taking into account all the circumstances of this case, including the mitigating factors and remedial steps, the Commissioner has decided to issue a reprimand to Gloucester City Council in relation to the infringements of Article 32 of the UKGDPR set out above.

### **Further Action Recommended**

The Commissioner recommends that Gloucester City Council take certain steps to ensure its compliance with UK GDPR. With particular reference to Article 32 of the UK GDPR, the following steps are recommended:

1. In order to improve compliance with Article 32(1)(d) of the UK GDPR, ensure that Gloucester City Council's technical and organisational measures – including those introduced as postincident remedial measures – are regularly tested and there is a documented process in place for evaluating, and improving, the effectiveness of these measures
2. Perform a full review of Gloucester City Council's backup and disaster recovery measures. Including both technical and organisational measures in place to restore access to personal data, understand what personal data has been impacted during an incident and demonstrate compliance with Article 32(1)(c) if a future incident occurs. Any processes already in place should be reviewed to ensure they are sufficient in large incidents that pose a risk to data subjects through confidentiality, availability or integrity issues. Processes to test recovery systems and evaluate their effectiveness should also be considered and implemented where appropriate.

3. Review Gloucester City Council's records of processing and asset registers to ensure there is a concrete understanding of what personal data is being processed, which systems store personal data and the risks posed by a breach of confidentiality, integrity or availability for the personal data being processed. This should aim to ensure, in the event of a future incident, Gloucester City Council can quickly and confidently understand what personal data is at risk given the impacted systems and aid in Article 32(1)(c) and Article 34 compliance

Thank you for your co-operation and assistance during the course of our investigation. We now consider the matter closed.

Yours sincerely,

[REDACTED]

Principal Cyber Investigation Officer  
Information Commissioner's Office

[REDACTED]

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# Gloucester City Council

<b>Meeting:</b>	<b>Cabinet Council</b>	<b>Date:</b>	<b>6 December 2023 25 January 2024</b>
<b>Subject:</b>	<b>Local Council Tax Support Scheme 2024/25</b>		
<b>Report Of:</b>	<b>Cabinet Member for Performance and Resources</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>Yes</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
<b>Contact Officer:</b>	<b>Karen Haile, Service Delivery Manager (Revenues &amp; Benefits)</b>		
	<b>Email: Karen.Haile@gloucester.gov.uk</b>	<b>Tel: 396476</b>	
<b>Appendices:</b>	<b>1. Council Tax Support Scheme – Gloucester City Council</b>		

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

1.1 To seek approval to retain the current Local Council Tax Support Scheme for 2024/25

### 2.0 Recommendations

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

- (1) the current Local Council Tax Support scheme, as the approved scheme for Gloucester City in 2023/24, be adopted for 2024/25;
- (2) the scheme approved be updated to align with any legislation changes in January 2024 and to be implemented from 1<sup>st</sup> April 2024;
- (3) any urgent amendments to the scheme approved, in the event of a national emergency and authorised by the government, be adopted and implemented immediately.

2.2 Council is asked to **RESOLVE** that:

- (1) the current Local Council Tax Support Scheme, as the approved scheme for Gloucester City in 2023/24, be adopted for 2024/25

- (2) The scheme approved at 2.1 (1) above be updated to align with any legislation changes in January 2024 and to be implemented from 01 April 2024
- (3) Any urgent amendments to the scheme at 2.1 (1) above, in the event of a national emergency and authorised by the government, be adopted and implemented immediately

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

- 3.1 Members will be aware that the current Local Council Tax Support (LCTS) scheme was approved and adopted at a meeting of full Council on 26<sup>th</sup> January 2023.
- 3.2 Council Tax charges are the means by which local residents make a contribution towards the cost of local services.  
Prior to April 2013 Council Tax Benefit was administered under a national scheme set by Central Government which allowed eligible local residents to claim up to 100% reduction from their Council Tax bill – subject to legislative and means tested income requirements. The Council were able to receive full funding from the Government to cover all of the Council Tax Benefit awards made.
- 3.3 From April 2013 Council Tax Benefit was abolished and replaced with a Local Council Tax Reduction scheme. Any working age person who is liable to pay Council Tax can apply for a reduction in their Council Tax under the Local Council Tax Reduction scheme. The scheme is not legislated by Central Government, rather each local authority now has its own scheme. Central Government no longer fully funds this locally administered award, as there was an expectation that Local Authorities would amend their local schemes to fund the shortfall. Gloucester City Council's scheme remains more generous than many local authorities as residents can still apply for, and receive up to, 100% reduction from their council tax charge (subject to means testing)
- 3.4 As the rollout of Universal Credit continues, administratively it has made sense to align Local Council Tax Support to Universal Credit. The traditional link between Housing Benefit (which will no longer be available to new working age claimants) and Local Council Tax Support will not exist anymore, and it is essential the scheme is changed to assist those affected.
- 3.5 **Pension Age Customers** - It is important to note that those customers who reach pensionable age are not affected as Council Tax support for pensioners was never localised and remains under the jurisdiction of a national scheme.
- 3.6 For working age claims there is a complex means-tested assessment involving multiple aspects of the household circumstances including income, capital, residents and relationships. Although the scheme retains a number of these complex areas, some were removed in the 2020/21 scheme making it easier to administer and understand. In addition, the scheme now has a more simplified way of managing claims from people receiving Universal Credit, which all

working age households receiving welfare benefit support are migrating to over the coming years.

#### **4.0 Social Value Consideration**

- 4.1 Gloucester City Council's local council tax support scheme is more generous than many other local authorities as it retains the ability to award 100% support to those households which are most financially disadvantaged.
- 4.2 Gloucester City Council also have a Council Tax discretionary hardship scheme for those City residents who may find themselves in exceptional circumstances. For this purpose, exceptional is defined as 'not typical, entirely unusual, and only likely to happen very infrequently'. A resident would have to demonstrate financial hardship or exceptionally difficult personal circumstances and must also have applied for all other exemptions, discounts and benefits before an award can be considered. Any award made would be for the current financial year's Council Tax only.
- 4.3 The longer-term consideration of the policy is to align Gloucester City Council's Local Council Tax Support scheme to Universal Credit which will make the scheme less onerous to administer, and easier for customers to understand and assist with their budgeting. Full migration of the existing legacy benefit caseload to Universal Credit is not expected to be achieved until at least 2025.

#### **5.0 Environmental Implications**

- 5.1 There are no environmental implications associated with this report

#### **6.0 Alternative Options Considered**

- 6.1 Amendments to the scheme have not been considered for the 2024-25 year.

#### **7.0 Reasons for Recommendations**

- 7.1 Gloucester City Council have managed to maintain the current scheme broadly mirroring the original fully funded scheme for ten years, to date. Whilst the Council are facing a range of financial pressures, it is not considered pertinent to amend the scheme at this time. The rising costs of living across the UK continues to impact households with increased food prices and energy bills; the current scheme offers a degree of financial support in uncertain financial times for our residents.
- 7.2 As government funding continues to decrease, we also need to strike a balance between a revised scheme that is fair and affordable for those who receive support, and also for all our residents who receive council services. However, we do remain committed to providing support to our residents with low incomes.

## **8.0 Future Work and Conclusions**

- 8.1 January 25<sup>th</sup> 2024 - meeting of the full Council are asked to resolve that the scheme approved at 2.1 above be updated to align with any legislation changes prior to April 2024 and be implemented from 01 April 2024, with the caveat that any urgent amendments to the scheme in the event of a national emergency and decreed by central government may be implemented immediately.

## **9.0 Financial Implications**

- 9.1 A review of the scheme is carried out annually to assess the financial cost of the scheme and to ensure it remains operationally and financially viable, taking into account ongoing changes in legislation and financial requirements. Central Government no longer fully funds this locally administered award, as there was an expectation that Local Authorities would amend their local schemes to fund the shortfall. The funding for the local scheme reduced immediately by 10% of direct subsidy in April 2013. Overall funding has continued to reduce, including the level of admin grant.

- 9.2 For 2024/25 there are no changes proposed

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

## **10.0 Legal Implications**

- 10.1 The Local Government Finance Act 2012 abolished Council Tax Benefit and instead required each authority to design a scheme specifying the reductions which are to apply to amounts of council tax. The prescribed regulations set out the matters that must be included in such a scheme.

The Local Council Tax Support 'LCTS' scheme is required under Section 9 of the Local Government Finance Act 2012.

- 10.2 Pensioners (those over state pension age) are protected from any changes, but otherwise the Council has discretion to decide how it wishes to design its scheme to cover any shortfall, in accordance with the prescribed requirements.

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

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

- 11.1 Implementation of the minimum payment element of the Council Tax Support scheme has been deferred for another year.

- 11.2 The cost of the scheme and administration lies solely with the billing authority, however any uncollected council tax will be reflected in the collection fund. The council only has a minority stake in this of approximately 11.5%, with the majority of the revenue collected being dispersed to the preceptors; 74.3% to County Council and 14.2% to the Police and Crime Commissioner respectively.

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

12.1 There are no changes proposed so PIA not relevant

**13.0 Community Safety Implications**

13.1 None

**14.0 Staffing & Trade Union Implications**

14.1 None

**Background Documents:**

Local Government Finance Act 1972 -

<http://www.legislation.gov.uk/ukpga/1972/70/contents>

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## Gloucester City Council Tax Reduction Scheme

Gloucester City Council's local Council Tax Support Scheme was introduced in April 2013 based on the default scheme set out by the government controlled by Council Tax Reduction Schemes (Default Scheme) (England) 2012 Regulations.

### Legislative requirements

The government set out elements of the scheme which are required to be administered by all councils and are detailed in the prescribed requirements legislation. Changes being applied from 1 April 2024 will be set out in The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2024 and, once published, can be viewed on [www.legislation.gov.uk](http://www.legislation.gov.uk)

The Government has also set out rules in the following Regulations:

- Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, which protect claimants of state pension credit age;
- Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
- Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013

The 'Prescribed Requirements' regulations detail how Council Tax Support will be worked out for people of state pension credit age. In designing a local Council Tax Support scheme for people of state pension credit age, local authorities must include the provisions of the council tax reduction schemes 'Prescribed Requirements' regulations.

The Council Tax Reduction Schemes (Default Scheme) (England) 2012 Regulations include all of the provisions of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012, ensuring that claimants of state pension credit age are protected, and they also made provision for deciding CTS entitlement for working age claimants.

The scheme is reviewed on an annual basis and updated where it is appropriate to do so in line with local priorities and to reflect changes within the wider Welfare Benefit system.

No changes that require consultation are being made for 2024/25.



Council Tax Support  
Scheme 2023.pdf

There are no amendments planned for 2024-25 and it is proposed to retain the current policy.

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# Gloucester City Council

<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>6 December 2023</b>
<b>Subject:</b>	<b>Review of Office Accommodation for Face-to-Face Appointments</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>Jayne Wilsdon, Asset Management Investment Officer</b> <b>Email: <a href="mailto:Jayne.wilsdon@gloucester.gov.uk">Jayne.wilsdon@gloucester.gov.uk</a> Tel: 396871</b>		
<b>Appendices:</b>	<ol style="list-style-type: none"> <li><b>1. Gateway Data</b></li> <li><b>2. Estimated Cost of The Gateway</b></li> <li><b>3. Preferred Method of Contact</b></li> <li><b>4. Information from the Customer Survey</b></li> <li><b>5. Data Gathered for our Face-to-Face Provision</b></li> <li><b>6. Customer Feedback on The Gateway being closed.</b></li> </ol>		

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

- 1.1 The purpose of this report is to provide a proposal for moving our Face-to-Face pre-bookable appointments from The Gateway, 92-96 Westgate Street, Gloucester to the management suite at Eastgate Shopping Centre.
- 1.2 To give an overview of the service, identify service improvements and summarise the costs associated with maintaining The Gateway.

### 2.1 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that the option to relocate face-to-face appointments to the Eastgate Shopping Centre as soon as is viable be approved.

### 3.0 Background and Key Issues

- 3.1 Gloucester City Council's face to face reception moved out of HKP on 31 July 2019 and into The Gateway. Using a modern, flexible space has been effective, however with changes in demand it is now not providing value for money for pre-bookable face to face appointments.
- 3.2 Prior to 1 April 2019 the Customer Service and Housing departments were located in HKP and access to these services was on a first come, first served basis. Customers would arrive to the reception and be seen by the "meet and greet" officers who would

signpost them to where best to access the required service or would provide them with a ticket to sit and wait to see an advisor. As a result of this, there was limited structure to the number of customers that would be seen on any given day and the wait time for customers could be more than 3 hours which often caused frustration to the customer who may have had a straightforward query.

- 3.3 On 1 April 2019 an appointment only service was implemented. This enabled improved staff resourcing and also allowed for customers to attend at a pre-booked time, making this more convenient for them. The rationale behind this was to support with the ongoing digital transformation planned across the council and to encourage the ability for customers to self-serve and utilise other forms of communicating with us; online, email and telephone, therefore reducing attendance in person for queries that could be served in alternative ways. Predominantly, prebooked appointments were for housing benefit, council tax support and housing support.
- 3.4 On 31 July 2019 the customer facing reception was moved to The Gateway at Westgate Street and was used to provide face to face services for Customer Service and Housing. The move built on the success of the introduced appointment system, which made it quicker and easier for residents to get help with council services, whilst dramatically reducing any waiting times. At that time, we operated 7 calendars across Customer Service and Housing, and this provided in the region of 1550 available appointments per month for customers to see an advisor regarding their enquiry. Due to the cyber incident, historical data is limited but in February 2020 we had 1563 available appointments and 1011 were booked. (This was prior to the Covid pandemic and lockdown)
- 3.5 From 25 March 2020 all customer contact services, including housing and homelessness services were delivered remotely via telephone, email or through the provision of information and transactional services online (channel shift). This was as a result of the Covid-19 pandemic and the offices being required to close. The shift to accessing services in different ways was assisted by the City Council's investment in process redesign, new telephony, and enhanced information technology. The urgent response to lockdown made working from home a necessity, but the benefits in terms of the customer and staff experience of the service have been tangible and we wish to retain as many of these benefits as possible.
- 3.6 On 1 July 2021 we took the decision, in line with Covid restrictions and a full risk assessment, to reopen The Gateway for those customers that were unable to be served via online, email or telephone. We took the decision to open 2 half days a week initially to test the customer appetite and requirement for face-to-face interactions to resume. The decision was made to open on a Tuesday morning and a Thursday afternoon to allow for customers to have flexibility over times that appointments were available. Between 1 July 2021 and 21 December 2021, we facilitated 9 appointments (all for the Housing service with 0 for Customer Service) with 2 of these customers not attending. We were open to potential appointments for 50 days during that time with 6 appointments available to be pre-booked per day. This was 300 available appointments with just 9 being booked (3%).
- 3.7 Due to the cyber incident on 21 December 2021 all network connectivity was closed down, resulting in all staff returning to working from home full time and providing services to our customers via online, email or telephone.

- 3.8 On 01 November 2022 we were able to recommence offering pre-bookable appointments to customers who had a need to be seen face to face. We continued to provide the previous provision of providing pre-bookable appointments on a Tuesday morning and Thursday afternoon. Between 01 November 2022 and 31 October 2023, we booked a total of 92 pre-bookable appointments and of these 79 attended. 13 appointments were either switched to telephone appointments or did not attend (no shows). During this time 510 appointment slots were available to be booked. (Appendix 1)
- 3.9 The rationale for to the proposed relocation is to maintain continued quality service provision whilst ensuring value for money. The move would ensure the accommodation meets the needs of the City Council and its residents moving forward by continuing with pre-bookable appointments that are required but using an alternative space within our own portfolio of City Centre properties. We can then look to ensure staffing resource is allocated to delivering our services to the majority of our customers who do not need to use the face-to-face channel.

### **Our Current Position**

- 3.10 Reasons to consider relocating our current accommodation are as follows:
- To continue to provide pre-bookable face to face appointments that are required.
  - Utilise a more central location for customers and staff.
  - Ability to have a more secure setting using localised security.
  - Continue to have a direct dial telephone system situated in the locale for customers to make direct contact with us.
  - An opportunity to reduce accommodation costs and make savings by utilising a current asset. Appendix 2 sets out the estimated current running costs.
  - An opportunity to lease, sell or repurpose The Gateway to provide an income, sale value or to be repurposed for another use.

### **Relocation to Eastgate Shopping Centre Management Office Space**

- 3.11 This option would see the City Council make use of one of its existing assets to accommodate staff whilst still providing the facility for pre-bookable appointments for customers that require them. The Management Office Space is adjacent to the current City Council office. The intention is for the direct dial telephone to be relocated and replaced with a Wi-Fi info hub type system that can be installed in a number of locations throughout the properties we own in the city. These would provide direct phone and web contact with essential services but also have the ability to provide commercialisation income from local businesses which would enable us to fund this facility on a cost neutral basis.
- 3.12 The current occupants of the Management Office Space, Colliers, are contracted by City Council and will be relocating to a suitable location within the City, potentially being Kings Walk Shopping Centre or The Forum. This will result in the management suite being vacant. The costs associated with this will depend on the location and we

will need to enter into an agreement that coincides with the management contract so that we can get the property back at the end of their contract term.

- 3.13 This option would require investment in the region of between £150,000 and £300,000 to include some structural work, redecoration, moving furniture required, moving IT equipment, installing access control, fire alarms, water systems etc. These costs are estimated as a full design specification is currently unavailable.
- 3.14 The Council would not lose rental income as a result of relocating Colliers as currently no rent is paid. Therefore, no loss of rental income has been factored into the business plan for Eastgate.
- 3.15 The pre-bookable appointments will be located next to the existing City Council offices and the Management Office Space will include an additional meeting room that can be purposed by all council departments.

3.16 Items to consider:

- Reduction in space by 1,764.4 sq. ft. which will be sufficient to meet the requirements based on the hot desk bookings and the ability to accommodate teams on a schedule basis going forward. Due to it being a smaller space this will support in the City Council working to be more efficient and effective.
- No lease / formal agreement required as we own the asset however, we would need to consider entering into an agreement with the managing agents so they can invoice us for our share of the service charge.
- No rent payable would only need to pay the following:

Business rates	£12,500 pa
Service charge (inclusive of insurance)	£9,000 pa
Cleaning (inc chemicals but excludes consumables)	£8,736 pa
Utilities (cost estimate)	£5,000 pa
<b>Total payable</b>	<b><u>£35,236 pa*</u></b>

\*These costs are based on current layout and subject to change.

- 3.17 Car parking is a factor to consider. Given the more central location the public transport links are better for accessing Eastgate. For the public there is a lift access from the car park and from street level. For staff they can be encouraged to use other means of transport and again supporting our sustainability goals.
- 3.18 The Eastgate Space is currently occupied under a cost neutral basis with Colliers acting as our managing agent for the shopping centre. There is a requirement to give 3 months' notice for them to relocate which can be issued at any time.
- 3.19 With this option of relocating front facing pre-bookable appointments we would no longer have use for The Gateway. Currently the costs for the running of The Gateway stands at approximately £115,000 per annum. By moving it would represent an overall saving of in the region of £79,000 per annum following relocation costs (Appendix 2).

3.20 A move here will show the City Council has faith in the City centre and what it is trying to achieve on completion of these works. In addition, if customers who require an appointment come into a more central location this could have a positive impact on local businesses.

<b><u>Positives</u></b>	<b><u>Concerns</u></b>
Central location	Relocation will need to be managed internally and may disrupt services / working practices for a short time
Considerable cost savings	Cost of redesigning the area.
Complete control	Potential cost of £3500 per annum for maintenance (excluding utilities and security)
No lease required	
Able to oversee the running of our own assets more easily	
Onsite security	
Centrally located staff enabling better cross team working.	
Easier customer access from adjacent car park including lift access.	
Relocation of the direct dial telephone into the Eastgate centre.	
An additional City Council space that could be purposed for meetings.	
Potential to dispose of The Gateway by way of leasehold or freehold which would provide either an income or a lump sum that could be reinvested.	

3.21 The council has seen a reduction in requests for face-to-face meetings due to service changes and improvements that have occurred over the last few years. As a result, the need for the space afforded by The Gateway has reduced. Examples of the changes can be seen below and in the appendices.

- The customer service team has been able to reallocate resource to be concentrated on the telephones, emails and to triage Report It and Contact Us requests and customer feedback suggests these are the preferred channels for contact. (Appendix 3)
- The introduction of the direct dial telephone in the lobby on 16 November 2021 and the new contact centre investment in July 2021 enabled customers to contact the

Council more easily and get a response or information, be signposted to the right place or partner organization, or have their needs triaged without a requirement to attend at The Gateway for a face-to-face meeting. Dealing with some difficult calls over the telephone appears to reduce the likelihood of anxiety, tension and aggression in customers and improve customer confidentiality. For customers, often having to attend in person can add to a difficult situation and the Housing support team have said that many customers prefer to make contact remotely, rather than having to attend in person. This is evidenced by the fact that to date 660 Housing customers were offered a face-to-face appointment and only 67 accepted this with the remainder preferring digital and telephone channels.

- Staff have confirmed that customer interaction has been generally more positive and there has been little verbal abuse directed towards staff. However, in the month of February 2023 we did experience a member of staff being blocked from exiting and a telephone in the lobby being vandalized by an unhappy customer. However, staff feel more confident that there will be less incidents of concern without having unnecessary face to face interactions.
- Staff feedback has shown that they feel they are able to provide a better service to customers and that home working has enabled staff to concentrate and focus more which increases the quality and efficiency of their work.
- The launch and ongoing work for “Report It” and “Contact Us” online has enabled customers to report queries and make contact with us 24/7 and this is part of an ongoing transformation of services which will continue to broaden the range of ways and the times that residents, customers, and service users can access Council services.
- Email contact helps those customers with language difficulties and hearing impairment who prefer to contact the Council in writing. In addition, the postal address is available, and customers who are unable to use digital or telephony channels can post queries through to us.
- With the digital direction of travel across the UK in the past 2 years, the majority of customers are now more comfortable in using digital and telephone channels and with DWP (Department of Work and Pensions) introducing and educating customers that claim Universal Credit of the need for digital interactions this has shown the number of customers that need to contact us in person reduce. The implementation of Universal Credit has reduced the numbers of customers claiming housing benefits, and therefore potentially wishing to visit the office or contact us.
- Our website has been far improved and made more accessible. Customers have fed back through the Give us Feedback questionnaire their desire to be able to use the website for more services, which are being explored, rather than even telephone.

### **3.22 Options for The Use of The Gateway**

A full options appraisal is currently being undertaken by Asset Management for the possible disposal of The Gateway which is to include the following options:

- Disposal on the open market for commercial office space. The Gateway is, however, located in Westgate Street where rental values are lower than the City. This would not encourage footfall in the City Centre.
- Potential rental value of The Gateway is estimated at approximately £50k - £60k per annum for the entirety of the building.
- Repurpose of the building to split between retail and office units or residential units. The authority could gain a rental income from this but initial capital for build costs would be high, and we would still be required to cover landlord costs during periods where the building was vacant.
- Conversion to residential would support the need for accommodation across this City but again this would require significant capital up front to convert. This may be permanent accommodation or used for temporary housing.
- Sale of The Gateway to free up capital to be reinvested in other projects across the City. It has been estimated that the sale of The Gateway could produce a capital receipt of approximately £650k for a freehold disposal with the potential to increase this if planning permission for conversion was granted. In addition, by selling the property this would remove costs associated with being a landlord.

The full options appraisal will be made available in due course.

#### **4.0 Social Value Considerations**

- 4.1 The purpose of the ongoing transformation work has been to enable customers to contact the Council in a digitally improved way. This creates efficiency for the customer and improves our interaction with them. Customers who completed the survey have shown that the majority are happy to make contact with us digitally and via the telephone rather than the need to visit.
- 4.2 The transformation programme continues to realise benefits which allow swifter, more efficient and effective services which in turn allow us to improve our broader services and interact with our customers in a more positive way.
- 4.3 The relocation of The Gateway will not change any of the ways the council can be contacted, we will continue to offer pre-bookable appointments, from a more central location.

#### **5.0 Environmental Implications**

- 5.1 The Council's hybrid working policy has supported its 2030 Net Zero decarbonisation target through both reduced commuting emissions from council officers who now regularly work from home and also via the increasing digitisation of Gloucester City Council customer services, which reduces the need for in-person enquiries. By increasing the proportion of digital customer service consultations – through, for example, e-mail and telephone enquiries – surface transport emissions are also reduced as residents have to travel to council offices less frequently.

- 5.2 By placing customer services at a more central location, land transport emissions for customers are reduced further still as circuitous motor vehicle journeys are reduced, albeit marginally.
- 5.3 By reducing the physical footprint of the corporate estate and co-locating services within the same building envelope, Gloucester City Council is able to provide services at a lower marginal carbon equivalent cost.
- 5.4 Eliminating the use of frequently empty satellite offices, which nevertheless have to be powered and heated, and consolidating the Council's corporate estate will increase the efficiency with which the Council uses energy, thereby reducing its greenhouse gas emissions.

## **6.0 Financial Implications**

- 6.1 The estimated direct financial implications of the move of staff from The Gateway to offices are detailed in the paragraphs above. An initial capital investment will be required to facilitate the move which will lead to medium to long term reductions in the overhead costs of the Council.
- 6.2 There will be financial implications arising from any future plans for The Gateway, but these will be considered as part of separate Options Appraisal.

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

- 7.1 A full PIA is not required. PIA screening has been undertaken with neutral and positive outcomes.
- 7.2 Considerations would be given when undertaking all process changes to ensure that we do not adversely impact on any group and that we are fostering good relations and promoting advancement of opportunities within the community.

## **8.0 Legal Implications**

The below comments were made by One Legal:

- 8.1 Before The Gateway can be moved into the Eastgate Management Suite, it will be necessary for the current occupiers, Colliers, to vacate. It is noted that Colliers will require 3 months' notice to relocate. The notice should be given in writing as soon as possible.
- 8.2 The Council will need to consider what documentation will be required in respect of any alternative premises that Colliers will move to. If Colliers are to have exclusive possession of the premises that they move into then we would advise that they are granted a short-term lease, contracted out of the provisions of sections 24 to 28 of the Landlord and Tenant Act 1954, which should be coterminous with the service contract for the management services that Colliers are currently providing. This will ensure that the Council can take back occupation of those premises at the end of the term.



8.3 It is noted that several options are being considered for disposal of the current Gateway premises following the move:

- **Disposal on the open market for commercial office space:** Section 123 of the Local Government Act 1972 permits the Council to dispose of land in any manner it wishes provided that the disposal is not for a consideration less than the best that can reasonably be obtained. If the building is let on the open market this will demonstrate that best consideration has been achieved and this is therefore a viable option.
- **Repurpose of the building to split between retail and office units or residential units:** In light of the provisions of the Local Government Act 1972 as set out above, any disposal for offices or retail units would need to be for the best consideration that can reasonably be obtained. This could be achieved by letting the retail and office units on the open market. In terms of residential units, a local authority can generally only grant a secure or introductory tenancy unless it is letting the accommodation for short term emergency use, so market letting of residential units would not be viable. However, the Council may be able to use a wholly owned Management Company to enable it to lease residential units at market value.
- **Sale of the freehold to free up capital:** Any sale of the freehold would be subject to the provisions section 123 of the Local Government Act 1972 as outlined above. If the intention is to dispose of the property on the open market then it can be demonstrated that the best possible consideration has been obtained. Any sale for less than the best consideration that can reasonably be obtained would require the consent of the Secretary of State, although there are certain circumstances where the Secretary of State has given a General Consent, such as where the disposal will benefit the community in certain ways.

## 9.0 Reasons for Recommendations

9.1 The recommended option of relocating the face-to-face pre-bookable appointments will provide the Council with good suitable office space whilst also delivering significant financial and environmental savings and delivering value for money.

## 10.0 Risk & Opportunity Management Implications

### 10.1

Risks
<ul style="list-style-type: none"><li>• Potential difficulty in ongoing operation of The Gateway.</li><li>• Potential risk of moving Colliers, subject to suitable alternative accommodation.</li><li>• Unforeseen constructional issues.</li><li>• Staff Health &amp; Safety and security in the event of difficult customers – we will have security on site who can support in handling this.</li><li>• Customers without pre-bookable appointments visiting – we would need to ensure clear signage is displayed in the locale to ensure customers are clear that the office is for those who have prebooked appointments and that there is a direct dial Wi-Fi hub that can be used to contact us, located in various places throughout the City, to include Eastgate Shopping centre. We don't want our customers to make unnecessary journeys to the office if their query is one that can be handled efficiently and effectively online or by telephone. We can ensure that their query is dealt with by the correct officer, negating the need for them to personally visit unless their query cannot be handled remotely.</li></ul>

Opportunities
<ul style="list-style-type: none"><li>• We will have a more centrally located office with improved access for customers.</li><li>• The relocation of the pre-bookable face to face appointments for Gloucester City council will provide the opportunity for making expenditure savings on the maintenance of The Gateway.</li><li>• The opportunity to realise the value in the Gateway, if sold, to make a considerable contribution to council funds.</li><li>• In house security will be provided.</li><li>• A more centrally located direct dial telephone to enable customers an increased service to be able to contact us.</li></ul>

## 11.0 Community Safety Implications

11.1 The relocation of The Gateway will have no additional community safety implications compared to Westgate Street.

## 12.0 Staffing & Trade Union Implications

12.1 Nil

**Background Documents:** None

## Appendix 1 – Gateway Data

Gateway Stats													
	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	<u>Total</u>
Number of appointments available to book	40	34	46	40	44	40	46	44	40	50	40	46	510
Number of Appointments booked	4	9	8	5	11	10	7	11	5	6	9	7	92
Percentage of appointments booked v number available to book	10%	27%	17%	13%	25%	25%	15%	25%	13%	12%	23%	15%	18%
Number of appointments attended	1	8	7	5	11	10	6	9	4	6	7	5	79
Number of appointments not attened (no shows or switched to telephone appointments)	3	1	1	0	0	0	1	2	1	0	2	2	13
Number of Housing customers that may have been offered a face to face appointment (may be booked for the following month)	64	51	64	60	82	54	68	47	78	92	103	76	839
Number of uses of the direct dial phone	48	35	23	22	N/A	N/A	N/A	4	73	62	46	59	372

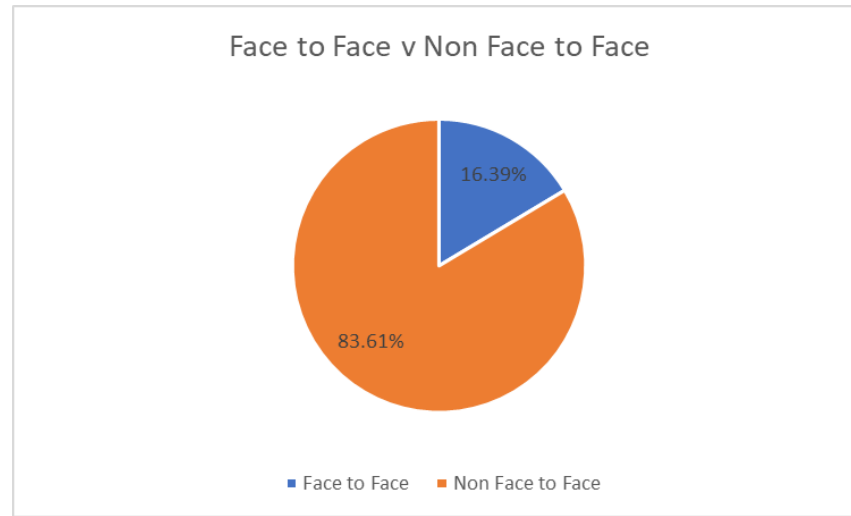
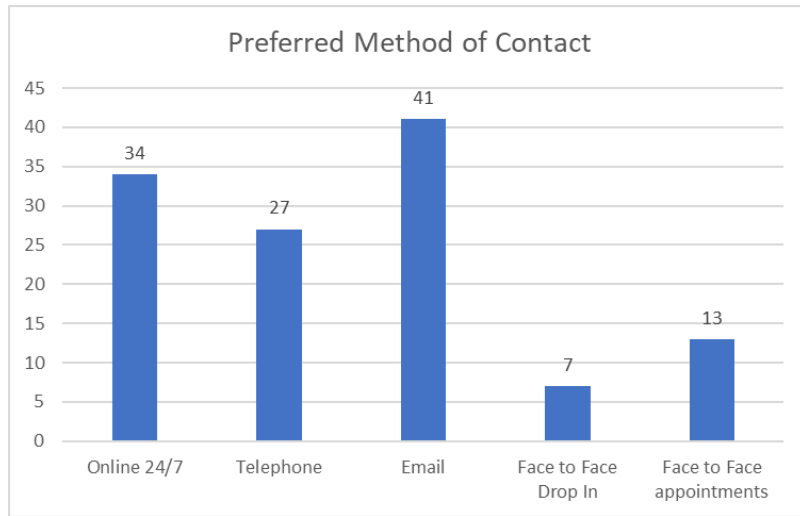
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**Appendix 2 – Estimated Costs for The Gateway (this was provided by Finance).**

<b>The Gateway</b>			
<b>Annual Running Costs - Estimate</b>			
	<b>2022-23</b>	<b>Est. 2021-22</b>	
	<b>£</b>	<b>£</b>	
<b>Electricity</b>	<b>40,000</b>	30,000	Based on figures from when we were fully open.
<b>Water</b>	<b>2,100</b>	1,000	2022-23 costs are actual incremented to fully open usage
<b>CCTV and Alarm</b>	<b>500</b>	500	
<b>Cleaning Costs</b>	<b>36,000</b>	20,000	based on 4 hours per day at £36 per hour and 251 working days in 2022
<b>Insurance</b>	<b>500</b>	400	
<b>Equipment</b>	<b>540</b>	500	
<b>General Supplies</b>	<b>540</b>	500	
<b>City Safe</b>	<b>400</b>	400	
<b>Custodian Costs for Opening/Closing</b>	<b>10,000</b>	5,000	based on 1 x custodian at £40 per hour and 251 working days in 2022
<b>Lift Charges and Servicing</b>	<b>1,100</b>	1,000	
<b>Evac-Chair Servicing</b>	<b>100</b>	90	
<b>Legionella Testing</b>	<b>380</b>	360	
<b>Water Cooler Servicing</b>	<b>190</b>	180	
<b>Alarm Call out Charges</b>	<b>80</b>	80	£40 per call out so dependant on how often the alarms are sounded out of hours
<b>Internet Fibre Connection</b>	<b>7,500</b>	6,600	
<b>Air Conditioning/Heating Servicing</b>	<b>1,000</b>	900	
<b>Business Rates</b>	<b>14,000</b>	12,000	
<b>Total</b>	<b>114,930</b>	<b>79,510</b>	

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### Appendix 3 – Preferred Method of Contact.



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#### **Appendix 4 – Information from the Customer Survey**

- A customer survey to consult on how customers preferred to make contact with the City Council was created and on 12 December 2022 this survey was made available on our website. The survey was live until 12 February 2023.
- We created a link to the survey that was included in Here to Help email responses. Customers were offered to complete the survey online or to telephone Customer Services who could either complete the survey on the customer's behalf or to send out a paper copy to be completed.
- The survey was made available in paper format and displayed in prominent positions at Guildhall, Blackfriars, and Museum of Gloucester.
- A QR code was created which was displayed in the venues and the lobby area of the Gateway to invite customers and residents to scan the QR code to complete the survey.
- On 21 December 2022, the survey link was provided to 88 Voluntary Community Sector Groups and a paper version was sent over for those who wished to complete the survey but that were unable to use digital channels.
- The paper survey was sent to the City Centre Improvement Team and a request made for them to engage with customers that they saw face to face.
- The survey was promoted via the Communications Team to our social media platforms, and this was promoted 24 times across Twitter and Facebook.
- The Communications team promoted this on Glosnet and the internal intranet for Gloucestershire County Council.
- A Members Bulletin is provided to all Members monthly and the survey details were included in this twice so that Members could ask their constituents to complete this.
- Members of the Housing department were asked to provide the survey to face to face appointments that were conducted to obtain feedback.

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**Appendix 5 – Data Gathered for to our Face-to-Face Provision**

Having surveyed our customers, 83.61% of our customers preferred method of contact was via non face to face methods. Therefore, relocating to a smaller office location would not present any concerns.

We have been monitoring the requirement for services at The Gateway.

<b>Month</b>	<b>Total Appointments Booked</b>	<b>Total Contact (appointments/direct dial/intercom)</b>
Jul-21	0	11
Aug-21	2	36
Sep-21	1	18
Oct-21	3	14
Nov-21	2	8
Dec-21	1	10
Jan-22	0	22
Feb-22	0	23
Mar-22	0	49
Apr-22	0	52
May-22	0	58
Jun-22	0	44
Jul-22	0	53
Aug-22	0	62
Sep-22	0	58
Oct-22	0	51
Nov-22	4	71
Dec-22	9	59
Jan-23	8	94
Feb-23	5	80
Mar-23	11	89
Apr-23	10	86
May-23	7	92
Jun-23	11	69
Jul-23	5	91
Aug-23	6	75

The Gateway reopened on 01 November 2022 for pre-bookable appointments on a Tuesday morning and Thursday afternoon. Between 01 November 2022 and 30 August 2023, 76 prebooked appointments were made and 67 were attended.

During that period there were 86 days where it was possible for a customer to book an appointment.

Customer Services had 6 prebooked appointments for this period, with 2 of these switching to a telephone appointment. The remainder of booked appointments was for Housing and Homelessness.

The Housing and Homelessness Team have offered 660 customers the option of having a face-to-face appointment and of these, 63 customers accepted this offer. This is 9.5% of customers.

To ensure we have been able to provide a service to all customers, including those that have no digital or telephony access, a direct dial was installed in the lobby area of The Gateway. This has been available to customers, and it was installed on 16 November 2021. It is available to mirror the Contact Centre opening times of Monday, Tuesday, Thursday, and Friday from 9am – 5pm and Wednesday 10am – 5pm.

To enable any customer with a pre-booked appointment to advise us that they have arrived for their appointment an intercom system was also installed in the lobby area. This intercom connects to a mobile telephone that is triaged by Customer Services who can then allow the customer to attend their pre-booked appointment. The mobile phone is switched on to receive these notifications to mirror the available appointments booked.

Inevitably, there have been many occasions where the intercom has been used instead of the direct dial telephone. There was a period of time that the telephone line had a fault and also when the telephone was vandalised on two occasions. During those times, we implemented the use of the intercom to ensure any customers who would have used the direct dial telephone continued to be supported.

From 01 November 2022 until 30 August 2023, 806 customers made use of either the direct dial telephone or the intercom. These customers were able to be signposted to contact us via the telephone line of 396396, use of online functions, email or signposted to partner agencies.

We looked at some of the more complex services for which we would previously have provided drop-in support and how we have been able to channel shift these enquiries. These included:

- Council Tax
- Licensing
- Document verification
- General queries from “walk in” customers
- Safer Food/Better Business booklet
- Democratic services
- Foodbank Vouchers
- Payments
- Emergency and Pre-booked Housing Appointments

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## **Appendix 6 – Customer Feedback on The Gateway being Closed.**

The Customer Service and Housing team have reported that they have had few customers comment about The Gateway not being open fully, although there have been some. When customers have utilised the direct dial telephone or intercom, they have been very accepting of the signposting offered. However, we have had a small number of customers who have expressed their dissatisfaction of The Gateway not being open fully but these have been very few.

Some taxi drivers who previously attended The Gateway for renewals were more than happy with the online solution. Customers wanting to make homelessness applications were happy to be triaged over the telephone and a small number of customers wanting proof of life verification have been signposted to the DWP and other partners.

The Customer Service team provide customers who contact us via email and also via telephone the opportunity of completing an online customer feedback survey. This survey is also available on our website and those that use the My Gloucester forms are also asked to provide feedback. From February 2021 until February 2023 (inclusive), a total of 3890 of these surveys were returned by customers and 7 of these mentioned the fact that The Gateway is closed or being unable to access face to face services. (Appendix 6)

Staff have been asked to recount if they have received comments from the public about The Gateway not providing a face-to-face service and the Customer Service team have confirmed these numbers have been low.

The Housing and Homelessness team have provided some feedback that they are aware of incidents where customers have been sent to The Gateway by Shire Hall or via outdated Housing Benefit letters and have been known to knock on the door. In addition, there have been some visitors to the Eastgate offices. They have offered assistance where possible or signposted to access services differently. Some of the Housing team have suggested an option where there may need to be a presence, at least for their service, for drop ins at some times during the week.

The revenues and benefits team have provided some feedback regarding a presence at The Gateway after their attendance at a DWP event. They have said that having no presence impacts somewhat on those with language barriers, learning difficulties, elderly, those with a lack of internet access and no family and friends able to help. However, the number of contacts using the direct dial telephone seems to show that the vast majority of people have found alternatives, be that family, friends, using the library or other support agencies.

GAP (Gloucester Advice Partnership) were asked if they had received any comments from their customers in regard to The Gateway not having a walk-in face to face service. Feedback was received from the MP's office, and they advised they had received no feedback in regard to this, positive or negative. In addition, Citizen's Advice Bureau were asked the same question

and advised they would pass the request through to supervisors to feed back to us. No feedback was received. None of the other Gloucester Advice Partnership organisations responded to the request.

Gloucestershire County Council did provide feedback and there were concerns about the number of customers accessing their reception area that were for a City function. Regular meetings are now held between Gloucestershire County Council and City Council to monitor this, and the availability of the direct dial telephone has supported them in signposting customers to the correct organisation.



<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>6 December 2023</b>
<b>Subject:</b>	<b>Car Parking- Tariff Increase &amp; Charging Hours Amendments</b>		
<b>Report Of:</b>	<b>Cabinet Member for Performance and Resources</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>Yes</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
<b>Contact Officer:</b>	<b>Dave Torrington</b>		
	<b>Email: david.torrington@gloucester.gov.uk Tel:01452396717</b>		
<b>Appendices:</b>	<ol style="list-style-type: none"> <li><b>1. Proposed Car Park Tariffs - Limited to Hare Lane North and Great Western Road</b></li> <li><b>2. Changes to Charging Hours, Across All Car Parks, Subject to Public Consultation.</b></li> <li><b>3. Tariff Comparisons with `Near Neighbours`</b></li> </ol>		

**FOR GENERAL RELEASE**

**1.0 Purpose of Report**

- 1.1 To review and update the current car park tariffs and car park zoning across the city to ensure that they appropriately reflect changing local demand brought about by the regeneration of the City Centre and the Council's carbon neutral aims.
- 1.2 To identify and resolve inconsistencies between car parks and enable all Council car parks to be charged the same throughout the city where appropriate.

**2.0 Recommendations**

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

- (1) Hare Lane North and Great Western Road car parking tariffs be adjusted to reflect the new proposed tariffs (Appendix 1)
- (2) the tariff options for purchasing tickets for users of the car parks be regularised removing the 1-hour option and including a 2-hour option (where applicable)
- (3) Kings Walk and Eastgate Car Parks be removed from the traffic regulation order
- (4) authority be delegated to the Property and Investment Manager in consultation with the Head of Finance and Resources and the Cabinet Member for Performance and Resources to undertake the necessary statutory procedures to implement the changes outlined in the report

- (5) the contractual arrangements be reviewed for all car parks regarding app-based payments taking into account the new National Parking Platform proposed by the Department for Transport
- (6) GL1 car park remains under the existing chargeable tariff times without change, due to the unique relationship between sports and leisure providers and the Council.

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

- 3.1 On the 26<sup>th</sup> of Jan 2023 the cabinet agreed to several changes to car parking tariffs and chargeable timing bands. There were discrepancies in the document in failing to provide specific car park information, specifically Hare Lane North and Great Western Road car parks. Also, there was a proposed change to the tariff at GL1 car park, which should not have been included as this was specific to the leisure centre

This report addresses these items with the intention of bringing all car parking tariffs in line with each other but allowing us the option to review GL1 separately to facilitate the requirements in any contract that the Council may have with a third-party provider of the GL1 facilities. All other car park tariffs are as previously agreed.

- 3.2 Kings Walk and Eastgate car parks are owned and operated by the City Council but are currently underutilised. One of the main issues with both facilities is that they are open 24 hours a day using a pay on foot and ANPR system to collect charges. The current system is ineffective due to Local Authority constraints with the use of ANPR operated systems. This results in a loss of income for evening use when the car parking team are not operating. By removing these car parks from the current order they can be managed privately by the operators of the shopping centres to align with the needs of the regeneration of the Kings Quarter development and the evening economy provision within the City in the coming years.
- 3.3 The Council are aware of the importance of car parking sites to the development and prosperity of the city. The Council owns or manages 15 car parks across the city, 13 pay and display and 2 pay on foot. The purpose of the tariff review is to ensure the charges are appropriate to cover the costs of managing the car parks, their development and maintenance, whilst remaining competitive with other providers and comparable with other similar local authority providers.
- 3.4 The last amendment to City Centre car park tariffs was in January 2023. Prior to that the last increase was 2017. Over the last five years the Retail Prices Index has increased by 28.5% and the Consumer Prices Index has increased by 18.5% (*based on Office of National Statistics reported figures for the period from April 2017 to September 2022*) with much of this increase having been seen in the past 18 months. During the review in 2017 the 'all day parking tariff' was not updated, which means it has not been amended since 2012, a period subject to even greater inflationary change.
- 3.5 Current charges remain historically low and do not align with the Council objectives of maintaining and improving a sustainable car parking infrastructure for the future whilst ensuring a balanced budget given the inflationary pressures noted above, and regarding taking the steps necessary to the address the climate emergency.

3.6 This report is seeking approval for a policy-based increase in car park tariffs, to ensure the Council maintains a reasonable and consistent parking provision that encourages longer stays to help the City Centre economy, and less journeys to make a positive contribution to the Council's carbon neutral aims. This is whilst ensuring that charging is at a level to encourage people to start considering more sustainable modes of transport and ensuring the most effective use of our City Centre car parks.

3.7 The review undertaken has considered the following:

- Identification of current parking trends based on information relating to our pay and display machines, MiPermit (pay by phone), and ANPR information.
- Revision of the current zoning to reflect current parking trends and changes in parking habits arising from the continuing regeneration of the City Centre.
- Current inflationary costs and the fact that the Council has not carried out a review of the tariffs for several years.

3.8 This review has led to proposed amendments to the Car Park Tariffs that will lead to the standardisation of parking charges across the car parks in the current parking Zones 1 & 2, and the removal of the 1-hour tariff to encourage longer stays by visitors to the City Centre. These changes will ensure the service delivers on the approved budget and begins the process of driving the necessary behavioural changes in public travel to the City Centre to allow the achievement of the Council's carbon neutral aims.

#### **4.0 Social Value Considerations**

4.1 None

#### **5.0 Environmental Implications**

5.1 The review is trying to facilitate a longer City Centre stay by removing the 1 hour option, this should make a positive contribution to the Council's carbon neutral aims by encouraging a one stop pedestrian shop, rather than a number of car Journeys.

5.2 Also, with completed improvements to the Bus Station and upcoming improvements to the train station, in part the objective of any charging structure is to encourage private vehicle users to think about other potentially more sustainable modes of transport such as cycling, walking, park and ride, bus or train.

5.3 The Council has a priority to tackle the climate emergency. The Council will therefore be formulating a plan to install more electric vehicle charging stations in its car parks. This process has commenced with the investment in the regeneration of the Bruton Way car park as part of the Kings Quarter Forum development.

#### **6.0 Alternative Options Considered**

6.1 To maintain tariffs at their current level which will continue to reduce net revenues to the Council creating an unsustainable position in the long term because of the inflationary pressures noted above. This also hinders future investment in the enhancements to the car parking infrastructure required to achieve the Council's carbon neutral aims.

## **7.0 Reasons for Recommendations**

- 7.1 Parking tariffs have not been reviewed for over 5 years and are not reflective of current trends or habits. The all-day tariff has not been reviewed for over 10 years. Our current charging regime does not help change people's mindset in relation to other more sustainable transport methods. Our current regime encourages short stays for an hour or less which does not fit with the Council trying to encourage longer stays and more use of our City Centre businesses and actually encourages hopping into the car to drive to multiple places.

## **8.0 Future Work and Conclusions**

- 8.1 Development and costing of a programme for an increase in the number of EV charging points in the City Centre car parks.
- 8.2 A biennial review of the car parking charges including a review of the impact of the proposed tariff changes on visitor car parking numbers.

## **9.0 Financial Implications**

- 9.1 The car parking charging review as detailed in this report will deliver the targets identified in the Money Plan, while ensuring sustainable funding to ensure that the infrastructure of the car parks can be maintained and developed to meet the Council's net carbon zero plans.
- 9.2 Since 2017 there has been a real terms reduction in the value of the car park receipts of circa £315k (based on CPI) due to the maintaining of the same car park tariffs for the five-year period. The proposed increases to the tariffs, the removal of the 1-hour tariff and the combining of Zones 1 & 2 into a single Zone A is estimated to increase the car park income by £560k. This addresses the real terms reduction noted above and subject to any reduction in car park visitors (the sensitivity to which is noted below) generates income for reinvestment in the car parks particularly with regard to the environmental measures needed to accommodate the expected increase in EV vehicles in the next five years.
- 9.3 The combining and standardising of Zones 1 & 2 generates an estimated £32k of this increase and the removal of the 1-hour tariff generates an estimated £125k of the noted increase.
- 9.4 The financial impact is based on current customer behaviour, however, the decision to implement the changes may result in changes to customer behaviour, so the financial outcomes may be different. The sensitivity to a 1% reduction in the number of people parking is estimated to be a reduction in income of £25k.
- 9.5 There are additional one-off costs to the Council:
- To change tariff boards.
  - The cost of legal work to consolidate all the parking orders. This action is required whether the tariffs change or not.

## **10.0 Legal Implications**

- 10.1 The Road Traffic Regulation Act 1984 states that a local authority may provide on and off-street parking places for the purposes of relieving or preventing congestion of traffic. The local authority may also, by order, make provision as to the conditions for the use of such parking places, including applicable charges.
- 10.2 The primary purpose of imposing and setting the level of parking charges must be to secure the expeditious, convenient and safe movement of vehicles and other traffic in the locality concerned, having regard to the need to secure access to premises, the effect on the amenity of the locality, the national air quality strategy and the need to secure the passage of public service vehicles.
- 10.3 Recent cases confirm that whilst the cost of providing parking facilities may be an appropriate secondary consideration in the setting of parking charges, it must not be the primary determining factor. A local authority may not set parking charges for the purposes of generating revenue even though it is an obvious by product of the lawful charging purpose(s) outlined. However, providing the charges are for lawful purposes, it is permissible to generate a surplus income.
- 10.4 By virtue of section 55 of the Road Traffic Regulation Act 1984, the Council must keep accounts of income and expenditure in respect of parking places and such income should only be used towards the provision and maintenance of each parking place amongst other parking related objectives.
- 10.5 Further legal advice can be provided upon request in relation to the statutory procedures for implementing the proposed tariff increases.

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

- 11.1 The proposed increases pose no direct financial risk other than the potential of reducing the use of the car parks. This will be monitored to ensure if there is an adverse impact, corrective action can be considered.

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

- 12.1 The PIA Screening Stage was completed against the protected characteristics.
- 12.2 Full consultation will be carried out as part of the Order changes.

## **13.0 Community Safety Implications**

- 13.1 Investment in the security of our car parks will reduce anti-social behaviour and encourage more users to use our car parks safely.

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

- 14.1 None

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**ZONE B****GL1 car park.**

Charging hours - Monday to Saturday: 9am to 3pm

No change proposed

Parking period	Existing charge	No Change
Up to 2.5 hours	£4.00	£4.00

**Great Western Road car park.**

Charging hours - Monday to Sunday: 7AM-6PM

Existing and proposed charges for Great Western Road car park

Parking period	Existing charge	New charge
Up to 1 hour		
Up to 2 hours		£2.40
Up to 3 hours		£3.50
Up to 4 hours		£4.60
All Day	£3.20	£5.00
Sunday up to 1 hour		£1.50
Sunday All Day	£2.20	£2.20
Season ticket 12 weeks		£347.00

All day charge to be increased over 2 years to match other zone B car parks @ £8

Season ticket charge will increase as daily rate rises

**Hare Lane North car park.**

Charging hours - Monday to Sunday: 7am to 6pm.

Existing and proposed charges for Hare Lane North car park

<b>Parking period</b>	<b>Existing charge</b>	<b>New charge</b>	
Up to 1 hour			
Up to 2 hours		£2.40	
Up to 3 hours		£3.50	
Up to 4 hours	£2.20	£4.60	
All Day Up to 6pm	£3.00	£5.00	All day charge to be increased over 2 years to match other zone B car parks @ £8
Sunday Up to 1 hour	£1.10	£1.50	
Sunday All Day up to 6pm	£2.00	£2.20	
12 Weeks Season Ticket	£216.00	£347.00	Season ticket charge will increase as daily rate rises



Existing chargeable time bands per car park										
Castlemeads		1 hour	2 hour		3 hour	4 hour		All day	Sunday 1 hour	Sunday all day
Eastgate CP		1 hour	2 hour		3 hour	4 hour		All day	Sunday 1 hour	Sunday all day
GL1				2.5 hour						
Great Western Rd (GWR)								All day		Sunday all day
Hampden Way		1 hour	2 hour		3 hour	4 hour		All day	Sunday 1 hour	Sunday all day
Hare Lane North (HLN)		1 hour				4 hour		All day	Sunday 1 hour	Sunday all day
Hare Lane South		1 hour	2 hour		3 hour	4 hour			Sunday 1 hour	Sunday all day
Kings Walk		1 hour	2 hour		3 hour	4 hour		All day	Sunday 1 hour	Sunday all day
Laybellgate		1 hour	2 hour		3 hour	4 hour		All day	Sunday 1 hour	Sunday all day
Longsmiths St		1 hour	2 hour		3 hour	4 hour		All day	Sunday 1 hour	Sunday all day
North WH	30 mins		2 hour			4 hour		All day	Sunday 1 hour	Sunday all day
Southgate Moorings		1 hour	2 hour		3 hour	4 hour		All day	Sunday 1 hour	Sunday all day
St Michaels Square		1 hour			3 hour	4 hour	5 hours	All day	Sunday 1 hour	Sunday all day
Station Rd		1 hour			3 hour	4 hour	5 hours	All day	Sunday 1 hour	Sunday all day
Westgate St		1 hour			3 hour	4 hour	5 hours	All day	Sunday 1 hour	Sunday all day

Proposed new chargeable time bands per car park							
Castlemeads		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Eastgate CP		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Great Western Rd (GWR)		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Hampden Way		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Hare Lane North (HLN)		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Hare Lane South		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Kings Walk		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Laybellgate		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Longsmiths St		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
North WH		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Southgate Moorings		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
St Michaels Square		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Station Rd		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day
Westgate St		2 hour	3 hour	4 hour	All day	Sunday 1	Sunday all day

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# Gloucester City Council

<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>6 December 2023</b>
<b>Subject:</b>	<b>Financial Monitoring: Quarter 2 2023-24</b>		
<b>Report Of:</b>	<b>Cabinet Member for Performance and Resources</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>No</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
<b>Contact Officer:</b>	<b>Hadrian Walters, Financial Services Manager</b>		
	<b>Email: hadrian.walters@gloucester.gov.uk</b>	<b>Tel:</b>	<b>396231</b>
<b>Appendices:</b>	<b>1. Capital Monitoring</b>		

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

- 1.1 For Cabinet to note year-end forecasts, and the financial pressures on the Council during the Quarter ended 30<sup>th</sup> September 2023 and report on the performance of the Council against certain key financial performance indicators.

### 2.0 Recommendations

- 2.1 Cabinet is requested to **RESOLVE** it be noted that:
- (1) the forecast year end position is currently for a decrease to the Council's General Fund balance of £1,078k against a budgeted decrease of £104k;
  - (2) The details of specific budgetary issues identified by officers and the actions being taken to address those issues;
  - (3) The current level of Capital expenditure as shown in Appendix 1.

### 3.0 Background and Key Issues

- 3.1 The Council approved the 2023-24 Budget in February 2023. This report sets out the financial position as at the end of September 2023. It is based on actual costs and income for the Quarter 2 of 2023-24 and the current forecast for the remainder of the financial year. Financial performance is a key element within the assessment of the Council's overall performance framework and is essential to achievement of the objectives within the Council's Policy Agenda and Plan.
- 3.2 As noted in the 2022-23 Outturn Report, the high levels of inflation and the war in Ukraine have continued into the 2023-24 financial year. The consequences of the wider economic impacts on interest rates and energy prices have led to the Council being faced with further financial challenges from the continuation of significant cost increases, higher levels of homelessness, and increased funding costs.
- 3.3 Given the current operating environment and the significant increases experienced in both service demand and the ongoing unavoidable inflationary cost pressures

noted above, the achievement of the budget position will be an incredibly difficult ambition to achieve in 2023-24. This report summarises the forecast position at the halfway point in the financial year and highlights the continued need for the Council to manage its limited financial resources to ensure the achievement of its ongoing service delivery obligations, and to continue its wider regeneration activities.

- 3.4 This report will focus on providing some detail and commentary of the financial variances at a portfolio level that are currently forecast for 2023-24. It should be noted that these estimates have been based on the best information we currently have available at this stage of the financial year.

## 4.0 Whole Council Summary

- 4.1 The summary table below shows the forecast outturn position for the Council by Cabinet portfolio.

Council Summary	23/24		Year End	Final
	Budget	Actual	Forecast	Variance
Communities & Neighbourhoods	1,020	617	991	(29)
Performance & Resources	123	1,866	501	378
Culture & Leisure	1,948	1,147	2,482	534
Planning & Housing Strategy	1,435	1,334	2,393	957
Environment & Leader	7,216	3,471	7,056	(160)
Corporate & Funding	(11,639)	(6,025)	(12,344)	(706)
<b>Total</b>	<b>104</b>	<b>2,411</b>	<b>1,078</b>	<b>974</b>

- 4.2 The half year forecast position is for the Council to face a decrease in the Council's General Fund by £1,078k at the year end; an improvement on the Q1 forecast of £430k. However, this is still a position that requires use of both General Fund and Earmarked reserves, leaving both reserves significantly depleted. The Officers will continue to review activities and take the necessary actions during the remainder of 2023-24 to further mitigate this potential overspend. The total projected overspend currently stands at around 2.6% of the Council's gross expenditure budget.

- 4.3 The key pressures facing the council continue to be:
- Temporary accommodation costs for the homeless [an overspend of £456k against the half year budget, but due to the actions being taken and additional grant receipts the full year forecast has improved by £280k to being an estimated overspend of £953k].
  - The spike in energy costs and the cost-of-living crisis have led to the leisure provision becoming increasingly expensive to operate [an overspend against the half year budget of £373k, forecast to be £773k by the year end].
  - A decline in planning income as development costs increase and the boost of small planning applications caused by Covid home-working fall away [income for Q1 was only 38% of that budgeted causing a budget pressure of £176k at half year, forecast to be £350k by the year end].
  - Asset repairs and maintenance works leading to the closure of Longsmith Car Park with potential lost income from the second half of the year of £180k.
  - Increased interest costs in relation to ongoing and future projects; currently forecast to cause a £246k pressure on the Council's budget.

- 4.4 The Council's Officers and Members are reviewing the options available to mitigate the overspend and have identified several headline actions for consideration and implementation. These include the following:

- (a) Property purchases to increase the availability of temporary accommodation for those presenting as homeless, reducing the reliance on expensive hotel accommodation. Several potential purchases have been identified and are undergoing a thorough due diligence analysis prior to being progressed and purchases completed.
- (b) A grant submission has recently been submitted to Sports England in relation to energy saving capital investment measures.
- (c) Earlier purchase of energy efficient cremators as part of the cyclical maintenance and replacement plan.
- (d) Expediting of the works in relation to the car park to ensure it is re-opened as soon as possible.

## 5.0 Significant items of note

### *Communities and Neighbourhoods*

	23/24		Year End	Forecast
Communities & Neighbourhoods	Budget	Actual	Forecast	Variance
Community Strategy & Other Projects	828	540	836	9
Community Grants	125	53	103	(22)
Shopmobility	68	24	52	(16)
<b>Total</b>	<b>1,020</b>	<b>617</b>	<b>991</b>	<b>(29)</b>

- 5.1 The outturn for this portfolio is favourable to budget by £29k. Similar to prior years the Communities teams continued to work collaboratively with the County Council and the neighbouring districts to ensure a co-ordinated response to a series of community and social wellbeing projects; where appropriate, costs are shared to ensure the efficient use of funds.
- 5.2 The Government is continuing to provide targeted grants for distribution by the County and District councils to alleviate household living cost pressures and help with the accommodation of Ukrainian refugees. However, the demands on the service's resources continue to increase as more households face increased financial pressures. In the first half of 2023-24, the Communities team has received grants and shared service funding for which it has managed the spend on a variety of projects from the provision of community protection officers, food safety inspections, and various community school holiday and meal projects.
- 5.3 The Communities team has also continued its work on the Health Inequalities Project using the grant funding from the NHS received towards this project during 2022-23. Amounts have been forecast to be released from the earmarked reserve to match to the spend in 2023-24.

## Performance and Resources

Performance & Resources	23/24		Year End	Forecast
	Budget	Actual	Forecast	Variance
Financial & Corporate	991	662	979	(11)
Revenues & Benefits	441	323	489	49
IT	1,966	1,505	1,946	(20)
Parking	(1,678)	(772)	(1,562)	116
Business Support	374	182	384	10
Democratic Services	801	389	773	(29)
Asset Management	872	571	1,013	141
Commercial Property	(3,487)	(1,355)	(3,281)	206
SWRDA	(185)	(250)	(471)	(286)
Cemeteries & Crematorium	(1,464)	(465)	(1,339)	125
Internal Audit	205	84	183	(22)
Transformation/Commercialisation	158	40	116	(41)
HR & Communications	496	258	518	22
Legal Services	575	300	600	25
Housing Subsidy	(377)	177	(304)	73
Customer Services	438	216	457	20
<b>Total</b>	<b>123</b>	<b>1,866</b>	<b>501</b>	<b>378</b>

- 5.4 This portfolio is now forecast to be adverse to budget by £378k. The unfavourable movement from the position forecast at Quarter 1 is primarily a result of:
- The closure of Longsmith Street Car Park - a reduction in expected income of circa £180k, based on the car park not being re-opened prior to the end of the Financial Year.
  - Additional spend in relation to buildings reviews, repairs and maintenance that have been or are now expected to be required across the Council's asset portfolio during the remainder of the financial year.
  - A higher than budgeted salary settlement for the NJC Green Book staff at the Council.
- 5.5 As noted at Quarter 1, the estimated income from the SWRDA properties and the VAT Shelter for 2023-24 have been utilised to cover the increased costs arising from the funding of the regeneration projects and causing the budget pressure reported in the Corporate & Funding section.
- 5.6 The Revenues and Benefits service is currently estimated to be adverse to budget by £49k as a result of the administrative costs of the additional work that continues to be required of the Council to distribute a variety of new grants (including Homes For Ukraine and Energy Subsidy) to the population of Gloucester, and additional costs of following up Council Tax arrears.
- 5.7 As noted in previous monitoring reports, the Council manages more than £30m of Housing Subsidy and benefit payments, and the smallest percentage change can have a significant impact on the final outturn. The forecast outturn for 2023-24 is an overspend of £73k. This cost is out of the Council's control. Across the year this pressure is mitigated by potential new burdens funding from the Government and the recovery of historic housing benefit overpayments by the Revenues & Benefits service.



- 5.8 The Commercial Property portfolio is adverse to budget by £206k but is forecast to contribute a net income to the Council of over £3m. The Council has purposefully invested in city centre real estate as part of its regeneration agenda. Given its location, much of this estate is retail based. Gloucester, along with the majority of towns and cities across the country, has experienced significant downward trends in centre-based retail for well understood reasons. The regeneration of the Kings Walk Shopping Centre is underway, and progress is being made towards filling the vacant units with tenants. Overall, the position is continuing to improve following the Kings Square redevelopment and is expected to do so as The Forum and University of Gloucestershire developments approach completion in 2024. The historic investment property portfolio is slowly recovering as new arrangements are reached with tenants.
- 5.9 The Cemeteries and Crematorium service is performing well and the Arbor has seen continued strong demand for wakes. The adverse forecast variance of £125k is due to the continued high levels of inflation impacting the costs of the Crematorium e.g. high energy costs, and increases to the costs of regular cremator maintenance.

### **Culture & Leisure**

	23/24		Year End	Forecast
Culture & Leisure	Budget	Actual	Forecast	Variance
Museums	657	267	610	(47)
Guildhall & Blackfriars	559	105	379	(181)
Events	296	203	297	1
Destination Marketing	159	71	159	(0)
Leisure Service	330	538	1,103	773
Markets & Street Trading	(54)	(37)	(66)	(12)
<b>Total</b>	<b>1,948</b>	<b>1,147</b>	<b>2,482</b>	<b>534</b>

- 5.10 The Culture & Leisure team continue to be successful in their grant applications. The commencement of the works at the Museum to utilise the Museum Estate and Development Fund grant funding in progress, and there have been successful Heritage Lottery and Arts Council England grant applications to assist with the funding of various archaeological and archiving work respectively.
- 5.11 The Guildhall team have continued to develop and expand their programme following the successful application for Arts Council England National Portfolio Organisation funding for the next 3 years. Across the summer months Blackfriars has proved to be a popular venue for weddings and events and is forecast to be favourable to budget for the year by £104k.
- 5.12 The venue development works at the Guildhall and the new EPOS system are now starting to show positive benefits through increased income levels, especially in relation to catering and bar income. A new ticketing system is being implemented during Quarter 3 that will lead to an improvement for customers as they purchase tickets.
- 5.13 The Council continues to support the leisure service in the wake of the effects of the pandemic and the increased energy costs on its business. The service provision contract with Aspire Sports Cultural & Leisure Trust (the Trust) came to an abrupt conclusion at the end of September, due to the Trust's financial position, leading to the temporary closure of the GL1 and Oxstalls facilities. The Council has subsequently engaged a national leisure service operator, Freedom Leisure, to re-open the facilities subject to their being able to do so within the financial constraints of the Council.

- 5.14 The estimated cost pressure faced by the Council during 2023-24 of operating the leisure service is £773k. The grant submission to Sports England in Quarter 1 for funds to cover the enhanced energy costs was unsuccessful; however a further grant application has recently been submitted to cover the capital costs of implementing energy saving measures at the leisure centre.

### ***Planning and Housing***

<b>Planning &amp; Housing Strategy</b>	<b>23/24</b>		<b>Year End</b>	<b>Forecast</b>
	<b>Budget</b>	<b>Actual</b>	<b>Forecast</b>	<b>Variance</b>
Planning	29	190	379	350
Planning Policy	376	191	332	(45)
Community Infrastructure Levy	-	(19)	3	3
Land Charges	(76)	(42)	(86)	(10)
Private Sector Housing	228	179	275	47
Housing Strategy	138	63	133	(5)
Homelessness & Housing	740	772	1,356	617
County Homelessness Partnerships	-	(0)	(0)	(0)
<b>Total</b>	<b>1,435</b>	<b>1,334</b>	<b>2,393</b>	<b>957</b>

- 5.15 This portfolio has seen a slight improvement from the Quarter 1 position following additional grant receipts in relation to homelessness and temporary accommodation provision. However, the portfolio is still forecast to be significantly adverse to budget by £957k during 2023-24. As noted at Quarter 1, the significant reduction in income received by the Planning Service, and the increase in the demand for (and hence the costs of) temporary accommodation have continued during Quarter 2.
- 5.16 The reduced income in the planning service has worsened and is now forecast to be £350k adverse to budget. There is some good news for the future in that the recent Government consultation, to review planning processes and costs, has led to a proposed future increase in the statutory planning charges. The Council also continues to utilise the Reducing Invalid Planning Applications (RIPA) and Back Office Planning System (BOPS) grants from the Government to work on a project in co-ordination with other Councils towards transforming and digitising planning processes.
- 5.17 The impact of the cost-of-living crisis and the high inflation rates over the past year has led to a significant increase in the demand for temporary accommodation. This increased demand has significantly exceeded the accommodation that the Council has available to it and the overall annual budget for 2023-24 was exceeded in the 1<sup>st</sup> Quarter. The current forecast overspend for the year is £617k, after a release of £100k from the Homelessness earmarked reserve. The officers of the Council have been exploring various alternatives and approaches to alleviate this financial burden on the Council, including the purchase of several properties, and will continue to monitor the position carefully for the remainder of the financial year.

## Environment

Environment & Leader	23/24	Actual	Year End	Forecast
	Budget		Forecast	Variance
Waste & Recycling	5,265	2,855	5,229	(35)
Streetcare & City Centre	784	472	839	55
Environmental Health	205	57	159	(46)
Licensing	(124)	(50)	(111)	13
Parks & Countryside	248	128	260	12
Economic Development	347	(203)	191	(156)
Heritage	136	71	138	2
Climate Change & Environment	88	16	61	(28)
Senior Management	266	126	290	24
<b>Total</b>	<b>7,216</b>	<b>3,471</b>	<b>7,056</b>	<b>(160)</b>

- 5.18 This portfolio is favourable to budget by £160k. The continued high inflation rates have impacted on the costs of the waste and recycling contract. These increased costs are mitigated by the sale of recyclable materials. Unfortunately, the commodity prices for recycling materials are falling from the high levels experienced in the past few years; at present the budgeted income is still expected to be achieved.
- 5.19 The final position for the Economic Development service is a favourable variance of £156k, after taking into account the Regeneration Reserve funding of staff working on the Forum Project, and the Levelling Up funded works. The Economic Development team have also been busy managing the distribution of the UK Shared Prosperity Fund received from the Government to assist local projects and businesses.
- 5.20 During the quarter the Heritage team have continued to successfully manage the spend of the High Street Heritage Action Zone grants towards the development and improvement work occurring within the Cathedral Quarter and Westgate areas of the City.

## 6.0 Movement in Earmarked Reserves

6.1 The Council continues to hold an earmarked reserve balance of over £4m as shown below:

Reserve Name	Opening Balance	Transfers In	Transfers Out	Closing Balance
Historic Buildings	53	-	-	53
Housing Survey	60	-	-	60
Shopmobility	29	-	-	29
Regeneration	220	500	(500)	220
Insurance	10	-	-	10
Land Adoption	873	-	-	873
VAT Shelter	167	240	(240)	167
Business Rates	733	-	-	733
Environmental Insurance	900	-	-	900
Repairs	23	-	-	23
Planning Strategy	126	-	-	126
Flooding Works	10	-	-	10
Lottery	20	-	-	20
Museum Bequest	305	-	-	305
Transformation	25	-	-	25
Budget Equalisation	33	-	-	33
Destination Marketing	85	-	-	85
Homelessness	100	-	(100)	-
Planning Appeals	50	-	-	50
Communities	18	-	-	18
Climate Change	66	-	-	66
Neighbourhood Spaces	12	-	-	12
Defibrillator	6	-	-	6
Health Inequalities	340	-	(100)	240
<b>Reserves Total</b>	<b>4,264</b>	<b>740</b>	<b>(940)</b>	<b>4,064</b>

6.2 The Council has drawn down previously reserved funds to pay for their intended usage during 2023-24 and where applicable carried forward amounts for future use.

6.3 The forecast net surplus from the SWRDA assets is an estimated £465k contribution to the reserve. The reserve was earmarked to contribute towards the Council's regeneration projects in 2023-24, £500k is forecast to be spent in year towards this project leaving an overall net transfer to the reserve of £nil. The remaining balance will continue to be used to support future regeneration work.

6.4 The Council continues to receive funding relating to the arrangement for a "VAT shelter" relating to the Housing Stock transfer of 2015. In 2023-24 the forecast contribution to funding is £240k was received. The whole of this amount is expected to be allocated from the reserve to contribute to the costs for the redevelopment of Kings Square and Kings Quarter – the Forum.

6.5 During 2022-23 an amount of £280k was received from the NHS in relation to the joint Health Inequalities programme. This work for this programme is being planned and an amount of £100k is forecast to be utilised during 2023-24.

## 7.0 Capital Programme

- 7.1 The current position for the Capital Programme £23.7m against the budget for the year of £62.3m. The majority of the budget (£52m) is set on the Forum project, forecast expenditure on the capital programme at Q2 is £61.1m.
- 7.2 Expenditure for 2023-24 has seen continued progress with The Forum development, this significant regeneration in the City is starting to take shape.
- 7.3 The Council continues to work with partners to deliver projects, such as Cathedral Quarter as part of the Heritage Action Zones with The Historic Buildings and Monuments Commission. The Food Dock is progressing with completion expected in Q3.
- 7.4 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
- 7.5 A summarised table for the Capital Programme is shown as Appendix 2.

## 8.0 Prompt payment performance

- 8.1 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>July</u>		<u>Aug</u>		<u>Sept</u>		<u>Qtr 2</u>	
Number paid within 30 days	757	95%	705	96%	680	93%	<b>2,142</b>	<b>95%</b>
Number paid over 30 days	41	5%	28	4%	49	7%	<b>118</b>	<b>5%</b>
Average Days to Pay (from receipt of invoice to payment date)		9		7		9		8

## 9.0 Social Value Considerations

- 9.1 There are no social value implications arising from this report.

## 10.0 Alternative Options Considered

- 10.1 A wide range of options are being explored by officers in order to reduce budgetary pressure, to achieve savings targets, and to ensure value for money.

## 11.0 Reasons for Recommendations

- 11.1 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.

## 12.0 Future Work and Conclusions

- 12.1 Work will continue to review, analyse, and reconcile the vast quantum of manual data for upload into the system. Steps will continue to be taken to limit in year and future budget pressures.

### **13.0 Financial Implications**

13.1 All financial implications are within the report, which is of a wholly financial nature.

### **14.0 Legal Implications**

14.1 There are no legal implications from this report. One Legal have been consulted in the preparation this report.

### **15.0 Risk & Opportunity Management Implications**

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

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

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

### **17.0 Other Corporate Implications**

Community Safety / Sustainability / Staffing & Trade Union

17.1 None.

Scheme	Budget 2023/24	Actual Spend to date	Variance	Forecast
Kings Quarter - The Forum	52,000,000	20,263,527	31,736,473	52,000,000
Property Rental Works	1,000,000	-	1,000,000	500,000
Food Dock	3,000,000	600,000	2,400,000	3,000,000
Museum, Estate and Development Fund (MEND)	400,000	-	400,000	200,000
High Streets - HAZ	457,411	178,132	279,279	457,411
GCC Building Improvements	100,000	37,195	62,805	100,000
ICT Projects	50,000	27,525	22,475	50,000
Housing projects	1,425,239	817,633	607,606	1,425,239
Drainage and Flood Protection Works	190,000	31,479	158,521	190,000
Horsbere Brook Local Nature Reserve works	50,000	300	49,700	50,000
Play Area Improvement Programme	60,000	55,459	4,541	60,000
GWR Railway Improvement Scheme	3,300,000	724,808	2,575,192	2,750,000
Recycling Fleet replacement	200,000	793,597	(593,597)	200,000
Grant Funded Projects	118,000	208,142	(90,142)	118,000
<b>TOTAL CAPITAL PROGRAMME</b>	<b>62,350,650</b>	<b>23,737,797</b>	<b>38,612,853</b>	<b>61,100,650</b>

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<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>6 December 2023</b>
<b>Subject:</b>	<b>Treasury Management Update – Mid Year Report 2023/24</b>		
<b>Report Of:</b>	<b>Cabinet Member for Performance and Resources</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>No</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
<b>Contact Officer:</b>	<b>Greg Maw, Head of Finance and Resources</b>		
	<b>Email:</b>	<b><a href="mailto:greg.maw@gloucester.gov.uk">greg.maw@gloucester.gov.uk</a></b>	<b>Tel:</b> 396422
<b>Appendices:</b>	<b>1. Prudential and Treasury Indicators</b> <b>2. Interest Rate Forecasts</b>		

**FOR GENERAL RELEASE**

**1.0 Purpose of Report**

- 1.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that members be updated on treasury management activities regularly (TMSS, annual and midyear reports). This report covers the six months 1<sup>st</sup> April 2023 to 30<sup>th</sup> September 2023 and therefore, ensures this Council is implementing best practice in accordance with the Code.
- 1.2 This report will highlight issues specific to the Council and also highlight interest rate forecasts as provided by the Council’s treasury advisors Link Asset Services.
- 1.3 The body of the report provides an overview of the Councils performance for the first half 2023/24;
  - **Appendix 1** highlights the key performance indicators in line with the Councils Treasury Management Strategy.
  - **Appendix 2** Interest Rate Forecast.

**2.0 Recommendations**

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

**3.0 Annual Investment Strategy**

The Treasury Management Strategy Statement (TMSS) for 2023/24, which includes the Annual Investment Strategy, was approved by the Council on 23<sup>rd</sup> March 2022. It sets out the Council’s investment priorities as being:

- Security of capital;
- Liquidity; and
- Yield

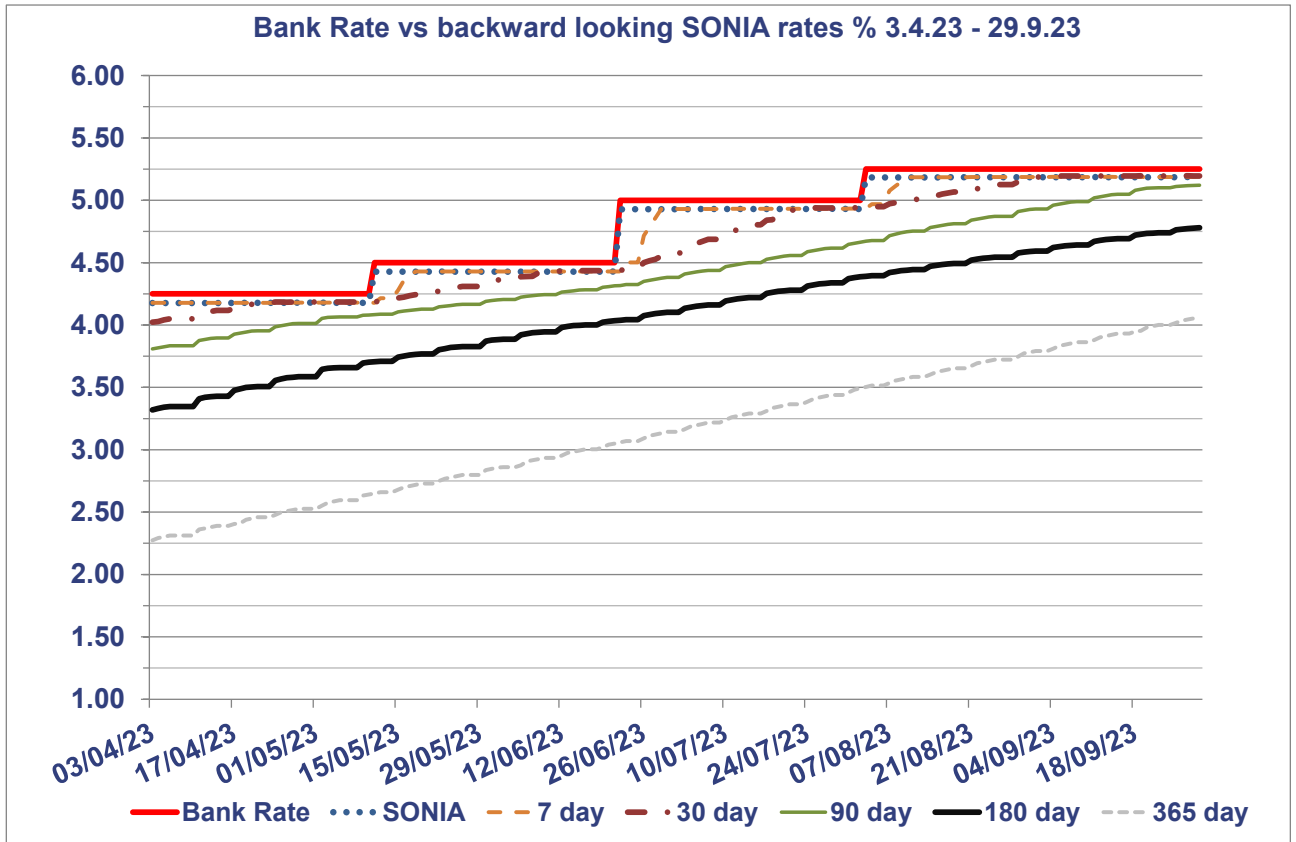
- 3.1 The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council’s risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months, with highly credit rated financial institutions, using our suggested creditworthiness approach, including a minimum sovereign credit rating, and Credit Default Swap (CDS) overlay information.
- 3.2 As shown by the interest rate forecasts in appendix 2, rates have improved dramatically during the first half of 2023/24 and are expected to improve further as Bank Rate continues to increase.
- 3.3 The average level of funds available for investment purposes during the year to date was £6.65m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the Capital Programme.
- 3.4 The Council holds £18.6m core cash balances for investment purposes (i.e. funds available for more than one year), the majority of these funds are held with the CCLA and have delivered £472k in dividends for the first six months of the year.

#### Investment performance for the financial year to date as at 30th September 2023

Benchmark	Benchmark Return	Council Performance	Investment Interest Earned
7 day	4.71%	4.69%	£311,848
1 month	4.64%	N/A	N/A
3 month	4.44%	N/A	N/A
6 month	4.10%	N/A	N/A
12 month	3.16%	N/A	N/A

As illustrated, the Council outperformed the benchmark by 0.02 bps on 7 day investment returns.

**Interest Rate Profile - Half year ended 30 September 2023**

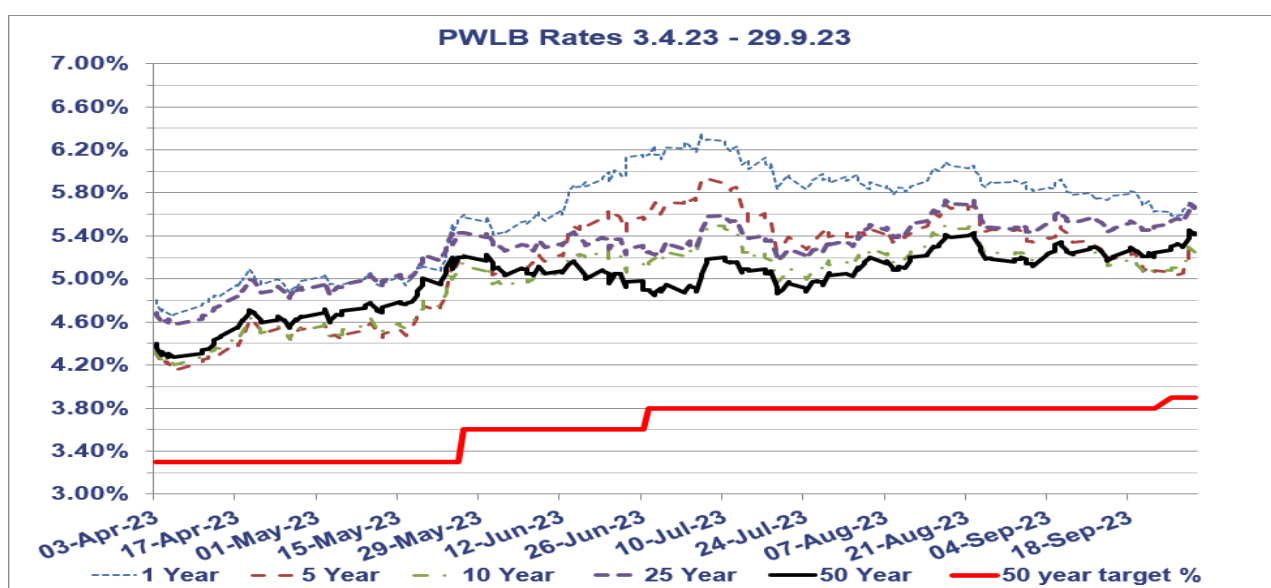


	Bank Rate	SONIA	7 day	30 day	90 day	180 day	365 day
<b>High</b>	5.25	5.19	5.19	5.20	5.12	4.78	4.06
<b>High Date</b>	03/08/2023	29/09/2023	04/09/2023	27/09/2023	29/09/2023	29/09/2023	29/09/2023
<b>Low</b>	4.25	4.18	4.18	4.02	3.81	3.32	2.27
<b>Low Date</b>	03/04/2023	04/04/2023	11/04/2023	03/04/2023	03/04/2023	03/04/2023	03/04/2023
<b>Average</b>	4.81	4.74	4.71	4.64	4.44	4.10	3.16
<b>Spread</b>	1.00	1.01	1.01	1.17	1.31	1.46	1.79

## 4.0 New Borrowing

- 4.1 No new long-term borrowing was undertaken during the first half of 2023/24.
- 4.2 The graph and table below show the movement in PWLB certainty rates for the first six months of the year to date. Gilt yields and PWLB rates were on a rising trend between 1st April and 30th September.

The 50-year PWLB target certainty rate for new long-term borrowing started 2022/23 at 2.20% before increasing to 4.80% in September.



	1 Year	5 Year	10 Year	25 Year	50 Year
<b>Low</b>	4.65%	4.14%	4.20%	4.58%	4.27%
<b>Date</b>	06/04/2023	06/04/2023	06/04/2023	06/04/2023	05/04/2023
<b>High</b>	6.36%	5.93%	5.51%	5.73%	5.45%
<b>Date</b>	06/07/2023	07/07/2023	22/08/2023	17/08/2023	28/09/2023
<b>Average</b>	5.62%	5.16%	5.01%	5.29%	5.00%
<b>Spread</b>	1.71%	1.79%	1.31%	1.15%	1.18%

## 5.0 Debt Rescheduling

- 5.1 Debt rescheduling opportunities have increased significantly in the current quarter where gilt yields, which underpin PWLB rates and market loans, have risen materially. Members will be advised if there is value to be had by rescheduling or repaying a part of the debt.

## **6.0 Compliance with Treasury and Prudential Limits**

- 6.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators (affordability limits) are included in the approved TMSS.
- 6.2 During the financial year the Council has operated within the treasury limits set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices.

## **7.0 Other**

- 7.1 The 2021 CIPFA Codes and guidance notes have placed enhanced importance on risk management. Where an authority changes its risk appetite e.g., for moving surplus cash into or out of certain types of investment funds or other types of investment instruments, this change in risk appetite and policy should be brought to members' attention in treasury management update.

## **8.0 Social Value Considerations**

- 8.1 This report notes the treasury management performance of the Council. There are no anticipated Social Value considerations from this report as it is reporting performance and not making investment decisions.

## **9.0 Environmental Implications**

- 9.1 This report notes the treasury management performance of the Council. There are no anticipated environmental implications from this report.

## **10.0 Financial Implications**

- 10.1 Contained in the report

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

## **11.0 Legal Implications**

- 11.1 There are no significant legal implications in respect of the recommendations in this report. Compliance with the CIPFA Code of Practice for Treasury Management in the Public Services provides assurance that investments are, and will continue to be, within the Council's legal powers.

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

**12.0 Risk & Opportunity Management Implications**

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

**13.0 People Impact Assessment (PIA):**

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

**14.0 Other Corporate Implications**

Community Safety

14.1 None

Sustainability

14.2 None

Staffing & Trade Union

14.3 None

Prudential and Treasury Indicators as at 30<sup>th</sup> September 2023

Prudential Indicators 2022/23	2023/24 Budget £m	Six Months (Apr – Sept) Actual £m
Authorised limit for external debt	£260	£260
Operational Boundary for external debt	£240	£240
Gross external debt	£225	£172
Investments	N/A	£25
Net borrowing	£225	£147

Maturity structure of fixed and variable rate borrowing – upper and lower limits		
Under 12 months	0%-100%	41.22%
12 months to 2 years	0% - 100%	0.06%
2 years to 5 years	0% - 100%	21.55%
5 years to 10 years	0% - 100%	4.03%
10 years to 20 years	0% - 100%	13.14%
20 years to 30 years	0% - 100%	11.44%
30 years to 40 years	0% - 100%	8.57%
40 years to 50 years	0% - 100%	0%
Upper limit of fixed interest based on net debt	100%	97%
Upper limit of variable interest rates based on net debt	100%	3%

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## INTEREST RATES FORECASTS

The Council has appointed Link Group as its treasury advisors and part of their service is to assist the Council to formulate a view on interest rates. The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1st November 2012.

The latest forecast on 25th September sets out a view that short, medium and long-dated interest rates will be elevated for some little while, as the Bank of England seeks to squeeze inflation out of the economy.

Our PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps, calculated as gilts plus 80bps) which has been accessible to most authorities since 1st November 2012.

The Council's treasury advisor, Link Group, provided the following forecasts on 27<sup>th</sup> September 2022 (PWLB rates are certainty rates, gilt yields plus 80bps):

Link Group Interest Rate View	25.09.23												
	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
<b>BANK RATE</b>	5.25	5.25	5.25	5.00	4.50	4.00	3.50	3.00	2.75	2.75	2.75	2.75	2.75
3 month ave earnings	5.30	5.30	5.30	5.00	4.50	4.00	3.50	3.00	2.80	2.80	2.80	2.80	2.80
6 month ave earnings	5.60	5.50	5.40	5.10	4.60	4.10	3.60	3.10	2.90	2.90	2.90	2.90	2.90
12 month ave earnings	5.80	5.70	5.50	5.20	4.70	4.20	3.70	3.20	3.00	3.00	3.00	3.00	3.00
5 yr PWLB	5.10	5.00	4.90	4.70	4.40	4.20	4.00	3.90	3.70	3.70	3.60	3.60	3.50
10 yr PWLB	5.00	4.90	4.80	4.60	4.40	4.20	4.00	3.80	3.70	3.60	3.60	3.50	3.50
25 yr PWLB	5.40	5.20	5.10	4.90	4.70	4.40	4.30	4.10	4.00	3.90	3.80	3.80	3.80
50 yr PWLB	5.20	5.00	4.90	4.70	4.50	4.20	4.10	3.90	3.80	3.70	3.60	3.60	3.60

*Additional notes by Link on this forecast table: -*

- *LIBOR and LIBID rates ceased at the end of 2021. In a continuation of our previous forecasts, our money market yield forecasts are based on expected average earnings by local authorities for 3 to 12 months.*
- *Our forecasts for average earnings are averages i.e., rates offered by individual banks may differ significantly from these averages, reflecting their different needs for borrowing short term cash at any one point in time.*

## Economics Update

- The first half of 2023/24 saw:
  - Interest rates rise by a further 100bps, taking Bank Rate from 4.25% to 5.25% and, possibly, the peak in the tightening cycle.
  - Short, medium and long-dated gilts remain elevated as inflation continually surprised to the upside.
  - A 0.5% m/m decline in real GDP in July, mainly due to more strikes.
  - CPI inflation falling from 8.7% in April to 6.7% in August, its lowest rate since February 2022, but still the highest in the G7.
  - Core CPI inflation declining to 6.2% in August from 7.1% in April and May, a then 31 years high.

- A cooling in labour market conditions, but no evidence yet that it has led to an easing in wage growth (as the 3myy growth of average earnings rose to 7.8% in August, excluding bonuses).
- The 0.5% m/m fall in GDP in July suggests that underlying growth has lost momentum since earlier in the year. Some of the weakness in July was due to there being almost twice as many working days lost to strikes in July (281,000) than in June (160,000). But with output falling in 10 out of the 17 sectors, there is an air of underlying weakness.
- The fall in the composite Purchasing Managers Index from 48.6 in August to 46.8 in September left it at its lowest level since COVID-19 lockdowns reduced activity in January 2021. At face value, it is consistent with the 0.2% q/q rise in real GDP in the period April to June, being followed by a contraction of up to 1% in the second half of 2023.
- The 0.4% m/m rebound in retail sales volumes in August is not as good as it looks as it partly reflected a pickup in sales after the unusually wet weather in July. Sales volumes in August were 0.2% below their level in May, suggesting much of the resilience in retail activity in the first half of the year has faded.
- As the growing drag from higher interest rates intensifies over the next six months, we think the economy will continue to lose momentum and soon fall into a mild recession. Strong labour demand, fast wage growth and government handouts have all supported household incomes over the past year. And with CPI inflation past its peak and expected to decline further, the economy has got through the cost-of-living crisis without recession. But even though the worst of the falls in real household disposable incomes are behind us, the phasing out of financial support packages provided by the government during the energy crisis means real incomes are unlikely to grow strongly. Higher interest rates will soon bite harder too. We expect the Bank of England to keep interest rates at the probable peak of 5.25% until the second half of 2024. Mortgage rates are likely to stay above 5.0% for around a year.
- The tightness of the labour market continued to ease, with employment in the three months to July falling by 207,000. The further decline in the number of job vacancies from 1.017m in July to 0.989m in August suggests that the labour market has loosened a bit further since July. That is the first time it has fallen below 1m since July 2021. At 3.0% in July, and likely to have fallen to 2.9% in August, the job vacancy rate is getting closer to 2.5%, which would be consistent with slower wage growth. Meanwhile, the 48,000 decline in the supply of workers in the three months to July offset some of the loosening in the tightness of the labour market. That was due to a 63,000 increase in inactivity in the three months to July as more people left the labour market due to long term sickness or to enter education. The supply of labour is still 0.3% below its pre-pandemic February 2020 level.
- But the cooling in labour market conditions still has not fed through to an easing in wage growth. While the monthly rate of earnings growth eased sharply from an upwardly revised +2.2% in June to -0.9% in July, a lot of that was due to the one-off bonus payments for NHS staff in June not being repeated in July. The headline 3myy rate rose from 8.4% (revised up from 8.2%) to 8.5%, which meant UK wage growth remains much faster than in the US and in the Euro-zone. Moreover, while the Bank of England's closely watched measure of regular private sector wage growth eased a touch in July, from 8.2% 3myy in June to 8.1% 3myy, it is still well above the Bank of England's prediction for it to fall to 6.9% in September.

- CPI inflation declined from 6.8% in July to 6.7% in August, the lowest rate since February 2022. The biggest positive surprise was the drop in core CPI inflation, which declined from 6.9% to 6.2%. That reverses all the rise since March and means the gap between the UK and elsewhere has shrunk (US core inflation is 4.4% and in the Euro-zone it is 5.3%). Core goods inflation fell from 5.9% to 5.2% and the further easing in core goods producer price inflation, from 2.2% in July to a 29-month low of 1.5% in August, suggests it will eventually fall close to zero. But the really positive development was the fall in services inflation from 7.4% to 6.8%. That also reverses most of the rise since March and takes it below the forecast of 7.2% the Bank of England published in early August.
- In its latest monetary policy meeting on 20 September, the Bank of England left interest rates unchanged at 5.25%. The weak August CPI inflation release, the recent loosening in the labour market and the downbeat activity surveys appear to have convinced the Bank of England that it has already raised rates far enough. The minutes show the decision was “finely balanced”. Five MPC members (Bailey, Broadbent, Dhingra, Pill and Ramsden) voted for no change and the other four (Cunliffe, Greene, Haskel and Mann) voted for a 25bps hike.
- Like the US Fed, the Bank of England wants the markets to believe in the higher for longer narrative. The statement did not say that rates have peaked and once again said if there was evidence of more persistent inflation pressures “further tightening in policy would be required”. Governor Bailey stated, “we’ll be watching closely to see if further increases are needed”. The Bank also retained the hawkish guidance that rates will stay “sufficiently restrictive for sufficiently long”.
- This narrative makes sense as the Bank of England does not want the markets to decide that a peak in rates will be soon followed by rate cuts, which would loosen financial conditions and undermine its attempts to quash inflation. The language also gives the Bank of England the flexibility to respond to new developments. A rebound in services inflation, another surge in wage growth and/or a further leap in oil prices could conceivably force it to raise rates at the next meeting on 2nd November, or even pause in November and raise rates in December.
- The yield on 10-year Gilts fell from a peak of 4.74% on 17th August to 4.44% on 29th September, mainly on the back of investors revising down their interest rate expectations. But even after their recent pullback, the rise in Gilt yields has exceeded the rise in most other Developed Market government yields since the start of the year. Looking forward, once inflation falls back, Gilt yields are set to reduce further. A (mild) recession over the next couple of quarters will support this outlook if it helps to loosen the labour market (higher unemployment/lower wage increases).
- The pound weakened from its cycle high of \$1.30 in the middle of July to \$1.21 in late September. In the first half of the year, the pound bounced back strongly from the Truss debacle last autumn. That rebound was in large part driven by the substantial shift up in UK interest rate expectations. However, over the past couple of months, interest rate expectations have dropped sharply as inflation started to come down, growth faltered, and the Bank of England called an end to its hiking cycle.
- The FTSE 100 has gained more than 2% since the end of August, from around 7,440 on 31st August to 7,608 on 29th September. The rebound has been primarily driven by higher energy prices which boosted the valuations of energy companies. The FTSE 100’s relatively high concentration of energy companies helps to explain why UK equities outperformed both US and Euro-zone equities in September. Nonetheless, as recently as 21<sup>st</sup> April the FTSE 100 stood at 7,914.

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<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>6 December 2023</b>
<b>Subject:</b>	<b>Tourism &amp; Destination Marketing Progress Report 2023 &amp; 2024 Objectives</b>		
<b>Report Of:</b>	<b>Cabinet Member for Culture and Leisure</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>Jack Fayter, Tourism &amp; Destination Marketing Manager</b>		
	<b>Email: jack.fayter@gloucester.gov.uk</b>	<b>Tel:</b>	<b>01452 396975</b>
<b>Appendices:</b>	<b>1. Tourism &amp; Destination Marketing Review 2023</b>		

**FOR GENERAL RELEASE**

**1.0 Purpose of Report**

- 1.1 To present a progress report (Appendix 1) on the Tourism & Destination Marketing Function against the draft objectives outlined in the Tourism and Destination Marketing Draft Objectives issued in October 2022 (see background documents, or appendix 1, section 3) to Cabinet for information/comment and endorsement of progress.
- 1.2 To approve updated Tourism & Destination Marketing objectives ahead of 2024 (see appendix 1, sections 6 and 7).

**2.0 Recommendations**

- 2.1 Cabinet is asked to **RESOLVE** that:
  - (1) the updated Tourism & Destination Marketing objectives for 2024 be approved;
  - (2) the Tourism and Marketing Progress Report be noted, and that the progress made against the Marketing Plan in 2023 be endorsed.

**3.0 Updates to Tourism & Destination Marketing Objectives for 2024**

- 3.1 The Destination Marketing Plan is written each year in December for the following year, based on a overarching set of objectives. Due to a staffing gap between the outgoing and incoming Tourism & Destination Marketing Manager (October 2022 to January 2023), the Marketing Plan’s objectives for 2023 were adopted only in draft format by the Council. These draft objectives were consulted on by the Destination Marketing Steering Board and agreed by that Board in October 2022. These objectives were as follows:

1. Continue to work to build back Gloucester's core inbound audiences.
2. Bring Gloucester's Place Branding to the fore. Continue to support businesses and other council departments to use elements of the Place Brand in their designs.
3. Support the growth of Gloucester's Visitor Economy through providing promotional support, advice and research for the industry.
4. Grow Gloucester's domestic audience base and increase engagement with our online audiences through delivering exceptional B2C communications.
5. Working with our partners and stakeholder to deliver two major seasonal marketing campaigns in Spring/Summer and Autumn/Winter
6. Create content that promotes sustainable travel in and to the city.

3.2 For 2024, to reflect changes in needs by visitor economy businesses in Gloucester, changes in the tourism industry context for the Destination Marketing Organisation (DMO), Visit Gloucester, with the emergence of the Cotswolds+ LVEP, and to explicitly specify the DMO's support for City Festivals & Events, the draft objectives outlined in 2022 for 2023, have been updated for 2024 for approval by the Council. These objectives more truthfully articulate the work that the DMO is doing to support Visitor Economy businesses across the city. The updated objectives are as follows:

1. Continue to work on rebuilding Gloucester's core inbound audiences to pre-Pandemic levels.
2. Fully embed the use of Gloucester's Place Branding through full adoption by the Destination Marketing Organisation (DMO), Visit Gloucester, across all channels.
3. Ensure that Visit Gloucester is a central partner of the newly proposed Local Visitor Economy Partnership (LVEP) for our region.
4. Support the growth of Gloucester's Visitor Economy through the provision of signposting and digital business support.
5. Grow Gloucester's twin domestic audiences (visitors and residents) through enhanced engagement across all digital channels.
6. Embed sustainability messaging across all our published output.
7. Directly support the marketing of major city Festivals & Events, either through direct or commissioned delivery.

#### **4.0 Tourism and Destination Marketing Progress Report 2023**

4.1 The Progress Report provides information on the campaigns and event promotion delivered by the Tourism and Destination Team including information on:

- Knife Angel Event Promotion (appendix 1, section 4.1), the National Monument for Serious Violence and Aggression, a major public artwork installed throughout February outside the Cathedral.
- Royal Photographic Society International Photography Exhibition paid media campaign (appendix 1, section 4.2), assisting the Museum of Gloucester reach a wider audience for the final three months of this major exhibition.
- The Coronation of King Charles III (appendix 1, section 4.3), where Visit Gloucester implemented a Coronation hub webpage featuring events and

activities from across the city, amplified the Lamprey Pie presentation event and developed a city-wide interactive digital trail called Royal Connections to connect visitors with visitor economy businesses.

- Three Choirs Festival online promotion support (appendix 1, section 4.4), amplifying the festival through heavy featuring on Visit Gloucester's homepage, blog and social media.
- Hi Street Fest Marketing Campaign (appendix 1, section 4.5), a multi-channel campaign to generate a significant audience for this Historic England-backed celebration of the High Street Heritage Action Zone (also known as Cathedral Quarter).
- #GlosSummerPics (appendix 1, section 4.6), a seasonal activation campaign for the summer months, and method of enabling word-of-mouth promotion across events and attractions.
- Gloucester History Festival social media take-over and content marketing (appendix 1, section 4.7), designed to bring the festival to the predominantly younger audience of Visit Gloucester's Instagram and TikTok channels.
- Gloucester Goes Retro multi-channel marketing campaign (appendix 1, section 4.8). We rebuilt the website to make it search-engine optimised and mobile-oriented and developed a huge amount of new content including interactive maps, better methods of capturing feedback and contact details. We also delivered a large-scale campaign across print, digital, and social, and launched for the first time on-the-day maps to navigate the festival.
- Gloucester Believes (appendix 1, section 4.9), our umbrella Christmas campaign which is being worked on, to be launched in November 2023 across print, digital, paid media, social media and organic social promoting the city's Christmas offer, including Bright Nights, and key stakeholder offers across hospitality, accommodation, and entertainment.

4.2 The Progress Report also provided information on the 'always on' (appendix 1, section 5) activity the Tourism and Destination provide for the city. This activity is crucial for the recovery of the city but as it runs in the background, can be missed by our stakeholders:

- Each month we send out two e-newsletters (appendix 1, section 5.1 and 5.2) - one consumer-facing 'What's On' guide to our subscriber base of nearly 3,000 people (this has grown by 50% in the last 9 months, with an aggressive target of 100% growth by April 2024). The second newsletter has a steady audience base of over 160 visitor economy businesses in the city and provides them with activity updates and opportunities from the team.
- We have made a number of website improvements (appendix 1, section 5.3), including implementation of the new Place Branding across it, and streamlining the navigation and removing out-of-date information. We have also moved the site to Google Analytics 4, and integrated its backend database into SimpleView's mailing product MailMinder to streamline our comms with both visitor economy businesses and consumers.
- The team has kicked-off the process to replatform the Visit Gloucester website to our web provider's new Content Management System, a process which includes a full review of the site's products and content, and building in an integration with Cultural Services' new ticketing platform TicketSolve.
- We have also invested in rebuilding the additional web platforms we control, including Gloucester Tall Ships, Gloucester Goes Retro and Bright Nights. The first of these rebuilds, Gloucester Goes Retro, has resulted in a 78% increase in

- visitors to the website, 271 newsletter sign-ups and a 25% increase in engagement with web content. The second, Bright Nights, has just gone live.
- We have completed the setup of Cotswolds Plus Local Visitor Economy Partnership (LVEP), alongside our partner DMOs, and in July gained accreditation from Visit England/Visit Britain (appendix 1, section 5.6). This major partnership project has brought together five DMOs, Cotswolds National Landscapes, the local authorities and county council for Gloucestershire, and West Oxfordshire District Council to share expertise and advocate on a wider regional level for the visitor economy. Visit Gloucester is key partner in the LVEP, which unlocks deeper links into the Cotswolds visitor markets, bringing one of the world's most valuable tourism brands even closer to the city.

## **5.0 Social Value Considerations**

- 5.1 The total value added created by tourism, total employment in tourism, cost savings of potential unemployment, quality of life of residents generated by tourism, and environmental infrastructure of tourism cannot be underplayed. Also, the role the team have played in promoting cultural activities to the local and regional community is increasing in importance as Gloucester has become an Arts Council England Priority Place, and as residents look to cultural provision for not only entertainment but health and wellbeing. Tourism contributes to the appreciation of Gloucester's built and natural environment by highlighting the importance of our architecture and green spaces, and we can encourage our residents to consume their local leisure facilities and care more deeply about preserving them for the future. Tourism can be a catalyst for strengthening a local community by raising pride in their place. Events and festivals of which residents have been the primary participants and spectators are often rejuvenated and developed in response to tourist interest.

## **6.0 Environmental Implications**

- 6.1 The team promote all aspects of the city's cultural offer as well as encouraging green forms of travel. There will be some limited impact on the environment, however, as increased tourism, event attendance and movement of people will increase emissions. This year, Visit Gloucester has become a core partner in the Cotswolds Plus Local Visitor Economy Partnership (LVEP), which works in partnership with Visit Gloucestershire and Cotswolds National Landscape to encourage a more joined-up approach to mitigating the environment-degrading effects of tourism. Air travel does undoubtedly contribute to climate change especially the long-haul market. This market is one that is crucial to the full recovery of Gloucester's Tourism Industry.
- 6.2 Building on previous years' approaches, Gloucester and Gloucestershire is a target destination for 'slow travellers'. Slow travel is an approach to travel that emphasises connection: to local people, cultures, food, and music. It relies on the idea that a trip is meant to educate and have an emotional impact, in the present moment and for the future, while remaining sustainable for local communities and the environment. We will be looking for audiences who are more eco-conscious and we will be signposting sustainable transport solutions, green places to stay and the natural world in and around the city, so people can visit in the most sustainable way.



- 6.3 We are changing our approach to written content on our website so we encourage active travel and sustainable transport, and de-prioritising messaging about carbon-intensive transport like driving and flying.

## **7.0 Alternative Options Considered**

- 7.1 Objectives for the Destination Marketing Plan have been created in consultation with and responding to the needs of our partners (visitor economy businesses in the city), via forums including the Destination Marketing Steering Board (now superseded by the Strategic Events & Marketing Group). The 2024 updates to the wording of these objectives are designed to better articulate ongoing work, and as such, any new or alternative objectives, not outlined in this document, would require further consultation with those partners.

## **8.0 Reasons for Recommendations**

- 8.1 The report shows the team's progress in promoting the city and supporting our visitor economy businesses in 2023.

## **9.0 Future Work and Conclusions**

- 9.1 It is likely that a Destination Management Plan (DMP) will be created for the Cotswolds Plus LVEP in the next few years. As a core partner of the LVEP we are well placed to shape this so that it reflects the needs of Gloucester's visitor economy. The Growth Plan for Gloucester is also in development, the aims of which will be reflected in Gloucester's contribution of any future DMP, or in any Gloucester City-specific DMP.

## **10.0 Financial Implications**

- 10.1 None directly arising from this report.

## **11.0 Legal Implications**

- 11.1 None directly arising from this report.

## **12.0 Risk & Opportunity Management Implications**

- 12.1 The risk of the 2024 objectives not being approved is that the team are delayed in starting work on the detailed Destination Marketing Plan for 2024, as well as prevented from continuing actions laid out in 2023's plan that will continue into 2024.
- 12.2 The risk by the Progress Report not being endorsed is that the continuing actions as the in 2023 plan may have to stop, leading to delays in delivery and reputational damage. The actions in both the 2022, and 2023 Marketing Plans, as well as in the Tourism and Destination Marketing Service Plan lays out quite a demanding set of actions, so any delay would impact the ability of the team to deliver against all the actions outlined.

12.2 As the objectives were created in liaison with our key stakeholders, we would have to talk to our stakeholders to let them know about any suggested changes and delays that may be incurred by the report not being adopted. This may affect the excellent relationship the team have built with the tourism businesses in the city, with LVEP partners and with other major visitor economy partners.

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

13.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact relating to this report or the updated objectives in section 3.2 of this report. Therefore, a full PIA was not required.

### **14.0 Community Safety Implications**

14.1 None

### **15.0 Staffing & Trade Union Implications**

15.1 None

### **Background Documents:**

- Tourism and Destination Marketing Draft Objectives 2023
- Destination Marketing Service Plan 2023
- Visit Gloucester – Approach 23-24
- GGC People Impact Assessment – TDM Progress Report 2023

## **TOURISM & DESTINATION MARKETING - REVIEW 2023**

### 1. INTRODUCTION

The Tourism and Destination Marketing Team are responsible for the marketing and promotion of Gloucester as an investment and visitor destination. They own and manage the Visit Gloucester, Meet Gloucester, and the Film Gloucester websites as well as their associated social media sites. The team undertake a range of marketing activity aimed to attract visitors, activate residents to engage with the Visitor Economy and consumer-facing businesses, and to support investment into the city.

They collaborate closely with other teams including Economic Development to support the case for attracting business to the city, and within the wider Cultural Marketing Team in Cultural Services to support audience development. The team provide support to the visitor economy businesses in the city offering business support, as well as provision of visitor data. The team work alongside the Strategic Events & Marketing Group, which is made up of key Visitor Economy and creative industry stakeholders from across the city.

### 2. THE TEAM

The Tourism & Destination Marketing Team (operating under the brand name 'Visit Gloucester') consists of two full-time officers and sit within the wider Cultural Marketing Team, which includes two additional marketing officers who market other areas of the Culture Service, including Gloucester Guildhall, the Museum of Gloucester, Festivals & Events and Blackfriars Priory. This wider Cultural Marketing Team is overseen by The Tourism and Destination Marketing Manager.



### 3. OBJECTIVES 2023

The Tourism & Destination Marketing Team work to an annual Destination Marketing Plan, which is written in December each year and signed off at Cabinet in February. Due to a staffing gap between the outgoing and incoming Tourism & Destination Marketing Manager (October 2022 to January 2023), the Destination Marketing Plan's objectives for 2023 were adopted only in draft format by the Council. These draft objectives were consulted on by the Tourism & Destination Marketing Steering Board and agreed by that Board in October 2022. Those draft objectives are:

#### **Objectives:**

1. Continue to work to build back Gloucester's core inbound audiences.
2. Bring Gloucester's Place Branding to the fore. Continue to support businesses and other council departments to use elements of the Place Brand in their designs.
3. Support the growth of Gloucester's Visitor Economy through providing promotional support, advice, and research for the industry.
4. Grow Gloucester's domestic audience base and increase engagement with our online audiences through delivering exceptional B2C communications.
5. Working with our partners and stakeholder to deliver two major seasonal marketing campaigns in Spring/Summer and Autumn/Winter
6. Create content that promotes sustainable travel in and to the city.

This report shows the progress of the Tourism & Destination Marketing Team in delivering the objectives outlined in the Marketing Plan and related Service Plan.



## 4. MARKETING ACTIVITY

Below is a summary of specific marketing campaigns and dedicated promotional activity carried by the team in 2023. We have committed nearly £13,000 to marketing campaigns in 2023, spread across nine campaigns. In each campaign report, you can see a detailed breakdown of activity, overall campaign cost, and results.

### 4.1. JANUARY – FEBRUARY: KNIFE ANGEL



**Destination Marketing Plan Alignment:** Objectives 1, 3, 4

**Campaign Type:** Major Event Promotion

**Service Provided:** Paid Media Campaign, Organic Social Media, Email and Online

**Campaign cost:** £155.58

**Summary of activity:** The National Monument for Serious Violence and Aggression, The Knife Angel, was in Gloucester for the month of February as part of its national Anti-Violence tour. The Angel is a beautiful memorial designed to celebrate lives lost to acts of serious violence. Visit Gloucester supported the event through paid media, organic social media, email, and online promotion.

**Results:**

Paid Advertising	
Impressions	55,536
Reach	18,444
Clicks	4,765
Click-through Rate (CTR)	8.58%
Cost per click (CPC)	£0.03
Landing page views	1,572
Cost per landing page view	£0.10

Gloucester Cathedral saw an increase in visitor numbers of 215% in February 2023, compared with February 2022, with a 34.5% increase in donations for the same period, a key indicator of the positive impact of the Knife Angel being in the city.

February 2023 also saw a 7% increase in footfall in the city centre compared with February 2022. While a rise in footfall is part of a general trend in the city year-on-year (see section 5.7 of this report for more on footfall), Knife Angel was an obvious positive contributor to that rise.

#### 4.2. MARCH – JUNE: RPS INTERNATIONAL PHOTOGRAPHY EXHIBITION



**Destination Marketing Plan Alignment:** Objectives 3, 4

**Campaign Type:** Major Event Promotion

**Service Provided:** Paid Media Campaign

**Campaign Cost:** £699.88

**Summary of activity:** to boost visitor numbers to the RPS International Photography exhibition in the second half of its run at the Museum of Gloucester, Visit Gloucester worked with paid media partners Big Wave Media to run an extensive traffic and reach campaign across Meta networks.

**Results:**

Paid Advertising	
Impressions	517,150
Reach	149,472
Clicks	25,426
Click-through Rate (CTR)	4.92%
Cost per click (CPC)	£0.03
Landing page views	8,824
Cost per landing page view	£0.08





Campaign cost	£699.88
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Across April-June, while this campaign was running, footfall at the museum was 5,905. 318 tickets were sold online through art tickets and total attendance, including door sales, at RPS was 1,564. This was a visitor increase of nearly 25% compared with the RPS exhibition in 2022.

The comparatively low sales conversion rate compared to the good click-through rate suggests that while the *advertising* of the product appealed to the market, either the product itself was not sufficiently attractive to warrant a purchase or that customers reached by Visit Gloucester were not also reached by Museum marketing on other channels, which lowers likelihood of conversion.

#### 4.3. APRIL – MAY: THE CORONATION OF KING CHARLES III



**Destination Marketing Plan Alignment:** Objectives 1, 3, 4, 5

**Campaign Type:** activation trail, promotion of citywide events, civic events, and community activities

**Service Provided:** Organic social media, email and online promotion, printed and site-specific activations, city dressing.

**Campaign Cost:** £367

**Summary of activity:** The Coronation meant promoting a substantial number of community-produced events, as well as those from the businesses of Gloucester, the BID and other major partners, including Gloucester Quays. Visit Gloucester created a hub webpage including signposting of events across the city and where activations could be enjoyed, including selfies at the Cathedral, free paper crowns and other merchandise at the Quays, and various events organised by Gloucester BID. This promotion was supported by email marketing, organic social media, printed poster, and blogs.

Visit Gloucester supported the comms team by providing video and photo content for the international press for the Lamprey Pie presentation event, including booking and briefing photography, and providing information to editors. News of the event was picked up in the UK nationals and was directly covered in the New York Times.

To encourage people to explore the city to experience a number of attractions, and better tell the city's story, the Visit Gloucester Team created a video-enabled interactive trail inspired by the Coronation called Royal Connections. At nine sites across the city, visitors were encouraged to scan QR codes which would take them to the Visit Gloucester website where they could watch short videos featuring city archaeologist Andrew Armstrong explaining the exciting royal connection at that location.

**Results:**

<b>Royal Connections Trail</b>	
Impressions	17,236
Trail Sheets Picked Up	122
Number of Participants	305*
Trail completion and entry submitted	33.3%
Royal Connections Landing Page views	486
Activity Cost	£367

\*We estimate participants based on 2.5 people per trail sheet/map. This is usually because groups use them, and most participants are two people (one adult, one child).

<b>Coronation Landing Page</b>	
Most views VG Webpage 1 Apr-21 May	
Page views	2149
Unique visitors	1445
Average engagement	36 seconds

We were pleased that The Lamprey Pie presentation photography Visit Gloucester commissioned was distributed internationally. The Communications Team will have detailed press and PR performance statistics.

Overall participation was strong for this primarily low-cost organic campaign, run as such due to uncertainty over return on investment for promotion of commercial ventures over the Coronation Weekend. Many businesses in Gloucester chose not to heavily invest in Coronation activities because the messaging around the event emphasised to both domestic and visiting audiences that the key place to participate was in their local communities. The impact of this was that footfall was slightly down in May compared with 2022.

**4.4. APRIL – JULY: THREE CHOIRS FESTIVAL**





**Destination Marketing Plan Alignment:** Objectives 1, 3, 4

**Campaign Type:** Event Promotion

**Service Provided:** Organic social, blog and online promotion.

**Campaign Cost:** £0

**Summary of activity:** To help support the ticket sales of this high-profile national-level event, Visit Gloucester ran an additional communications campaign to support Three Choirs Festival in the city, including home page spots, several blog posts, organic social media coverage.

**Results:**

Online	
Page views	864
Blog reads	265

Social Media	Impressions	Engagement	Reach	Clicks
Instagram	5,420	301	4,502	N/A
Facebook	20,816	1,042	19,671	136
Twitter	886	34	N/A	6

4.5. MAY – JULY: HI STREET FEST



**Destination Marketing Plan Alignment:** Objectives 1, 3, 4

**Campaign Type:** Major Event Promotion

**Service Provided:** Full-service multi-channel marketing campaign across print, email, paid media, and organic social media.

**Campaign Cost:** £697.50

**Summary of activity:** Visit Gloucester led the marketing campaign for this Historic England event coordinated in Gloucester by the Festivals & Events and Cathedral Quarter teams. This campaign included a paid media traffic campaign, posters, and leaflets.

**Results:**

Online	
Page views	3,279

Social Media	Impressions	Engagement	Reach
Instagram	8,058	379	5,846
Facebook	278,279	75,494	262,969
Twitter	3,328	176	N/A

**Paid Social results:**

Results	Reach	Impressions	Cost per result
488 Link Clicks	11,981	61,548	£0.41 Per link click

**Hi Street Fest Feedback Survey Results:**



- **100%** of respondents enjoyed the event.
- **33%** of respondents stated that they learnt something new about Gloucester through attending the event.
- **50%** of respondents heard about the event via social media, and 25% via the Visit Gloucester Website
- **58%** of respondents travelled specifically to Gloucester for the event.
- The furthest distance travelled to the event by respondents was **37 miles**, the majority were from GL1-GL5 postcode areas.
- **100%** of respondents would like to see and attend more events like this in Gloucester.

#### 4.6. JULY – AUGUST: #GLOSSUMMERPICS



**Destination Marketing Plan Alignment:** Objectives 1, 3, 4

**Campaign Type:** Visitor and Resident Seasonal Activation Campaign & Competition

**Service Provided:** Running competition, social media ads, organic social media, email and online.

**Campaign Cost:** £149.79

**Summary of activity:** to celebrate a busy summer across the city and to encourage word-of-mouth self-sharing of attractions, events, and businesses, we ran a photography competition over the summer. Running in six distinct categories, ranging from natural world photography to group photography of visitors out with their families at sunny spots and events, the competition proved to be popular. Each category had a decent prize donated by a Gloucester business.

**Results:**

<b>Online:</b>	
Page views	1,033
Entries submitted	152

<b>Organic Social:</b>	<b>Impressions</b>	<b>Engagement</b>	<b>Reach</b>	<b>Link Clicks</b>
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Instagram	4,242	227	3,604	N/A
Facebook	19,657	451	18,325	42
Twitter	2,646	52	N/A	9

#### Paid Social:

Impressions	CPM (cost per 1,000 impressions)	Link clicks	CPC (cost per link click)	CTR (link click-through rate)
1,743	£1.42	5	£0.49	0.29%
75,062	£1.96	442	£0.33	0.59%
<b>76,805</b> Total	<b>£1.95</b> Per 1,000 Impressions	<b>447</b> Total	<b>£0.34</b> Per Action	<b>0.58%</b> Per Impressions

#GlosSummerPics had a strong return on investment, with the co-promoted images shared with us over 150 times. Those images' combined reach, alongside the reach we achieved through organic and paid promotion ensured posts about Gloucester through the summer were seen upwards of 150,000 times. Because this was user-generated content, the generation of that content cost the DMO nothing.

#### 4.7. AUGUST – SEPTEMBER: GLOUCESTER HISTORY FESTIVAL



**Destination Marketing Plan Alignment:** Objectives 1, 3, 4

**Campaign Type:** Major Event Social Media Coverage

**Service Provided:** Content marketing and social media support.

**Campaign cost:** £250

**Summary of activity:** to build up the link between this growing nationally important event and the DMO, Visit Gloucester covered the History Festival on our social media, with Visit Gloucester's Digital Marketing Officer attending several talks, recording reaction, the interviewing some of the festival's high-profile presenters. To support this



activity, we invested in videography kit including mobile sound recording, which is reusable for future supporting campaigns.

### Results:

We published twenty-six posts on behalf of the festival and achieved a combined reach of 40,979 with 1,813 engagements (likes, shares, re-posts, comments, reactions). The platform that performed best was Facebook, which has an older active userbase but performance on both TikTok and Instagram, both with younger users, was solid with room for growth in future festivals. See a detailed breakdown of post performance below.

Instagram Feed	Impressions	Engagement	Reach
<a href="#">26/07/2023</a>	927	45	740
<a href="#">05/08/2023</a>	916	59	866
<a href="#">21/08/2023</a>	937	55	728
<a href="#">01/09/2023</a>	1,116	99	1,048
<a href="#">05/09/2023</a>	1,054	80	1,011
<a href="#">06/09/2023</a>	568	29	525
<a href="#">12/09/2023</a>	1,173	69	1,049

Facebook	Impressions	Engagement	Reach	Link Clicks
<a href="#">26/07/2023</a>	2,833	101	2,504	29
<a href="#">05/08/2023</a>	2,809	73	2,730	27
<a href="#">21/08/2023</a>	4,386	136	3,996	18
<a href="#">01/09/2023</a>	12,130	547	11,728	19
<a href="#">05/09/2023</a>	4,053	165	4,017	25
<a href="#">06/09/2023</a>	1,699	41	1,560	8
<a href="#">12/09/2023</a>	3,985	78	3,941	14

Twitter	Impressions	Engagement	Link Clicks
<a href="#">26/07/2023</a>	683	47	11
<a href="#">05/08/2023</a>	488	23	4
<a href="#">21/08/2023</a>	492	46	3
<a href="#">01/09/2023</a>	370	18	6
<a href="#">05/09/2023</a>	227	7	2
<a href="#">06/09/2023</a>	375	16	2
<a href="#">12/09/2023</a>	416	14	4

TikTok	Views	Engagement
09/09/2023	426	15
09/09/2023	268	7
09/09/2023	148	8
11/09/2023	251	15
12/09/2023	392	20

#### 4.8. JUNE – AUGUST: GLOUCESTER GOES RETRO



**Destination Marketing Plan Alignment:** Objectives 1, 3, 4, 5

**Campaign Type:** Major Event Promotion

**Service Provided:** Full-service multi-channel marketing campaign across print, email, paid media, and organic social media.

**Campaign Budget:** £3000

**Summary of activity:** Visit Gloucester’s key priority event was Gloucester Goes Retro. This is one of Gloucester’s signature events and, despite a sprinkling of rain, this year’s event was bigger than ever, with over 350 classic cars, two live music stages, seventeen individual activations across the city, and an all-new Kings Square programme aimed at young people.

Deploying a significant marketing budget, this all-channel campaign saw a huge upgrade to the Gloucester Goes Retro website, an entirely new set of visitor information including accessibility information for the first time, and all-new on-the-day visitor maps to help visitors and residents find their way to the different zones and events. We ran an extensive social media campaign and created a new way of capturing visitor email sign-ups and feedback.

To maximise return on the expansion of the festival programme, the Visit Gloucester team revamped the marketing, running a large-scale social ads campaign, distributing newly designed flyers, posters, and maps, and revamping the GGR website, as well as PR, reaching national press including The Sun.

We commissioned Paul Nicholls to shoot the event to add to our bank of images for future marketing campaigns, and to records the new focus on family in areas like Kings Square.

#### Results:

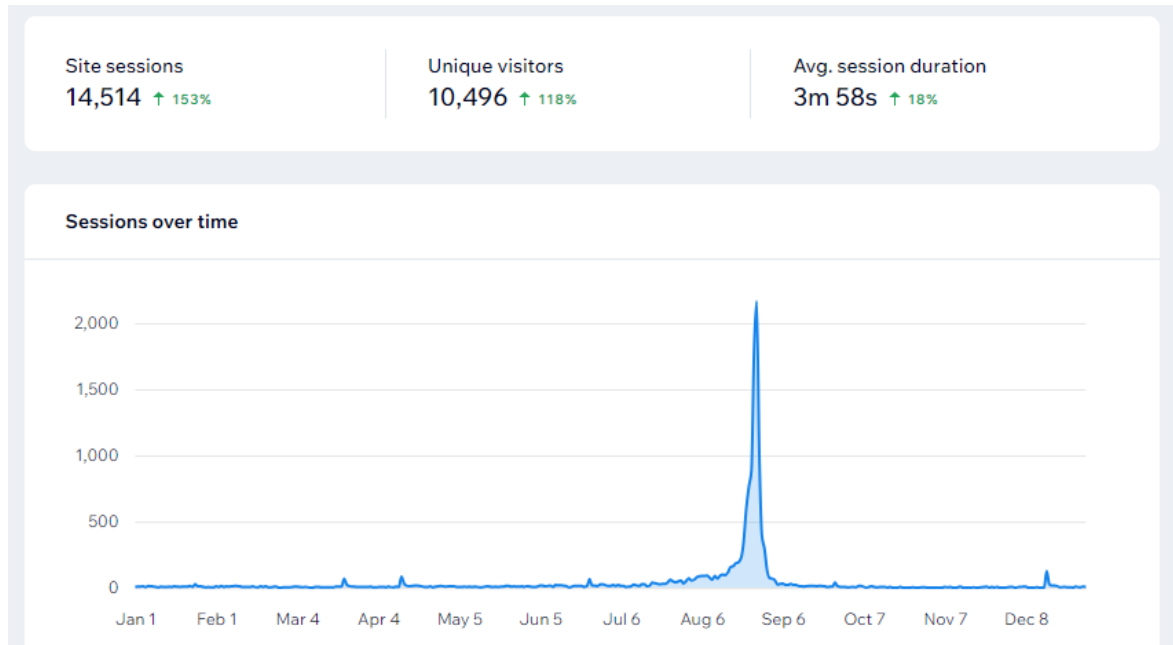
##### 1. Ad Engagement

Campaign	Results	Reach	Impressions	Cost per result
GGR 2023   Visit Gloucester   Awareness	3,190 Estimated ad recall li...	46,871	73,513	£0.03 Per estimated ad rec...
GGR 2023   Visit Gloucester   Traffic #2	5,225 Link Clicks	84,145	225,729	£0.08 Per link click
GGR 2023   Visit Gloucester   Traffic #1	1,405 Link Clicks	26,400	39,772	£0.06 Per link click



We reached over 150k people in the South West and West Country with Meta Ads, and distributed three thousand flyers across the county. The results of our campaign were an exceptionally high engagement and click rate, meaning that our ads were well-targeted at our twin audiences of Families looking for free days out and Car/Vintage Enthusiasts. Our CPC was low, highlighting ad spend was well-invested.

## 2. Web Engagement



Jan 2022-Dec 2022 Website Data (Google Analytics)



Jan 2023 – Dec 2023 Website Data (Google Analytics)

As you can see from the above graphs, the Gloucester Goes Retro website saw a major rise in engagement compared with 2022. We reached over 8,000 more unique visitors to the site, and over 10,000 more site sessions completed, with a significant rise in session duration and engagement. We also saw interest in the site from July right into August. We saw over double the number of visitors to the site on the day of the festival, as they



sought to fill in the feedback survey, and use the enhanced visitor information and digital map we built for this year.

We saw a 25% increase in engagement with website content, a 78% increase in visitors to the website, and twice the use of the website for wayfinding and visitor information on the day of the event.

### 3. Audiences

We developed a new method of capturing audience data for Gloucester Goes Retro, including more obvious calls to join the Visit Gloucester mailing list, a registering interest mini-form for future exhibitor to streamline the process for Festivals & Events, and much more direct signposting to the digital feedback form. The results of this work were:

- 271 newsletter sign-ups (nearly a 10% addition to our mailing list from this single event)
- 60 registered interest in exhibiting in 2024.
- 158 survey respondents

It is worth noting the in-built bias within surveys towards demographics who favour feedback via anonymous survey and according to national trends tend to be older people, who regularly fill out surveys and can often choose the first option in a question. These results and all surveys should be taken as a snapshot of a wider data picture. This being said the survey responses were positive about the event.

- 97.8% said they would come to Retro again.
- 73.9% said they travelled into Gloucester specifically for the event.
- 48.6% were returning attendees.
- 90.6% gave 4/5 or 5/5 in terms of how much they enjoyed the event.
- The favoured elements of the festival included Classic Cars (86.2%), Live Music (47.8%), Retro Dancing (42.8%)

There were also hundreds on feedback comments which the Festivals & Events team will reflect on in the development of the 2024 event.

#### 4.9. OCTOBER – DECEMBER: GLOUCESTER BELIEVES



**Destination Marketing Plan Alignment:** Objectives 1, 2, 3, 4, 5

**Campaign Type:** Visitor and Resident Seasonal Activation Campaign





**Service Provided:** Full-service marketing campaign across PR, print, email, paid media, and organic social media.

**Campaign Budget:** £7,500

**Summary of activity:** the Christmas campaign for the city in 2023 ties together the large volume of Christmas offers under a single promotional banner of 'Gloucester Believes'. This moniker will be used to flavour the individual elements of the campaign: 'Gloucester Believes in Christmas Treats' for the specific Christmas programme; 'Gloucester Believes in Fab Nights Out with the Fam' for Christmas parties; 'Gloucester Believes in Cosy Cafes and Delicious Dining' for hospitality, etc. We are commissioning a suite of bespoke Christmas illustrative design to adorn the Visit Gloucester website, and to run across paid media and PR. An Electronic Press Kit (EPK) will be provided to partners so they can use the hashtag #GloucesterBelieves and other assets to promote their Christmas offer. We have created a Christmas hub page on our website which will list everything that is on across the city for Christmas and co-promote our partners' offers.

Additionally, this campaign will directly support the marketing of the Festivals & Events winter offer including The Lantern Procession & Christmas Lights Switch-On, and the Bright Nights programme.

**Results:** This campaign is ongoing with a full city-wide launch date of mid-November and will run until January 2024. The result of our consultation with stakeholders is that the umbrella term is popular.

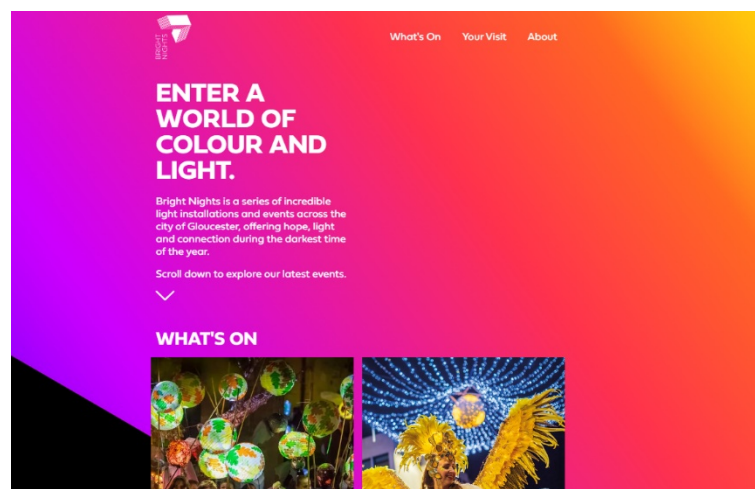
Initial results for the social media campaign (up to 9 Nov) for the Gloucester Lantern Procession and Christmas Lights Switch-On are:

Results	Reach	Impressions	Cost per result
2,138 Link Clicks	28,551	79,970	£0.13 Per link click

It has also been released to local and regional press, and SoGlos is carrying it as an Enhanced Event Preview. We are confident that this campaign will result in significant exposure for the city over the festive period and is already popular.

Visit Gloucester has rebuilt the Bright Nights website in-house, and it is now live at [brightnightsgloucester.co.uk](http://brightnightsgloucester.co.uk). This site is already driving audiences to Bright Nights events with greater efficiency, while being properly designed for mobile and highly Search Engine Optimised.

We will update with full results in January 2024.



## 5. ALWAYS-ON ACTIVITY

Visit Gloucester has a number of always-on channels, ranging from city branding present within the built environment of Gloucester to our permanent digital offer on social media and online. Below is a summary of the activity that Visit Gloucester has run throughout 2023.

### 5.1. B2B EMAIL COMMS

**Destination Marketing Plan Alignment:** Objectives 2, 3, 5

**Summary of Activity:** Every two months we send a B2B newsletter to our partners and stakeholders, with current news, events, what's on and industry insights and information. Below is a summary of analytics by send month.

Highlighted in blue, since July, due to changes in Gloucester City Council's DMARC settings, governing the use of our gloucester.gov.uk domain, third-party mailing systems have struggled to not appear as spam in recipients' mailboxes. This has had a major impact on our ability to talk to our business stakeholders and has driven down not only our open rates but our active subscribers. This means we have a below average read rate of 19% which is low in comparison with other local DMOs and lower than the industry average of 26%.

By December, we will have resolved this by using a new mailing system (see section 5.2 below for more) and refreshing our call for businesses to subscribe. We will be moving to monthly B2B newsletters from January 2024.

#### Results:

Month	# Mailing List Subscribers	% Open Rate
February	186	29.67
April	184	22.65
May	182	22.1
July	181	13.64
August	178	11.7
September	162	12

### 5.2. B2C EMAIL COMMS

**Destination Marketing Plan Alignment:** Objectives 1, 2, 3, 4, 5

**Summary of Activity:** Every month we send a B2C newsletter to people who have subscribed to it. Since January 2023, we have increased our number of subscribers by 50%, and we have an average open rate of 50%.



Starting at approx. 2000 subscribers in January 2023, the Pentana KPI was to take overall consumer newsletter subscribers to 4000 by end of March 2024. By September 2023 we surpassed 3000, so are on track to grow to around 3700 in our target period.

To support mailing list growth, we are in the process of moving our B2C mailing from GovDelivery to MailMinder (part of SimpleView, which powers the Visit Gloucester Customer Relationship Management System (CRM)). This will enable tighter integration between those customers who sign up to take advantage of our build-your-own itinerary system and those who wish to join our mailing list. Once this integration completes, this will grow our mailing list immediately by approximately three hundred subscribers.

We are also going to launch a mailing list sign-up when we put Tall Ships 2024 on sale, and when we replatform the Bright Nights website, which should boost the subscriber rate and could help us exceed our annual target. When we launched the mailing list sign-up route through the Gloucester Goes Retro website, we gained 271 mailing list subscribers.

Our open rate is encouraging, though there is work to do both on data cleansing and on content improvement to see our open rate go even further.

**Results:**

Month	# Mailing List Subscribers	% Open Rate
February	2,245	50%
March	2,407	51%
April	2,418	54%
May	2,510	52%
June	2,653	50%
July	2,659	50%
August	2,849	50%
September	3,042	49%
October	3,134	48%

**5.3. WEBSITE IMPROVEMENTS**

**Destination Marketing Plan Alignment:** Objectives 1, 2, 3, 4, 5, 6

**Summary of Activity:** the team have undertaken an analysis of the usability, accessibility and mobile optimisation of the Visit Gloucester website this year and initiated a review of all product listings and content across all pages.

The results of this analysis show that the current website is non-compliant with WCAG 2.1 accessibility standards, is hard to navigate with poor search and displays incorrectly on tablets and mobile devices. Additionally, it is not easy to surface business information in dynamic ways and the What’s On events guide is poorly laid out. This has had a noticeably detrimental effect on user numbers and engagement. Most users use mobile-friendly versions of sites, so it is critical that we look to fix this.

We have therefore initiated a project to rebuild the content, structure, and Content Management System (CMS) for the site to address these deficiencies.

The website was built in 2020-2021. It has had no further back-end development for nearly three years. It is the right time to replatform the website. SimpleView, the Visit Gloucester web provider has launched a new CMS which is set to address the issues raised, and the team are now laying the foundations for a rebuild project in Q4 of the 2023-24 financial year, to launch in April 2024.

As part of this rebuild project, the new CRM/Ticketing solution for Cultural Services, TicketSolve, will be integrated so customers can purchase tickets for City Council Festivals & Events right inside Visit Gloucester's website.

Ahead of this build, we have performed several improvements to the existing website:

- The homepage now carries a properly place-branded carousel of high-profile features to guide visitors to the big things that we are promoting.
- Disused and redundant pages have been archived.
- The navigation of the site has been streamlined to make it easy to find things within categories of 'Do,' 'Stay,' 'What's On,' and 'Discover.'
- The team have updated over 50% of the business listings and product pages with new copy, higher quality images.
- We have launched a new digital form for business to onboard, replacing a cumbersome Word document-based system.
- We have replatformed our mailing from GovDelivery to MailMinder (provided by SimpleView) which enables us to better understand what customers are doing on our website and how it relates to email marketing.
- We have published forty blogs in 9 months, averaging at least one per week, featuring everything from heritage interest stories to What's On roundups to guides and listicles, to exclusive announcements.
- We have streamlined our Business Support pages ahead of creating a Members-Only area, encouraging businesses to sign up with us to access data, research, and member benefits.

## Other Web Properties

We have also focused on a strategy of improving the other web properties we run, including the Gloucester Goes Retro, Tall Ships and Bright Nights websites, as well as Film Gloucester and Meet in Gloucester. This is so that we can access audience segments who may not find the Visit Gloucester website and capture them onto the Visit Gloucester mailing lists and push them to our social channels.

The team have started replatforming and upgrading these sites with new content and better Search Engine Optimisation (SEO), and the results for our first completed site, Retro, has been transformative (see section 4.8 for results). The next sites to go live are Bright Nights (which went live 1 Nov 2023) and Tall Ships later in November this year, with Film and Meet following in 2024. The combined effect of these sites working as part of a network of sites means the total number of potential site visitors to all our properties should increase, as will our overall web footprint.

## Visit Gloucester Results:

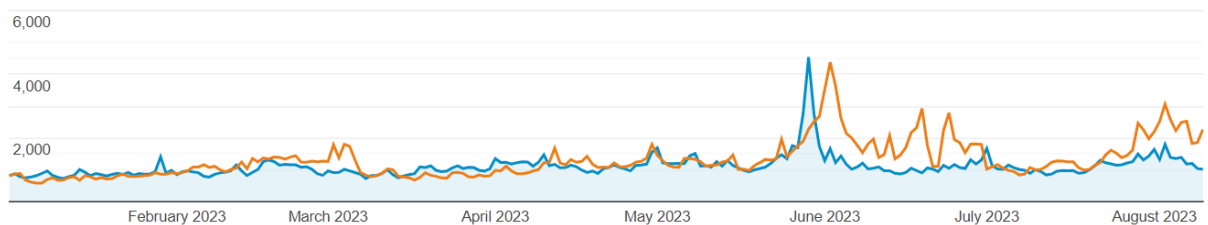
We've had a solid set of results in usage data for the first 10 months of 2023, attracting 271k users, 561k page views and 1.8m web events (including page views, user engagements, beginning a web session).

The below graph is from Google Universal Analytics on visitor numbers, which has subsequently been replaced by Google Analytics 4, which is why the comparison is only until September, at which point analytics switched over. There is a second graph from GA4 for the period Sep-Oct.

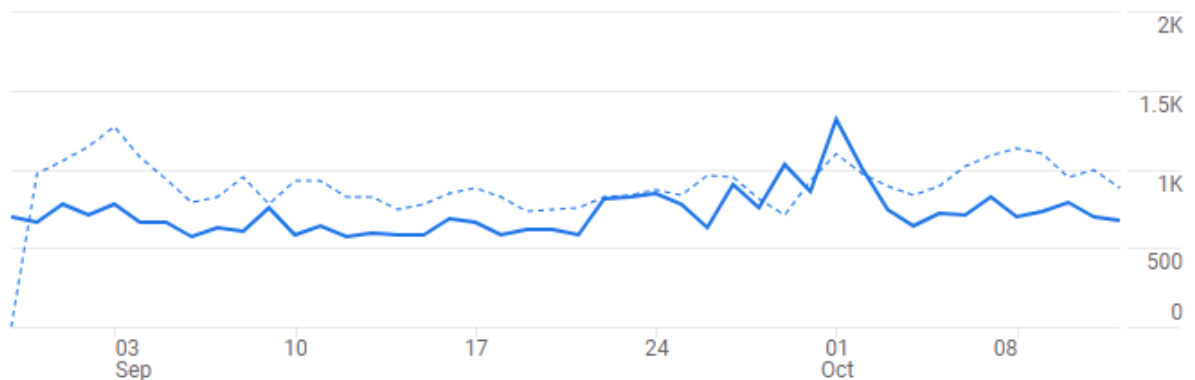
The numbers show a broadly comparable pattern of interest and usage between 2022 and 2023, though with two points of reduction in overall numbers centred on two periods:

The dip across June and July in 2023 was as a result of a much scaled-back summer campaign compared with 2022. The budget scale of #GlosSummerPics (see section 4.6) during these months was nowhere near the £80k Visit England-sponsored 'Escape the Everyday' campaign run over this period in 2022. We will be looking at how we can increase the seasonal campaign spend for this period in 2024 so redress the balance.

Where there is an additional surge in activity in August 2022 for Gloucester Goes Retro, the 2023 campaign directed visitors to Retro's own website this instead of the Visit Gloucester referral page, so this activity can be seen in the web stats for Retro's website (see section 4.8 above for results).



The period for Sep-Oct (below) shows that user numbers are again broadly comparable, though slightly down on the same period last year.



While these numbers are comparable to the previous year, it is important that we maximise the use of our website and capitalise on our Search position as a go-to site for information about Gloucester. The rebuild of the website should increase user numbers in the next year.

#### 5.4. SOCIAL MEDIA PERFORMANCE

**Destination Marketing Plan Alignment:** Objectives 1, 2, 3, 4, 5, 6

**Summary of Activity:** We currently manage six social media channels for Visit Gloucester:

- Facebook
- Instagram



- Twitter (now known as X)
- TikTok
- LinkedIn – Created this year.
- Threads – Created this year.

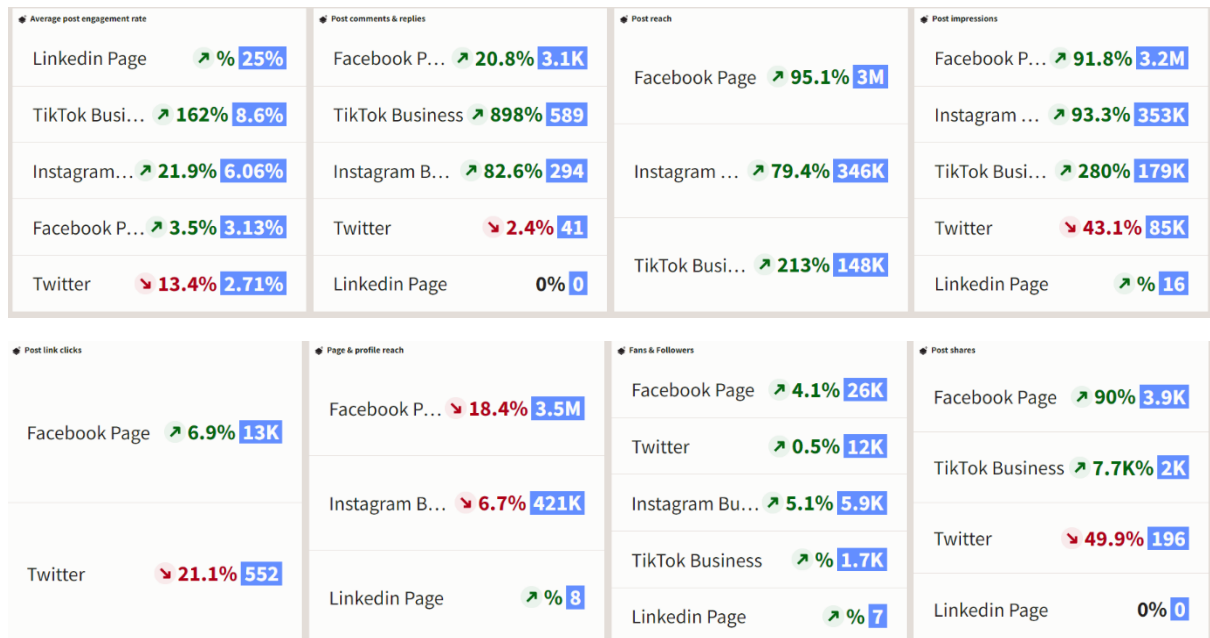
All of these channels have experienced growth in followers so far this year (Jan-Oct 2023), with Instagram experiencing the largest increase (up 5.1% compared to Jan - Oct 2022). We have also had excellent engagement on all posts (see results below), although Twitter/X remains low.

TikTok has performed excellently compared to last year. Engagement started off slowly following the creation of the account, but in January this year, we had our first viral video which pushed our follower count over 1,000. Currently this video has gained 49.6K views, 4,404 likes, 108 comments, 264 favourites, and has been shared 732 times and engagement is still slowly climbing eight months after posting. Since then, we have had three other videos go viral and all non-viral videos gain an average of 1,000 views.

Threads is a new account we created this year. The app launched in July as Meta’s competitor to Twitter/X. Since July we have gained 777 followers. Engagement is low on the posts, but it is still a new channel and as more people adopt it, reach and engagement should increase.

Popular content this year included Gloucester Goes Retro, Hi! Street Fest, The Three Choirs Festival, The Knife Angel, Hopewell Street, and Cathedral Tours.

**Results:**



Jan-Oct 2023 compared to Jan-Oct 2022

Across all social media platforms on nearly all metrics, aside from Twitter/X, Visit Gloucester’s reach, engagement, impressions, and clicks are up year-on-year from 2022. This robust growth means that we are reaching far more people than in previous years, and directly connecting them with more attractions and events on the ground in Gloucester.



**A note on Twitter/X:** Since acquisition by Elon Musk in 2022, Twitter/X has become a more politically sensitive platform, with a reported rise in incidences of hate speech, cyber-bullying, and online abuse. Advertising on this platform currently represents a reputational risk to Gloucester City Council. While it is unclear what procedures are in place at Twitter/X to counter bad behaviour on this platform, Visit Gloucester is deprioritising its use for organic messaging, and will prioritise advertising spending on other social platforms.

## 5.5. CITY BRANDING ADOPTION



**Strategic Marketing Plan Alignment:** Objectives 2, 3, 5

**Summary of Activity:** Following the city branding exercise run by consultancy Thinking Place over 2021 and 2022, a set of assets and a toolkit was produced to enable businesses in the visitor economy, attractions, events and other place-based enterprises and experiences to brand themselves in a way that shouts 'Gloucester'.

Encouraging the adoption of the place branding by individual businesses has proved time consuming and confusing for many business owners, and feedback from partners was that the multi-coloured assets are hard to apply alongside their own brands and designs.

This year we have reimagined how the roll-out will be approached, through demonstration of the Place Branding across all output from Visit Gloucester.

**We have:**

- Adopted the branding as the brand for Visit Gloucester and redeveloped the Visit Gloucester logo in line with it.
- Created a new design direction for the Visit Gloucester website which adopts the typefaces, lead brand colours and graphics – to be rolled out fully in our website rebuild project next year, but visible in the approach to navigation tiles and the leader images on main site pages.
- Applied it to all Visit Gloucester documents and presentations.
- Created a Visit Gloucester animated video sting that runs on our social media videos and on any event trailers we commission.
- Introduced the brand onto map signs throughout the city centre and on generic arterial route flags.
- Piloted a vinyl skin for long-term empty retail space in the city centre (pictured) heavily featuring the branding.
- Started a conversation with the wayfinding team working on the Gloucestershire Cycle Spine project about implementing the branding on city centre signage for

that project from Northgate Street to Southgate Street, and whether there is scope for expansion of that project to bring the brand to more signage across the centre.

- Rebranded our social media channels to carry the place branding-based Visit Gloucester logo.
- Committed to roll out the place branding on all tourism-related print and maps.
- We are evaluating the potential impact of the designs we currently have on neurodiverse and colour-blind people with a view to calming the design down and increasing visual accessibility.

For partners, we have ensured that the assets and toolkit provided by Thinking Place are still available with guidance on how to apply it, and we are looking at simplifying partners' interaction with the Place Branding so it is more easily applied and providing them with place-branded printed assets they can use. These assets will include a welcome pack featuring a 'member of Visit Gloucester' window sticker so they can show their business is part of the visitor economy without having to adapt their brand. We hope this would increase adoption. Everything can be accessed [here](#).

## 5.6. DEVELOPING COTSWOLDS PLUS - LOCAL VISITOR ECONOMY PARTNERSHIP (LVEP)

**Strategic Marketing Plan Alignment:** Objective 1, 3, 5, 6

**Context:** Following the publication of the [De Bois report](#) reviewing the structure of Tourism and Destination Management across England, DCMS has agreed with Visit England/Visit Britain to structure DMOs in three tiers. Previously it was complex for Visit England to interact with the many hundreds of accredited and non-accredited tourism organisations across the county, and the new structure now recognises DMOs in three tiers:

- **Tier 1:** Destination Development Partnerships (DDPs): the 15-20 organisations in this tier will provide broad tourism support for a large area of the country receiving central government funding. The first DDP is being tested in a pilot project in the North East of England.
- **Tier 2:** Local Visitor Economy Partnerships (LVEPs): the approx. forty organisations in this tier are DMOs or DMO collective groups that will be accredited by Visit England/Visit Britain (VE/VB) and who will receive direct support, and access to VE/VB funding pots. This will be the tier in which VE/VB will do its liaison with tourism organisations across the country.
- **Tier 3:** other non-accredited DMOs. Tourism organisations who are not part of an accredited DDP or LVEP will receive no direct support from or access to VE/VB or DCMS. This does not mean a DMO cannot operate, but does mean that tourism-focused funding, training, and other means of support may not be easily available.

**Summary:** A major project for 2023, Visit Gloucester has heavily contributed to the formation of the new Cotswolds Plus Local Visitor Economy Partnership (LVEP). This is so far the only collective LVEP, built on the strengths of a number of neighbouring DMOs, and is being considered a pathfinder project by Visit England/Visit Britain so other potential collective LVEPs may benefit from our collaborative model.

Gloucester City Council has been working alongside DMO colleagues in our neighbouring districts for many years. The informal partnership has been delivering joined-up thinking on marketing best practice, as well as joint approaches to itinerary



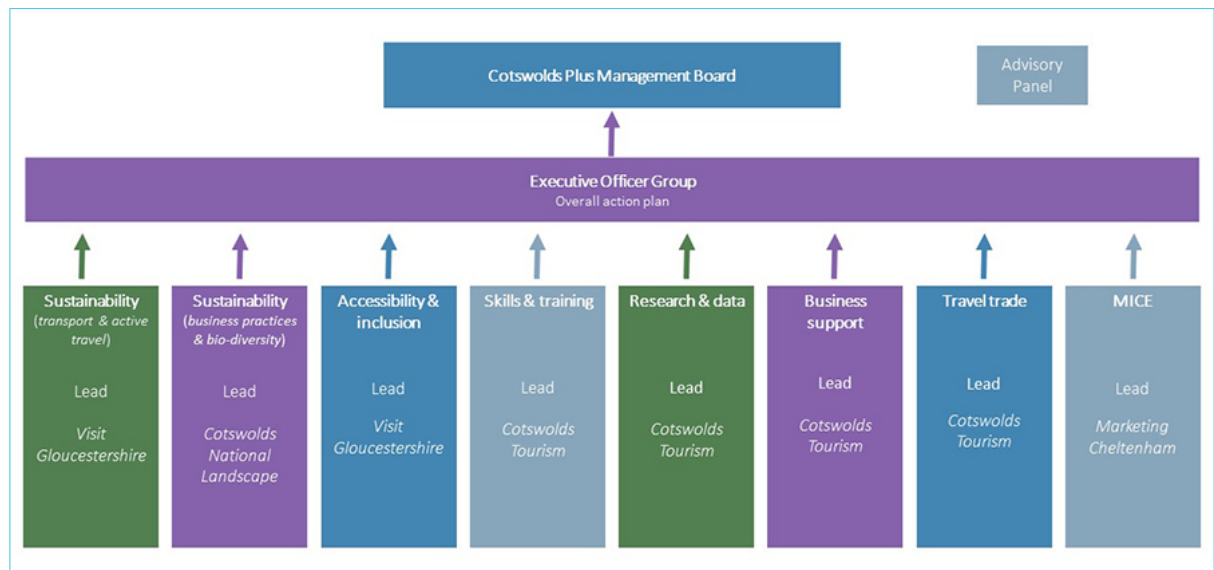
building, travel trade organisation and support for businesses and events across the county and region.

Building on the informal partnership between DMOs, these organisations have come together to bid to become a Tier 2 LVEP and we are pleased to say that Cotswolds Plus has been officially accredited by VE/VB as the LVEP covering Gloucestershire and the Cotswold National Landscape (formerly AONB).

Cotswolds Plus is made up of Visit Gloucester, Marketing Cheltenham, Cotswolds Tourism, Forest of Dean and Wye Valley Tourism, and Visit Gloucestershire, with partners Cotswolds National Landscape, the local authorities and county council for Gloucestershire and West Oxfordshire District Council. Cotswolds Tourism acts as the lead DMO in the partnership as it is the largest with the most well-established links to travel trade and international markets.

As a core partner, the LVEP will enable Visit Gloucester to help shape the approach to the visitor economy over a much wider area, and more easily voice the tourism needs of an urban centre in a predominantly rural tourism economy. It unlocks links into the Cotswolds visitor economy which brings one of the world’s most valuable tourism brands even closer to the city - the visitor economy of Gloucestershire including the Cotswolds is worth £966m per year.

It is important to note that the LVEP does not deliver marketing, but rather helps combine the resources of the DMO partners to enable deeper collaboration across eight workstreams including:



Collaboration on these workstreams will bring major cross-over benefits like more international representation in the travel trade for Gloucester businesses, a joined-up and standardised approach to data and business support, as well as greater access to upskilling and training for DMO staff across the partnership.

It is still up to individual DMO partners to market the events, businesses and attractions of their individual areas and districts, and partners are free to choose the marketing priorities. This means that no work that the LVEP undertakes will supersede the Strategic Marketing Plan for Destination Marketing at Gloucester City Council.

**Results:**

- The LVEP application was praised by Visit England as an exemplar of collaboration.
- The Executive Officer Group has met four times since accreditation in July, with the Management Board meeting twice.
- The Executive Officer Group has run a successful away day and formulated a set of LVEP operating principles that guide the eight workstream activity plans to ensure alignment across partners.
- Visit Gloucester is a financial and in-kind contributor to the LVEP.
- Visit Gloucester co-leads on the Research & Data and Business Support workstreams, looking at standardising of business support signposting and business engagement, as well as the implementation of agreed standards in data reporting across the partnership area.
- Philip Walker, Head of Culture, sits on the Management Board of the LVEP and Jack Fayter, Tourism & Destination Marketing Manager on the Executive Officer Group.
- The LVEP has already enabled closer working within the staff teams of the core partners.
- The LVEP has committed to producing a Tourism Forum in English Tourism Week where we can leverage the combined reach of the partners to introduce Gloucester to a wider network of businesses and travel trade.

## 5.7.A LOOK AT ANNUAL FOOTFALL DATA

### **Strategic Marketing Plan Alignment:** Objectives 1, 3, 5

Summary: We work with Place Informatics to collect city centre footfall data to help us understand trends in the movement of people across Gloucester and the concentrations of people across the year. 2023 has shown solid growth in footfall compared to 2022, as a result of many of the campaigns and always-on work above, positive press about Gloucester as a Priority Place for Culture, a key area for inward investment and an exciting destination full of promise as exemplified by the multiple major developments taking place across the city.

#### **Data Disclaimer:**

1. The footfall data is *indicative* data, rather than actual. We do not have footfall counters across the city, rather TownandPlace.AI (our data company) use aggregated phone mast and GPS data to determine footfall movement. It measures how populations move through places. We can generate heatmaps that show concentrations of movement in Gloucester as a proportion of total footfall, but the absolute numbers generated by the data company may be over or underestimates.
2. There are many factors that can affect the data including how people use their phones, the age of their phones, and the demographic of the population at an event (older and younger people may not have phones).
3. Because the readout is based on movement between attractions, we can heatmap the streets leading to locations but not the specific location itself. It can also count individuals multiple times as they move between places.
4. The footfall data is uploaded 6-8 weeks in arrears, so we currently have data for up to August 2023.

- When we deploy footfall data, we do so in a context of other data including survey data and sales data where available, to give us a more nuanced picture.

Results:

Year on Year Footfall												
Location	Jan-22	Jan-23	Variance	Feb-22	Feb-23	Variance	Mar-22	Mar-23	Variance	Apr-22	Apr-23	Variance
Gloucester	1,470,412	1,792,153	+21.88%	1,519,584	1,626,128	+7.01%	1,587,911	1,772,225	+11.61%	1,678,236	1,714,734	+2.17%

May-22	May-23	Variance	Jun-22	Jun-23	Variance	Jul-22	Jul-23	Variance
1,744,294	1,732,964	-0.65%	1,732,123	1,758,971	+1.55%	1,777,234	1,783,597	+0.36%

In the year-on-year data comparison, we can see strong growth in all months, especially during the first four months of the year. The footfall was broadly comparable in May despite not having Gloucester Tall Ships this year and the quietening effect of community-focused events in wards celebrating the Coronation. Summer showed continuing growth.

Summary					
The figures show footfall growth for 2023 vs 2019 and corresponding month-on-month growth for 2023					
Location	May 23 v 19	Jun 23 v 19	Jul 23 v 19	May 23 to Jun 23	Jun 23 to Jul 23
Gloucester	-10.53%	-10.28%	-8.06%	+1.5%	+1.4%
South West	-0.76%	+3.99%	-2.59%	+3.66%	-2.02%
UK	-4.11%	-3.13%	-5.46%	+0.71%	-2.69%

These figures show the comparison between the pre-Pandemic figures and the Month-on-Month figures, and how we relate to our wider regions.

This picture is more mixed, showing that while we are strongly recovering each year compared to the preceding year, footfall is down by up to 10% compared to 2019 levels. There are macro-economic factors and social trends that are worth noting in relation to this, including:

- The cost-of-living crisis affecting consumers ability to travel into the centre, to shop for leisure, to dine out or go to night-time economy venues or afford paid-for cultural activities.
- Competition for residents' disposable income from out-of-town destinations in Gloucester not covered by the data.
- Competition from nearby visitor economy destinations. You can see that the data for the South West regionally is higher with Gloucester residents and inbound audiences being tempted by our neighbours.
- Competition with at-home entertainment from gaming to streamed entertainment.
- Demographic change in consumers with the city centre retail offer no longer matching the desires of modern consumers.

With our current average rate of footfall growth standing at 6.27% on current performance we will return to pre-pandemic levels by January 2026. With Tall Ships

Festival returning in 2024, we could receive a significant boost to footfall in May 2024, which may hasten the overall recovery.



## 6. OBJECTIVES FOR 2024

As we commence the detailed work on the Destination Marketing Plan for 2024, it has become clear that the draft objectives set in 2022 do not perfectly articulate the work we need to do going forward to support the Visitor Economy. Now that the LVEP has been setup, a new website for Visit Gloucester is being commissioned, campaigning around sustainability is being adapted into a general approach, and the needs to widen our footprint with the business community and more directly support marketing of the Culture Portfolio have become clearer, we are proposing clarified wording to our objectives for the year ahead:

### **Objectives:**

1. Continue to work on rebuilding Gloucester's core inbound audiences to pre-Pandemic levels.
2. Fully embed the use of Gloucester's Place Branding through full adoption by the Destination Marketing Organisation (DMO), Visit Gloucester, across all channels.
3. Ensure that Visit Gloucester is a central partner of the newly proposed Local Visitor Economy Partnership (LVEP) for our region.
4. Support the growth of Gloucester's Visitor Economy through the provision of signposting and digital business support.
5. Grow Gloucester's twin domestic audiences (visitors and residents) through enhanced engagement across all digital channels.
6. Embed sustainability messaging across all our published output.
7. Directly support the marketing of major city Festivals & Events, either through direct or commissioned delivery.

See section 3 of this report to see the objectives for 2023.

## 7. 2024 ACTIVITY OVERVIEW

Building on the work completed in 2023, and summarised in this report, and based on the objectives for 2024 above, this is the headline campaigning and project activity Visit Gloucester will be delivering in 2024.

	<b>Projects</b>	<b>Major Campaigns</b>	<b>Event Marketing</b>
<b>Jan-Mar (Q3 23)</b>	VG Website rebuild. New tourism printed materials. English Tourism Week	Summer Campaign Focus on Food Dock	Tall Ships Festival Marketing & Ticketing
<b>Apr-Jun (Q1 24)</b>	Business network expansion VG member recruitment drive	New Core Inbound Tourism Campaign	Summer Cultural Events & Gloucester Goes Retro
<b>Jul-Sep (Q2 24)</b>	Multi-year Destination Marketing Plan (DMP) created, alongside LVEP, to replace Marketing Gloucester's former Visitor Economy Strategy	Christmas Campaign (Glosty the Snowman)	Autumn/Halloween Events
<b>Oct-Nov (Q3 24)</b>	Business 'Meet your DMO' drop-in event. Destination Ambassador Scheme launched	Spring/Summer 25	Christmas Events, including Lantern Procession, Bright Nights.





<b>Meeting:</b>	<b>Cabinet Council</b>	<b>Date:</b>	<b>6 December 2023 25 January 2024</b>
<b>Subject:</b>	<b>Cheltenham, Gloucester and Tewkesbury Community Infrastructure Levy Joint Committee</b>		
<b>Report Of:</b>	<b>Cabinet Member for Planning and Housing Strategy</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>Yes</b>	<b>Budget/Policy Framework:</b>	<b>Yes</b>
<b>Contact Officer:</b>	<b>Adam Gooch, Planning Policy Manager</b>		
	<b>Email: adam.gooch@gloucester.gov.uk</b>	<b>Tel:</b>	<b>39- 6836</b>
<b>Appendices:</b>	<b>1. Community Infrastructure Levy Joint Committee – Terms of Reference</b>		

**FOR GENERAL RELEASE**

**1.0 Purpose of Report**

1.1 This report seeks approval from Council for:

- (1) The establishment of a Joint Committee to facilitate governance of the allocation of infrastructure funding from Community Infrastructure Levy receipts received by Cheltenham, Gloucester and Tewkesbury as set out in appended Terms of Reference
- (2) Agreement of pooling arrangements for the Infrastructure Fund by the three Joint Committee partner councils, managed through Community Infrastructure Levy Joint Committee Terms of Reference, and
- (3) Engagement with wider infrastructure providers.

**2.0 Recommendations**

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

- (1) it be agreed that the establishment of a Community Infrastructure Levy Joint Committee under s101(5) and s102 Local Government Act 1972 and under Part 1A Chapter 2 Section 9EB of the Local Government Act 2000 and pursuant to the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012;
- (2) it be agreed that the Community Infrastructure Levy Joint Committee Terms of Reference (Appendix 1);

- (3) it be agreed that the pooling of strategic infrastructure Community Infrastructure Levy monies by the three partner Councils of Cheltenham, Gloucester and Tewkesbury with governance as set out in the Community Infrastructure Levy Joint Committee Terms of Reference;
- (4) engagement with wider infrastructure providers outside the local authorities be entered into to identify any wider infrastructure priorities to be considered by the Community Infrastructure Levy Joint Committee.

## 2.2 Council is asked to **RESOLVE** that:

- (1) it be agreed that the establishment of a Community Infrastructure Levy Joint Committee under s101(5) and s102 Local Government Act 1972 and under Part 1A Chapter 2 Section 9EB of the Local Government Act 2000 and pursuant to the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012;
- (2) it be agreed that the Community Infrastructure Levy Joint Committee Terms of Reference (Appendix 1);
- (3) it be agreed that the pooling of strategic infrastructure Community Infrastructure Levy monies by the three partner Councils of Cheltenham, Gloucester and Tewkesbury with governance as set out in the Community Infrastructure Levy Joint Committee Terms of Reference;
- (4) engagement with wider infrastructure providers outside the local authorities be entered into to identify any wider infrastructure priorities to be considered by the Community Infrastructure Levy Joint Committee.

## 3.0 Background and Key Issues

- 3.1 The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. It is an important tool for local authorities to use to help deliver infrastructure needed to support development. CIL is governed by the CIL Regulations 2010 (as amended).
- 3.2 CIL is paid to the council by developers at set times from the commencement of development. In Cheltenham, Gloucester and Tewkesbury council areas, this is done in accordance with the adopted 'Instalments Policy'. CIL is a means outside wider government funding through which the council is able to collect and pool additional developer contributions to deliver infrastructure improvements.
- 3.3 Gloucester City Council approved the introduction of CIL in October 2018 with commencement of charging on planning applications granted permission on or after 1st January 2019.
- 3.4 CIL has a close relationship with the Joint Core Strategy (JCS) and the emerging Strategic and Local Plan (SLP) which spans Cheltenham, Gloucester and Tewkesbury administrative areas. From its inception it has been envisaged that a significant proportion (70-80%) of funds collected via CIL will be spent on strategic



'Infrastructure'. It is proposed this is pooled between the three authorities. This is to be spent on larger, more costly infrastructure projects across the three council areas and must be used for the 'provision, improvement, replacement, operation or maintenance of infrastructure needed to support development'.

- 3.5 Whilst CIL has been in place for some time, it has taken a long period for the fund to build up. As of the end of October 2023, the strategic CIL pot stood at approximately £11.9m. Whilst this may look like a significant sum of funding available, the reality is that it provides just a small fraction of that needed to deliver the infrastructure demands for our areas.
- 3.6 Between 15% and 25% is secured for community spending. If a qualifying development was to occur within the boundary of Quedgeley Town Council, this 'Neighbourhood Funding' must be passed to them. If an approved 'Neighbourhood Planning Area' (NPAs) has a 'made' Neighbourhood Plan, monies would be retained by the City Council to be spent in consultation with the Neighbourhood Planning Forum. Most of Gloucester City is unparished and there are currently no active NPAs, therefore the community pot from development in these areas is retained by the City Council as a 'Neighbourhood Fund'. In November 2020, Gloucester City Council agreed to the creation of a new governance body to administer the expenditure of this money through the CIL Neighbourhood Fund, whereby community groups can bid for funds to support projects.

### **Joint Committee**

- 3.7 It is proposed that a Joint Committee be set up between Gloucester City Council, Cheltenham Borough Council and Tewkesbury Borough Council to work jointly and collaboratively to advise the councils on the expenditure of pooled strategic pot CIL monies, working within an agreed Terms of Reference (Appendix 1). The Joint Committee will be supported by an Officer Working Group, which will work together to assess bids for funding and submit recommendations to the Joint Committee for approval.
- 3.8 The Joint Committee will:
- Oversee the Strategic CIL application process and scrutinise each project bid for strategic fit and compliance with CIL requirements.
  - Be accountable for the oversight, monitoring and governance of awards.
  - Take an objective and detached view of applications.
- 3.9 Each council shall appoint a Committee member and a substitute who shall be either the Leader or other appointed Cabinet / Executive Member. The quorate membership of the Committee will be three, made up of one member from each council. Each council will have one vote.
- 3.10 The Officer Working Group will work within a Terms of Reference, which is currently being prepared and will be agreed once the Joint Committee is established. It will report to the Committee, and include the following activities:
- Making recommendations to the Committee
  - Contract management where triggered
  - Application revisions and extensions

- Financial updates
  - Project delivery scrutiny, and
  - Checking compliance with funding agreements.
- 3.11 The Committee will be hosted under local government arrangements by Tewkesbury Borough Council and hosting arrangements reviewed every two years. The host authority will provide Secretary/Clerk, S151 and Monitoring Officer roles of the Committee.
- 3.12 Meetings of the Committee will occur at least annually to agree Strategic CIL allocations. Other meetings may be required to respond to the programme of the additional functions. Meetings which make decisions on the allocation of CIL funding will be in public.
- 3.13 The councils have reviewed and updated infrastructure projects that could be wholly or partly funded through Strategic CIL funds. The infrastructure list for Gloucester City (which will be considered for approval at Cabinet on 6<sup>th</sup> December as part of the Infrastructure Funding Statement) is provided at Appendix 3. Any future updates will be brought to Cabinet Members for approval. This list will form the basis for consideration of infrastructure projects by the Joint Committee.

### **Pooling of funds**

- 3.14 In order to make the most effective use of CIL funds, and ensure sufficient monies to deliver strategic scale infrastructure, it is proposed that strategic contributions from each CIL charging authority are pooled. This is supported through the National Planning Policy Guidance on CIL, which states, *'Charging authorities can choose to pool a proportion of their Community Infrastructure Levy... Where local authorities are working jointly to prepare development plans for their areas, pooling of levy receipts may be a useful mechanism for funding strategic infrastructure projects that have cross-boundary benefits. Each of the charging authorities included in the pooling arrangements should be content that funding for infrastructure outside the authority's area will support development of its own area'*.
- 3.15 This principle is embedded within the Joint Committee Terms of Reference (Appendix 1), which proposes 100% pooling of strategic 'infrastructure' CIL. The key justifications for this are:
- Taking into account, S106 obligations, CIL to date together with wider funding either secured or identified, there is, and will remain, a significant funding gap to meet the infrastructure demands of the adopted Gloucester, Cheltenham & Tewkesbury Joint Core Strategy.
  - Without commitment to pooling, all councils will face ongoing challenges to fund large infrastructure projects, and it will take a longer period of time to deliver priorities for investment.
  - By committing to pooling, within the parameters of the Joint Committee Terms of Reference, it sends a positive message to the broad range of infrastructure providers that the councils are committed to enabling infrastructure priorities across the area.
  - By building in trigger point reviews regarding pooling, this provides all partner councils with the ability to renegotiate the level of pooling in the future.

- If Gloucester City was to retain a percentage of the strategic CIL receipts, in parallel to the Joint Committee it would have to put in separate governance procedures which, given the level of CIL currently being collected may be challenging to allocate due to the high values of strategic infrastructure and this would not be efficient in respect of time and resources.

### **Infrastructure list**

- 3.16 An Infrastructure list is included within the Infrastructure Funding Statement (IFS), reported at least annually to Cabinet.
- 3.17 The list for Gloucester City Council includes infrastructure priorities within existing plans and strategies and is contained in the IFS report, alongside those identified by Cheltenham Borough Council, Tewkesbury Borough Council and Gloucestershire County Council.
- 3.18 The councils are very aware that infrastructure identified by the local authorities may not identify all priorities. Therefore, a wider targeted exercise will be undertaken with key stakeholders such as NHS, emergency services, utilities, Environment Agency and Sport England. Should additional items be identified for our area which are considered priorities ahead of the full review of the IDP to support the SLP an update to the Infrastructure List will be presented to Cabinet.

### **4.0 Social Value Considerations**

- 4.1 The delivery of infrastructure necessary to support development and new communities brings obvious social value benefits.

### **5.0 Environmental Implications**

- 5.1 None directly from this report, however CIL infrastructure projects that may be in the future funded, may have implications.

### **6.0 Alternative Options Considered**

- 6.1 In determining the most effective approach to determining how strategic CIL funds should be spent, a CIL Board has been considered. However, this is not considered the best approach for several reasons, including:
- The concern of the time and administration that would be needed to service a CIL Board and then recall decisions back to each individual council for final approval, building in delay and uncertainty for infrastructure providers.
  - Easier and more efficient to engage on a collective basis with infrastructure providers and adds transparency into future CIL allocation and the setting of priorities through the operation of a Joint Committee.
  - Commitment from the three councils to define an effective Terms of Reference that build in the safeguards including a full consensus vote, review triggers and scrutiny mechanisms.

## **7.0 Reasons for Recommendations**

7.1 Having considered alternatives, the proposed approach to spending strategic 'infrastructure' CIL monies through a Joint Committee is considered the most effective approach, with appropriate safeguards and scrutiny secured through Terms of Reference.

## **8.0 Future Work and Conclusions**

8.1 Once approvals have been secured from the three councils, the first meeting of the Joint Committee will be organised, where the process for the assessment of pipeline and projects for investment will be agreed.

8.2 The Infrastructure List is included within the IFS, which must be reported to Cabinet at least annually. This provides an opportunity for a review of the list at regularly points in time. Furthermore, as set out at paragraph 3.18, an additional update may be necessary to reflect priorities of wider key stakeholders.

8.3 Monitoring and review would be undertaken by the Joint Committee and reported back to Cabinet.

## **9.0 Financial Implications**

9.1 There are no direct financial, property or asset implications of the recommendations in this report. However, the Council may indirectly benefit from the strategic element of the CIL which can be used to enhance / provide infrastructure in the city.

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

## **10.0 Legal Implications**

10.1 The 'strategic' element of CIL receipts must be spent on infrastructure (being otherwise than the up to 5% for administration and the neighbourhood portion). Charging authorities can choose to pool a proportion of their Community Infrastructure Levy (CIL) receipts to fund infrastructure including for out of their own area spending. Each of the charging authorities included in the pooling arrangements should be content that funding for infrastructure outside the authority's area will support development of its own area.

10.2 Under national Planning Policy Guidance charging authorities are encouraged to consider publishing a memorandum of understanding detailing the administration, principles, and governance that will be implemented for any pooled fund, covering, but not limited to:

- A proposed governance structure and decision-making process for agreeing how the pooled fund is implemented and spent;
- The proportion or amount of levy each charging authority will contribute;
- The procedure for collecting the pooled levy;
- The strategic infrastructure projects the pooled fund will be spent on;
- A system for returning pooled funds to an authority in the event that it is necessary to do so;
- A proposed review mechanism for the memorandum.

- 10.3 It is further recommended that the memorandum of understanding is a publicly accessible document, which clearly explains how the pooled levy will be administered and spent. A memorandum of understanding is not being proposed, but the Joint Committee's terms of reference will set out how the pooled levy will be administered and spent.
- 10.4 The Authority has a variety of legislative powers to set up governance arrangements, including the general power of competence set out in Section 1 of the Localism Act. This includes the setting up of Joint Committees under s101(5) and s102 Local Government Act 1972, Part 1A Chapter 2 Section 9EB of the Local Government Act 2000 and the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012.

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

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

- 11.1 Not having a clear CIL prioritisation of infrastructure projects may risk receipts not being targeted towards the most critical infrastructure needed to deliver development and fulfil our requirements in the delivery of the JCS and Gloucester City Plan.
- 11.2 Not having clear and transparent governance in place around the prioritisation and spend of CIL 'infrastructure' funding will risk it not being spent on agreed infrastructure priorities.

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

- 12.1 A People Impact Assessment (PIA) scoping exercise has been undertaken and all impacts were neutral. A full PIA assessment is not therefore required.

### **13.0 Community Safety Implications**

- 13.1 None

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

- 14.1 None

### **Background Documents:**

Community Infrastructure Levy (CIL) Formal Adoption of Charging Schedule and Supporting Policies alongside Approval of the Regulation 123 List for Publication and Setting a Commencement Date for Charging (October 2018).

Proposals to set up Local Governance Arrangements to distribute Community Infrastructure Levy (CIL) Neighbourhood Funding in Gloucester (November 2020).

Gloucester Infrastructure Funding Statements (December 2023).

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# Cheltenham, Gloucester and Tewkesbury

## Community Infrastructure Levy Joint Committee

### Terms of Reference

#### Introduction

Cheltenham Borough Council, Gloucester City Council and Tewkesbury Borough Council worked together to produce the Cheltenham, Gloucester and Tewkesbury Joint Core Strategy (2017) (the JCS) as the overarching strategy to guide the development of their area. The three councils (the member councils) have agreed to pool the receipts received from the Community Infrastructure Levy (CIL) with the aim of working together to achieve the objectives of the JCS.

To facilitate an open and transparent joint approach to the governance of the application of CIL receipts the member councils have resolved to establish a joint committee.

#### Purpose

The Community Infrastructure Levy Joint Committee (the “Committee”) shall work jointly and collaboratively to advise the member Councils on CIL generally and make decisions on bids for CIL monies that have been pooled by the constituent Councils. The member Councils of the Committee are charging authorities for the purposes of the Community Infrastructure Levy Regulations 2010 (as amended) (the “CIL Regulations”). The Committee shall consider how community infrastructure levy (CIL) receipts should be spent to support the development of the Council’s area, in accordance with Regulations 59(1) and 59(3) of the CIL Regulations.

Regulation 59(1) of the CIL Regulations provides (1) that charging authority must apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area.

Regulation 59(3) of the CIL Regulations provides that a charging authority may apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure outside its area where to do so would support the development of its area.

The member councils believe that working together to pool CIL receipts for the development of infrastructure within their collective administrative areas will support the delivery of their shared objectives as set out in the JCS and consequently will support development within their respective areas in accordance with Regulation 59(3) of the CIL regulations.

#### The Pooled Fund

In recognition of the joint approach the member councils have agreed Infrastructure Funding Statements (IFS) and Infrastructure Lists (IL) which identify infrastructure priorities that are consistent with the objectives of the JCS and their localities to support development across the JCS area.

It is the intention of the member councils to pool 100% of the CIL receipts they receive net of any CIL receipts which are either passported to local councils or are allocated by the member councils to their individual neighbourhood CIL funds in accordance with Regulation 59A of the CIL regulations.

Notwithstanding the agreement by the member councils to pool 100% of their net CIL receipts, it is recognised by the member councils that the IL's agreed by the member councils may contain infrastructure projects which are of greater importance to one member council, notwithstanding that but the project is of benefit to the JCS area as a whole. There may from time to time be exceptional circumstances where specific infrastructure is identified as a new priority for one or more councils. Where this occurs, this will be presented to the Joint Committee for consideration.

Any member council that considers it is no longer appropriate for the member councils to pool 100% of their net CIL receipts shall be able to trigger a review of these terms of reference in accordance with the Governance section appearing herein below.

## The Role of the Joint Committee

The Committee shall:

- Oversee the Strategic CIL application process and scrutinise each project bid for strategic fit and compliance with CIL requirements.
- Be accountable for the oversight, monitoring and governance of awards.
- Take an objective and detached view of applications.

The first meeting of the Committee will be to agree the process for assessment of pipeline of projects for investment.

The CIL officer working group shall be made up of appropriate officers of each CIL charging authority and Gloucestershire County Council and will report to the Committee.

The working group activities shall include:

- Making recommendations to The Committee,
- Contract management where triggered,
- Application revisions and extensions,
- Financial updates,
- Project delivery scrutiny, and
- Compliance with funding agreements.

## Governance

The Committee is a Joint Committee under s101(5) and s102 Local Government Act 1972 and under Part 1A Chapter 2 Section 9EB of the Local Government Act 2000 and pursuant to the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012.

The Committee will include Cheltenham Borough Council, Gloucester City Council and Tewkesbury Borough Council.

These terms of reference will be reviewed as a minimum every 2 years. An earlier review will be triggered by any key changes in policy and or legislation relating to CIL or by a member council wishing to review the proportion of net CIL receipts that the member councils pool pursuant to these Terms of Reference.

## Host Authority

The Committee will be hosted under local government arrangements by Tewkesbury Borough Council and hosting arrangements reviewed every 2 years.



The Host Authority will provide Secretary/ Clerk S151 and Monitoring Officer roles of the Committee. This time allocation will be funded from the 5% administration of CIL.

## Membership

Each Council shall appoint a Committee member and a substitute who shall be either the Leader or other appointed Executive Members. The quorate membership of The Committee will be 3 made up of one member from each council.

If a quorate meeting cannot be achieved, the meeting will be rearranged. Each Committee member shall remain in office until removed or replaced by his or her appointing Council or in the case of an Executive member, until he or she ceases to be a member of the Executive.

## Functions of the Committee

Each of the Councils by establishing the joint committee empowers the Committee to make decisions on bids for CIL monies in respect of sums received by its member Councils. The bids will be considered, and the monies allocated in a manner which is consistent with the infrastructure commitments contained with the annual IFS published by the councils, this includes the IL (including any interim assessments) and the Infrastructure Delivery Plan (being updated to support the emerging Cheltenham, Gloucester and Tewkesbury Strategic and Local Plan). Allocation of funding will be made on a project-by-project basis, not per financial year.

The Committee will support and engage in such other additional functions as the respective Councils may determine from time to time including but not limited to:

1. Identifying the future strategic infrastructure and investment needs
2. Providing an evidence base for spending decisions on strategic locally identified priorities
3. Consulting with Gloucestershire County Council on proposals for CIL expenditure and to consider Gloucestershire County Council spending priorities (if any) for CIL expenditure
4. Exploring other sources of funding and opportunities for match funding streams
5. Determining the method for evaluating and scoring to rate each application submitted and review weighting for criteria
6. Scrutinising full applications and project presentations including any special terms under which an award is made.
7. Monitoring the delivery of projects that have had funding allocations, including regular reporting from officers in relation to contract management and financial updates.
8. As and where necessary calling individual projects into account where Grant contract conditions trigger review.
9. Determining how any unallocated funds within the pooled fund should be treated.

## Voting

One vote for each Council.

Normal rules as to declarations of interest shall be applied in accordance with the Host Authority's Code of Conduct

Decisions shall be made by full consensus vote.

## Quorum

A representative from each Council must be present. No business shall be transacted at any meeting unless the quorum is reached. If quorum is not reached within 30 minutes of the start of the

meeting (or if quorum ceases to be present during a meeting) the meeting shall be adjourned to the same time and venue to a date determined by the Chair.

## Meetings

The Chair and Vice Chair of the meeting will be elected at the first meeting and then each Annual Meeting of the Committee and if the Chair or Vice Chair is not present at any meeting within 10 minutes of the start of the meeting then those present will elect a Chair to act for that meeting.

The Chair and Vice Chair will be from different councils.

Only a voting member is entitled to be elected as Chair or Vice Chair of the Committee.

Meetings will occur at least annually to agree Strategic CIL allocations. Other meetings may be required to respond to the programme of the additional functions. Meetings which make decisions on the allocation of CIL funding will be in public.

## Constitution

The constitution of the Host Authority shall apply to the Committee.

## Attendance

Gloucestershire County Council shall be entitled to attend meetings of the Committee to input on matters relevant to the functions and activities of the Committee but shall have no voting rights nor be involved in scrutiny.

Each member Council may send appropriate officers to meetings the Committee or any sub-committee thereof, to support its Members.

## Responsibilities of the Chair and Vice Chair

The role of the Chair is to ensure that the meetings of the Committee are conducted efficiently and effectively.

The role of the Vice Chair is to deputise for the Chair during any period of the Chair absence or at other times as appropriate and their responsibilities shall be the same as those of the Chair.

## Member Conduct

Members shall be subject to the code of conduct for elected members adopted by the Council that nominated them to be a Committee Member.

## Scrutiny

The decisions made by the Committee shall be subject to the decisions being reported back through relevant Cabinet/Executive Committee of each of the member Councils.

Any decision by the Committee, except those agreed as urgent in accordance with these provisions shall not be implemented until the member Councils have formally reported back through their own Cabinet/Executive Committee.

All decisions of the Committee (unless considered urgent) shall be subject to the "call in" process of each member Council. If not called in during that period any decision shall then be available for implementation.

Where the Committee decides that a decision is urgent it shall record the reasons for such urgency in the minutes of the meeting and any subsequent "call in" of that decision should normally relate

only to the process leading to the decision and not to the decision itself and the chair of the member Councils Scrutiny Committee shall be advised immediately.

#### Liability of Members

Committee Members shall have the same responsibilities as those that apply when sitting on other committees and bodies as an appointed representative of their nominating Council.

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# Gloucester City Council

<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>6 December 2023</b>
<b>Subject:</b>	<b>Infrastructure Funding Statement 2022/2023 and Annual Community Infrastructure (CIL) Rate Summary Statement</b>		
<b>Report Of:</b>	<b>Cabinet Member for Planning and Housing Strategy</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>Paul Hardiman, Community Infrastructure Levy (CIL) Manager for the JCS Authorities</b>		
	<b>Email:</b> <a href="mailto:paul.hardiman@gloucester.gov.uk">paul.hardiman@gloucester.gov.uk</a>		
<b>Appendices:</b>	<ol style="list-style-type: none"> <li><b>1. Draft Infrastructure Funding Statement for the City of Gloucester</b></li> <li><b>2. Draft Annual CIL Rate Summary Statement for the City of Gloucester</b></li> </ol>		

## FOR GENERAL RELEASE.

### 1. Purpose of Report

- 1.1. To approve for publication the Infrastructure Funding Statement encompassing the Section 106 (S106) and Community Infrastructure Levy (CIL) reports for 2022/23 and the Infrastructure List; and note the Annual CIL Rate Summary Statement is to be published alongside the Infrastructure Funding Statement.

### 2. Recommendations

- 2.1. Cabinet is asked to **RESOLVE** that:
  - (1) the publication of the Infrastructure Funding Statement relating to the financial year ending 31st March 2023 (Appendix 1) be approved; and
  - (2) it be noted that the annual Community Infrastructure Levy (CIL) Rate Summary Statement (Appendix 2) will be published alongside the Infrastructure Funding Statement by 31<sup>st</sup> December 2023.

### 3. Background and Key Issues

- 3.1. The Council's fourth Infrastructure Funding Statement (IFS) has been prepared ready for submission<sup>1</sup> and publication on the Council's website by the 31st December 2023.
- 3.2. All "contribution receiving authorities" are required, under the Community Infrastructure Levy Regulations 2010 (as amended) to produce an IFS at least annually that sets out details about S106 planning obligations and CIL receipts, actual and anticipated

<sup>1</sup> Department for Levelling Up Housing and Communities (DLUHC), formerly Ministry of Housing, Communities and Local Government (MHCLG)

expenditure and an “Infrastructure List” [Regulation 121A]. They must also produce an Annual CIL Rate Summary Statement [Regulation 121C].

- 3.3. The IFS (Appendix 1) must include reports on the previous financial year, ending on the 31st March, for both CIL and S106 Planning Contributions as well as an Infrastructure List.
- 3.4. The matters for these statements is prescribed in the aforementioned Regulations. Both need to be published on the Council’s website by 31<sup>st</sup> December 2023.
- 3.5. The IFS (Appendix 1) comprises 3 sections as follows:
  - (i) The CIL Report which identifies receipts for 2022/23 of **£162,638.05** and expenditure by the council on administration only of **£8,131.90**:
    - a. **£24,395.70** of the remaining receipts were held by the Council for the benefit of non-parished areas, which when added to the **£85,593.85** from previous years gave a **Neighbourhood Pot of £109,989.55**, **£70,000.00** of which is now committed to projects which are listed in the CIL Report;
    - b. **£0** was passed to Quedgeley Town Council from income within the reported year and whilst **£20,098.31** from the previous financial year was paid in April 2022 **£0** was held to be paid in April 2023; and
    - c. **£130,110.45** was held for infrastructure which when added to the **£695,256.79** from previous years gave an **Infrastructure Pot of £825,367.24** required to deliver planned development.
  - (ii) The S106 Report which identifies:
    - a. an opening balance at the beginning of the reported year of **£1,636,526.84**;
    - b. receipts for 2022/2023 of **£2,105,144.96**;
    - c. expenditure for 2022/2023 of **£177,979.64** on Infrastructure and **£43,440.17** on Administration;
    - d. a closing balance on 31<sup>st</sup> March 2023 of **£3,520,251.99** (**£67,197.88** of which has been retained for long term maintenance);
    - e. **153** affordable homes secured via S106 agreements, Universal Undertakings and Grants; and
    - f. A total of **£730,621.00** secured in agreements entered into in 2022/2023.
  - (iii) The ‘Infrastructure List’ identifies projects which may need wholly or partly funding from CIL individually and those which the Joint Core Strategy (JCS) partners share, is a required part of the IFS.
    - a. The preparation of the joint ‘Strategic and Local Plan’ (SLP), now underway, provides the appropriate context for a full review of the Infrastructure List informed by updated evidence on infrastructure demands and delivery and by the priorities of the three councils, including the Council’s commitment to tackle climate change, achieve modal shift away from private car use and reflect changing patterns of work following the pandemic, the Council’s Corporate Plan, including our 2030 net zero objectives.
    - b. The interim Infrastructure List will cover the transition to the SLP. Relevant to the decision making of this report are those elements relating only to Gloucester and those elements which are shared. Chapter 3 of the IFS also includes those items identified by Tewkesbury, Cheltenham, and the County

Council. Tewkesbury and Cheltenham will be reporting on their priorities for the interim Infrastructure List through their own reporting procedures.

- c. There is a larger piece of engagement work ongoing with infrastructure providers outside the local authorities to identify any wider infrastructure priorities.

### 3.6. The Annual CIL Rate Summary Statement

- (1) Regulation 121C(1) requires the annual CIL Rate Summary Statement (Appendix 2) to be published “no earlier than 2<sup>nd</sup> December and no later than 31<sup>st</sup> December” as it must be based on the CIL Index published by the Royal Institute of Chartered Surveyors (RICS) in November each year.

## 4. **Social Value Considerations**

- 4.1. None directly, though targeting funding to the delivery of strategic infrastructure in the Infrastructure List will support planned growth in and for the City.

## 5. **Environmental Implications**

- 5.1. None as a result of meeting our statutory reporting obligations, though the effective use of CIL receipts themselves has the potential to have a positive impact on all 3 dimensions of sustainable development.

## 6. **Alternative Options Considered**

- 6.1. None as the production of these statements, including the CIL and s106 reports, are a statutory requirement of the Council.

## 7. **Future Work and Conclusions**

- 7.1. The Infrastructure Funding Statement and Annual CIL Rates Summary Statement will be published on our website and submission and notification of the location of data sent to the Department for Levelling Up, Housing and Communities by end of December 2023.
- 7.2. Alongside the preparation of the Strategic Local Plan ensure the infrastructure needed to accommodate planned future development is fully considered through ongoing engagement with a full range of infrastructure providers, including running an open and transparent bidding process with the aim of producing a comprehensive Infrastructure Delivery Plan, from which schemes which meet not only the needs of new development but also the priorities of the Council may be selected for inclusion on a deliverable Infrastructure List to support the new plan, this will be tested through the Strategic Local Plan Examination in Public in due course.

## 8. **Financial Implications**

- 8.1. None directly as work undertaken within existing resources and budgets.  
(Financial Services have been consulted in the preparation this report.)

## **9. Legal Implications**

- 9.1. The production of an Infrastructure Funding Statement at least annually, including a regulation 121A Infrastructure List, is a statutory obligation as a result of amendments to the Community Infrastructure Levy Regulations 2010 (the Regulation) by the Community Infrastructure Levy (Amendment) (England) (No.2) Regulations 2019. As is the publication of the annual CIL Rate Summary Statement.
- 9.2. Those amendments also revoked, as of 1 September 2019, Regulation 123 thereby removing the restrictions there had been previously, both on the pooling of monies from s106 obligations and also the spending of both CIL and s106 monies on the same infrastructure.

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

## **1. Risk & Opportunity Management Implications**

- 12.1. Failure to publish the required statements would be a breach of Regulations.
- 12.2. Though the Infrastructure List will not dictate how funds must be spent, it does set out the Council's intentions and its publication as part of the Infrastructure Funding Statement provides clarity and transparency for communities and developers on the infrastructure that is expected to be delivered.
- 12.3. Not having a clear prioritisation of infrastructure projects may risk that CIL receipts are not targeted towards the most critical infrastructure needed to deliver development and meet Corporate priorities in respect of such infrastructure.

## **13. People Impact Assessment (PIA) and Safeguarding:**

- 13.1 The reasons behind the original adoption of the Community Infrastructure Levy, by Gloucester City Council as a JCS partner authority, in October 2018, was to raise additional funding from some development to help to pay for infrastructure supporting development of the area to ensure the City grows sufficiently and sustainably. Whilst not identifying any negative impact on protected groups potential positive impacts were identified as a result of this new income stream for the City Council, in particular in relation to improvements to physical infrastructure for those with special mobility needs and for building community cohesion not only within existing communities but also between existing and new residents as a result of new development.
- 12.1. The PIA Screening Stage was completed and did not identify any potential or actual negative impacts therefore a full PIA was not required.

## **14. Community Safety Implications**

- 14.1. None directly, though potential positive implications are anticipated as a result of the delivery of new infrastructure for the City.

## **15. Staffing & Trade Union Implications**

- 15.1. None reported.

## **16. Background Documents: None**





Gloucester City Council Annual Infrastructure Funding Statement  
2022/23

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DRAFT

# 1. COMMUNITY INFRASTRUCTURE LEVY REPORT

Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 1

(answers to the statutory questions are introduced with the number highlighted in red text)

Reporting Year: From 01 April 2022 to 31 March 2023

## OPENING POSITION

### Administration

The amount of unspent CIL, collected **before the reported year**, assigned for administration costs was **£0.00**.

### Neighbourhood

#### City Council Neighbourhood Funding

The amount of unspent CIL, collected **before the reported year**, assigned for Regulation 59F Neighbourhood CIL was **£85,593.85**.

#### Parish Council Neighbourhood Funding

The amount of unspent CIL, collected **before the reported year**, assigned for Regulation 59A Neighbourhood CIL:

Held by Charging Authority for payment on 28 April 2022 was **£20,098.31**.

Held by Quedgeley Town Council was **£24,564.60**.

## Infrastructure

The amount of unspent CIL, collected **before the reported year**, which was not assigned for Neighbourhood CIL or CIL Administration was **£695,256.79**.

## IN YEAR ACTIVITY

### Notices Issued

(a) The total value of CIL **Demand Notices** issued in the reported year was **£741,198.45**.

It should be noted that not all of this funding would have been expected to be received during the reported year as a result of the Council's adopted Instalments Policy.

The total value of CIL **Liability Notices** issued in the reported year was **£741,198.45**.

It should be noted that not all of this potential funding would have been expected to be the subject of a demand notice during the reported year as a liability notice is not a demand for payment and evidence to justify deductions and claims for relief may still be submitted up until the commencement of development, after which a demand notice is issued.

### Income In The Reported Year

(b) Total CIL income in the reported year was **£162,638.05**.

The Council did not receive any land or infrastructure payments (i.e. the provision of land or infrastructure in lieu of paying CIL) during the reported year.

### *Surcharges and Late Payment Interest*

The total value of **Surcharges** imposed due to breaches of the CIL Regulations was **£0.00** and the total value of the **late payment interest** accrued was **£0.00** during the reported year.

### Income Before The Reported Year

(c) total CIL income **before** the reported year was **£868,961.60**.

The Council did not receive any land or infrastructure payments (i.e. the provision of land or infrastructure in lieu of paying CIL) before to the reported year.

### Administration

CIL income collected in and transferred to Tewkesbury Borough Council, as a contribution towards shared administration expenses, in the reported year was **£1,547.37** this was the remaining funding from the 5% of CIL Income (**£8,131.90**) allocated from the **£162,638.05** receipts in the reported year.

### Neighbourhood

#### (i) Quedgeley Town Council Neighbourhood Funding

CIL both collected and passed to Quedgeley Town Council **in** the reported year was: **£0.00**.

(d) CIL collected **before** the reported year but allocated in the reported year was **£20,098.31**. This was for:

- Quedgeley TC Neighbourhood Funding of £20,098.31 paid on the 28 April 2022

It should be noted that:

No payments were made to Quedgeley Town Council (Parish Councils) as a result of the Charging Authority receiving any 'payment in kind' during the reported year; and

(j), (k) & (l) No CIL was either requested or returned to the Charging Authority in the reported year because it had not been spent within 5 years (Regulation 59E).

#### City Neighbourhood Funding for Unparished Areas

CIL Income in the reported year, for areas that are not covered by a Parish Council, was **£24,395.70**.

### Infrastructure

The amount of CIL, collected in the reported year, which was not assigned for Neighbourhood CIL or CIL Administration was **£130,110.45**.

### Expenditure In The Reported Year

(e) Total CIL expenditure in the reported year, was **£23,724.66**. This was made up of:

- **£15,592.76** of Neighbourhood CIL reported by Quedgeley Town Council; and
- **£8,131.90** of Admin CIL.

### Administration

(g) (iii) CIL income collected in, and transferred to, Tewkesbury Borough Council, as a contribution towards shared administration expenses, in the reported year was **£1,547.37**. When added to the **£6,584.54** spent on administration by Gloucester City Council this equals 5% (**£8,131.90**) of the total CIL receipts collected (**£162,638.05**) in the reported year.

CIL income collected before the reported year spent on administration in the reported year was **£0.00**. This was 0% of the total CIL collected within the reported year.

### Neighbourhood

#### City Neighbourhood Funding for Unparished Areas

Expenditure from CIL Income collected in the reported year, for areas that are not covered by a Parish Council, was **£0.00**.



Expenditure from CIL Income collected **before** the reported year, for areas that are not covered by a Parish Council, was **£0.00**.

#### Quedgeley Town Council Neighbourhood Funding

**(g) (i)** Expenditure from CIL passed to Quedgeley Town Council **in** the reported year was reported as **£0.00**.

Quedgeley Town Council reported the following spending in the reported year from CIL funds transferred **prior** to the reported year:

Infrastructure	Amount	Date	Spend Description
Sports Facilities	£4,466.29	28/02/2023	Waterwells Floodlights LED Upgrade Part of Total £15,592.76 paid to Christy Floodlighting
Sports Facilities	£11,126.47	28/02/2023	Waterwells Floodlights LED Upgrade Part of Total £15,592.76 paid to Christy Floodlighting
Total	<b>£15,592.76</b>		

It should be noted that:

- No CIL, returned under Regulation 59E by Quedgeley Town Council (Parish Councils), was spent by the Charging Authority, in the reported year.

#### Infrastructure

It should be noted that:

- No CIL Income received either before, or in, the reported year has been spent on Infrastructure, including education and affordable housing; and
- **(g) (ii)** No CIL Income received either before, or in, the reported year has been spent on repaying money borrowed, including any interest.

## Allocations

(f) CIL collected **in** the reported year that was allocated but not spent during the reported year was:

Type	Allocated	Spent	Remaining
City Neighbourhood CIL	£24,395.70	£0.00	£24,395.70

CIL collected **before** the reported year that was allocated but not spent during the reported year was:

Type	Allocated	Spent	Remaining
City Neighbourhood CIL	£70,000.00	£0.00	£70,000.00
Quedgeley Neighbourhood CIL	£44,662.91	£15,592.76	£29,070.15

## CLOSING POSITION

### Administration

The amount of unspent CIL, collected **in** the reported year, assigned for administration costs is **£0.00**.

The amount of unspent CIL, collected **from 01 January 2018 to the end of the reported year**, assigned for administration costs is **£0.00**.

### Neighbourhood

#### City Neighbourhood Funding for Unparished Areas

The amount of unspent CIL, collected **in** the reported year, assigned for Regulation 59F Neighbourhood CIL held by the Charging Authority for unparished areas was **£24,395.70**.

The amount of unspent CIL, collected **from 01 January 2018 to the end of the reported year**, assigned for Regulation 59F Neighbourhood CIL held by the Charging Authority for unparished areas was **£109,989.55**.

The amount approved for bids for Regulation 59F City Neighbourhood Funding in the reported year was **£70,000.00**.

Infrastructure	Neighbourhood Zone	Amount	Date
Zero waste refill shop providing food support and cooking classes in Kingsholm	All Other Areas	£15,000.00	02 November 2022
Gloucester Park Café, reopening of park café	All Other Areas	£11,600.00	02 November 2022
Clapham Court project, celebrating history of Clapham Court residents	All Other Areas	£14,750.00	02 November 2022
Young creatives accelerator scheme	All Other Areas	£3,000.00	02 November 2022
Literacy and speech initiative as an outreach programme in Kingsholm	All Other Areas	£8,400.00	02 November 2022
Free community meals in Westgate once a week using waste food	All Other Areas	£3,000.00	02 November 2022
Parenting skill courses	All Other Areas	£3,000.00	02 November 2022
Project celebrating west Indian culture with artwork and events	All Other Areas	£6,250.00	02 November 2022
Fitting out costs of new Music bus for outreach projects	All Other Areas	£5,000.00	02 November 2022
	<b>Total</b>	<b>£70,000.00</b>	

Parish Council Neighbourhood Funding

The amount of unspent CIL, collected in the reported year, assigned for Regulation 59A Neighbourhood CIL:

Held by the Charging Authority for payment on 28 April 2023 was **£0.00**.

The amount of unspent CIL, collected **from 01 January 2018 to the end of the reported year**, assigned for Regulation 59A Neighbourhood CIL:

Held by Quedgeley Town Council was **£29,070.15** (£44,662.91 total minus spending of £15,592.76 in reported year).

It should be noted that:

- No CIL was outstanding for recovery from Quedgeley Town Council (Parish Councils) under Regulation 59E at the end of the reported year.

## Infrastructure

The amount of unspent CIL, collected **in** the reported year, which was not assigned for Neighbourhood CIL or CIL Administration was **£130,110.45**.

(h) The amount of unspent CIL, collected **from 01 January 2018 to the end of the reported year**, which was not assigned for Neighbourhood CIL or CIL Administration was **£825,367.24**. This is the accumulated total of Reg 59(i) 'Strategic' Infrastructure Funding held on the 31 March 2023.

## 2. SECTION 106 REPORT

### Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 3

#### OPENING POSITION

##### Money Held At The Start Of The Reported Year

(i) The total amount of money retained at the start of the reported year was **£1,636,526.84** of which **£891,747.20** was retained for long term maintenance (GCC IFS December 2022).

#### IN YEAR ACTIVITY

##### Obligations Entered Into Or Accepted During The Reported Year

(a) The total amount of money agreed, in planning agreements which were **entered-into during the reported year**, to be paid in the future by developers was **£730,621.00**. This figure does not include indexation (inflation/deflation) that will be added, if necessary, when a payment is due.

Planning Reference	Site Address	Signature Date	Amount	Notes
14/01470/OUT	Land at Winnycroft Farm, Gloucester	13/10/2022	£201,156.00	Formal Sports Contribution
22/00239/FUL	Land at Bristol Road, Gloucester	22/06/2022	£27,000.00	Affordable Housing

20/00315/OUT	Land At Hill Farm, Hempsted Lane, Gloucester	08/09/2022	£500,000.00	Formal Sports Contribution
20/00315/OUT	Land At Hill Farm, Hempsted Lane, Gloucester	08/09/2022	£2,465.00	S106 Monitoring
		<b>Total</b>	<b>£730,621.00</b>	

The total number of affordable housing units, in planning agreements which were **entered-into during the reported year**, to be provided from any off-site funding allocation of **£27,000.00** is **0 dwellings**.

(d) (i) Planning agreements **entered-into during the reported year** secured the following, non-monetary, contributions of infrastructure provided on-site:

Reference Number	Date of Signature	Purpose	Amount
<b>18/00852/FUL</b>	28/06/2022	Affordable Housing	100% - 22 dw
<b>20/00315/OUT</b>	08/09/2022	Affordable Housing	20% - 49 dw
<b>14/01470/OUT</b>	13/10/2022	Affordable Housing	25% - 55 dw

<b>22/00355/REM</b>	07/06/2022 (Ctte)	Affordable Housing	25% - 24 dw
<b>20/00847/OUT</b>	03/05/2022	Affordable Housing	30% - 3 dw
		<b>Total</b>	<b>153 dw</b>

It should be noted that:

Education provisions will not be included in this report as, in this two-tier authority area, Gloucestershire County Council will be publishing its own Infrastructure Funding Statement. The County Council will include details of planning obligations it has secured by way of S106, as well as S278 in its areas of competence. The County Council's Infrastructure Funding Statements can be found by following this link: [Infrastructure Funding Statement \(IFS\) - Gloucestershire County Council](#)

### Income In The Reported Year

(b) The total amount of money from planning obligations received **during** the reported year was **£2,105,144.96**.

Planning Reference	Site Address	Received Date	Amount	Notes
16/00631/OUT	Scholars Place, Former Gloucester Academy, Gloucester	04/04/2022	£609.98	Litter Bins
16/00165/OUT	Land South of Grange Road, Gloucester	08/04/2022	£353,831.43	Sports Hall Contribution
18/00036/FUL	76 Kingsholm Road, Gloucester	22/06/2022	£49,238.09	Childrens Play Contribution

18/00036/FUL	76 Kingsholm Road, Gloucester	22/06/2022	£27,866.66	20% of Offsite Sports and Playing Field Contribution
16/00631/OUT	Former Gloucester Academy, Gloucester	16/08/2022	£67,197.88	Public Open Space Commuted Sum
14/00685/OUT	Gloucester City Football Club, Gloucester	25/10/2022	£75,000.00	Flood Improvement Works (This invoice is to be repaid by 75 monthly instalments each of £1k)
20/00693/FUL	1 Armscroft Road, Gloucester	11/11/2022	£45,707.31	Formal Sport Contribution £28,000 Formal Play Contribution £10,000 General POS Contribution £4,000 plus indexation
19/00068/FUL	Rea Lane, Gloucester	11/11/2022	£19,228.66	Allotments Contribution
18/00306/FUL	Former Civil Service Sports Ground, Gloucester	12/12/2022	£1,342,459.61	Sports Mitigation
21/00490/OUT	Land North of Rudloe Drive, Gloucester	21/03/2023	£1,061.44	Monitoring Fee
19/00068/FUL	Rea Lane, Gloucester	29/03/2023	£122,943.90	Final Sports Contribution



		<b>Total</b>	<b>£2,105,144.96</b>	
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The total amount of **money received before the reported year, that has not been allocated**, was **£1,249,434.42**.

### Non-Monetary Contributions Provided During The Reported Year

During the reported year the following non-monetary contributions were provided:

- The **total number of affordable housing units provided on-site** during the reported year is **40**.

Reference Number	Site Address	Number of AH Units Agreed	Number Delivered in 2022/23
18/00306/FUL	Former Civil Service Sports Ground, Estcourt Road, Gloucester	20 dw	<b>8 dw</b>
19/00068/FUL	Development Land Off, Rea Lane, Gloucester	9 dw	<b>3 dw</b>
16/00165/OUT	Land South Of, Grange Road, Gloucester	100 dw	<b>4 dw</b>
19/01141/FUL	Land At Secunda Way, Secunda Way, Gloucester	9 dw (S106) 100% Intended (36 dw)	<b>25 dw</b>
		<b>Total</b>	<b>40 dw</b>

- The total number of **affordable housing units provided by S106 off site funding whenever received** within the reported year is **1 dwelling**.

Planning Reference	Site Address	Date Spent	Amount	Notes
16/00634/FUL	Land at Bakers Quay	15/03/2023	£31,522.92	Contribution towards Gloucester City Homes AH unit

## Expenditure In The Reported Year

(f) The total amount of money from planning obligations **spent during the reported year** was **£177,979.64**. Of this amount **£0.00** was spent by a third party on behalf of Gloucester City Council.

The items of infrastructure that planning obligation money has been spent on during the reported year and the amount spent are as follows:

Infrastructure	Spent	Date Spent	Spend Description	Source	Supplier
<b>Public Open Space</b>	£25,567.27	2022/23	Improvements at Plock Court	16/00631/OUT Former Gloucester Academy Site (Bishops College), Gloucester	Asset Management Team – Greenfields, Severn Signs, Gordon Playground Inspections, Soft Surfaces Ltd and Screwfix
<b>Outdoor Leisure</b>	£94.00	2022/23	Park Projects	16/00631/OUT Former Gloucester Academy Site (Bishops College), Gloucester	Asset Management Team – Greenfields, Severn Signs, Gordon Playground Inspections, Soft Surfaces Ltd and Screwfix

Infrastructure	Spent	Date Spent	Spend Description	Source	Supplier
<b>Sports Hub</b>	£50,000.00	2022/23	Purchase and Install Play Equipment	14/01317/OUT Former Blackbridge Allotments, Gloucester	Asset Management Team – Greenfields, Severn Signs, Gordon Playground Inspections, Soft Surfaces Ltd and Screwfix
<b>Outdoor Play</b>	£15,227.00	2022/23	Hempsted Way Play Area Improvements	08/01171/OUT Former Travis Perkins Site, Monkmeadow Trading Estate, Gloucester	Asset Management Team – Greenfields, Severn Signs, Gordon Playground Inspections, Soft Surfaces Ltd and Screwfix
<b>Outdoor Sports and Play</b>	£23,588.00	2022/23	Playing Field and Play Area Improvements	17/00699/FUL Land East Of Waterwells, Marconi Drive, Quedgeley, Gloucester	Asset Management Team – Greenfields, Severn Signs, Gordon Playground Inspections, Soft Surfaces Ltd and Screwfix
<b>Outdoor Sports</b>	£46,018.28	2022/23	Improvements to Facilities at the Lannett Sports Field	15/01494/FUL Land Adj Newark Farm, Hempsted Lane, Gloucester	Asset Management Team – Greenfields, Severn Signs, Gordon Playground Inspections, Soft Surfaces Ltd and Screwfix

Infrastructure	Spent	Date Spent	Spend Description	Source	Supplier
<b>Public open Space</b>	£15,049.49	2022/23	Improvements to Public Open Space in the vicinity of the site	14/00860/FUL St Gobain Former Wellman Graham, Bristol Road, Gloucester	Asset Management Team – Greenfields, Severn Signs, Gordon Playground Inspections, Soft Surfaces Ltd and Screwfix
<b>Outdoor Leisure</b>	£390.00	2022/23	Improving facilities at Tuffley Park	16/00165/OUT Land South Of Grange Road, Gloucester	Asset Management Team – Greenfields, Severn Signs, Gordon Playground Inspections, Soft Surfaces Ltd and Screwfix
<b>Outdoor Sports and Play</b>	£2,045.60	2022/23	Purchase and Install Play Equipment at Deans Way	18/00306/FUL Former Civil Service Sports Ground	Asset Management Team – Greenfields, Severn Signs, Gordon Playground Inspections, Soft Surfaces Ltd and Screwfix
Total	<b>£177,979.64</b>				

(e) The total amount of money from planning obligations **allocated towards infrastructure during the reported year** was **£357,687.32**. Of this amount **£148,184.76** was not spent during the reported year.

(g) The following items have had money allocated towards them during the reported year with unspent allocations:

Planning Reference	Site Address	Allocated	Date Allocated	Unspent
Allotments in Hempstead Area and Hempstead and Monk Meadow Recreation Ground Sports and Play facilities improvements	Development Land Off, Rea Lane, Gloucester	£102,477.45	31/08/2022	£102,477.45
Playing Fields at Sandyleaze, Elmbridge Park and Armscroft Park facilities, buildings and pitches upgrade	1 Armscroft Road, Gloucester	£45,707.31	18/11/2022	£45,707.31
	<b>Total</b>	<b>£148,184.76</b>		

(h) (ii) **£0.00** planning obligation money was spent on repaying money borrowed, including any interest, **during** the reported year.

(h) (iii) The amount of planning obligation money spent in respect of administration of planning obligations and monitoring in relation to the delivery of planning obligations **during** the reported year was **£43,440.17**:

£3,591.57 100% S106 Module GCC 01/04/23 to 31/03/24;

£598.60 50% Project Module GCC 01/04/23 to 31/03/24; total

**£4,190.17** and

**£39,250.00** Staff Costs.

## CLOSING POSITION

### Money Held At The End Of The Reported Year

The total amount of money retained at the end of the reported year is **£3,520,251.99**. Of this amount **£67,197.88** (16/00631/OUT) has been retained for long term maintenance.

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## Section 278 Matters

### Community Infrastructure Levy Regulations (2019 Amendment) Regulation 121A Schedule 2 Section 4

In respect to Highways Agreements, under Section 278 of the Highways Act 1980, it should be noted that:

Education provisions will not be included in this report as, in this two-tier authority area, Gloucestershire County Council will be publishing its own Infrastructure Funding Statement. The County Council will include details of planning obligations it has secured by way of S106, as well as S278 in its areas of competence. The County Council's Infrastructure Funding Statements can be found by following this link: [Infrastructure Funding Statement \(IFS\) - Gloucestershire County Council](#)

## *Community Infrastructure Levy (CIL)*

### **3. Infrastructure List**





121A.— Annual infrastructure funding statements (1) Subject to paragraph (2), no later than 31st December in each calendar year a contribution receiving authority must publish a document ("the annual infrastructure funding statement") which comprises the following— (a) a statement of the infrastructure projects or types of infrastructure which the charging authority intends will be, or may be, wholly or partly funded by CIL (other than CIL to which regulation 59E or 59F applies) ("the infrastructure list");

## Background

The Joint Core Strategy (JCS) partners of Gloucester City Council, Cheltenham Borough Council and Tewkesbury Borough Council are each both Community Infrastructure Levy (CIL) Charging and Collecting Authorities in their own right.

Regulation 121A of the Community Infrastructure Levy Regulations 2010 (as amended) requires CIL Charging Authorities to produce an annual "Infrastructure Funding Statement". This must include a list of schemes or types of infrastructure (the "Infrastructure List") that the Council intends may be wholly or partly funded from CIL.

### The Allocation of CIL

All CIL income must be allocated as follows:

**Administration Fund**: Up to 5% of CIL can be applied towards its implementation and ongoing administration of the Charging/Collection Authority(ies).

**Neighbourhood Fund**: 15% (subject to a cap based on number of existing dwellings in the Parish) rising to 25% in areas that have a 'made' Neighbourhood Development Plan (NDP also called Neighbourhood Plans) in place, of each CIL charge payment received, is either:

- Passed to the Parish Council in whose boundary the development that made the payment is located;
- Held by the Charging Authority on behalf of a Designated Neighbourhood Forum, as once they have a made NDP they are entitled to direct the spending of their 25%, or

- 15% of payments made from development within unparished areas is held by the Charging Authority to be spent in the same way as all other Neighbourhood CIL.

**Infrastructure Fund**: The remaining 70 to 80% must be spent on infrastructure that supports the growth of the CIL Charging Authority's area.

The 'Infrastructure List' relates solely to schemes or infrastructure types that the Charging Authority intends may be wholly or partly funded from the 'Infrastructure' Fund.

### The Partnership Approach

The Joint Core Strategy (JCS) partners of Gloucester City Council, Cheltenham Borough Council and Tewkesbury Borough Council has led to the development of a shared Infrastructure list.

### Previous Infrastructure Lists

The Infrastructure List is not a comprehensive audit of all infrastructure requirements associated with the facilitation and mitigation of the impacts of development during the plan period. The Infrastructure Delivery Plans (IDP) of Development Plans are prepared for this purpose and seek to identify not only infrastructure needs but also potential sources of funding and delivery including funding from: Central Government; Local Government; and Developer Contributions and Provision by way of agreements permitted under Section 106 of the Town and Country Planning Act 1990 and Section 278 of the Highways Act 1980, for example.

The removal of the Regulation 123 'pooling restriction', by the 2019 CIL Amendment Regulation, was intended to make it easier to deliver major infrastructure projects. It allows local authorities to combine CIL and Section 106 revenues towards the same infrastructure project or item.

As permitted by CIL Regulation 122, planning obligations such as a Section 106 agreements will continue to be sought alongside the CIL to secure all infrastructure which is "necessary to make the development acceptable in planning terms, "is directly related to the development and is "fairly and reasonably related in scale and kind to the development".

The IDP, prepared to support the JCS, provided an evidenced source of projects for the first JCS Partner's Infrastructure List, published in December 2020.

The IDP identified a significant potential shortfall in funding, and CIL income forecasts predicted only a small amount of the shortfall could be raised within the plan period. As we have prepared our infrastructure funding statements our Infrastructure List has been updated:

Year 1: The Infrastructure identified as 'critical', in the IDP, was selected to form the first list;

Year 2: Reviewed progress of each of the projects and identified a number that were either completed or had secured sufficient funding from other sources to no longer envisage needing CIL funding;

Year 3: Removed schemes identified as no longer requiring CIL funding and provided updates to scheme names and cost estimates for the remaining schemes;

Year 4: 2023 interim Infrastructure List as summarised below; and

Future years: Will be informed by a full review of the Infrastructure Delivery Plan.

### The 2023 Infrastructure List

Further to the publication of the 2022 IFS report which highlighted that the agreed Infrastructure list was not representative of current priorities, work has taken place with our JCS/SLP partners and Gloucestershire County Council to prepare an interim Infrastructure List. This recognises that the IDP prepared to support the JCS was a point in time, since then the councils have declared a climate emergency, there have been key changes in national policy, and it is important that CIL investment is targeted to infrastructure priorities that are relevant, deliverable and meet the demands of the current position of the three partners, individually and jointly.

## The 'Infrastructure List'

The inclusion of a project on the Infrastructure List does not represent a commitment that the partners will necessarily spend CIL monies on that item and for clarity, there is no priority implied by the order in which the projects appear in the list itself.

The JCS Partners will continue to review this list and provide updates on at least an annual basis, alongside the preparation of their Infrastructure Funding Statement(s).

### Projects Requesting CIL Funding

#### *Local*

1. Cheltenham Petersfield Community & Sports Hub (£300k to £617k)
2. Cheltenham Spa Railway Station Enhancements (Honeybourne Line cycle path extension) (£1.3m) – S106/County Council Funding Potential
3. Cheltenham Parks and Green Space Landscape and Recreation: maintenance & investment (£600k) – Section 106 Commuted Sums for long term maintenance and Borough Council funding Potential.
4. Cheltenham central safe cycle hub pilot project (£25k) – Neighbourhood Funding Potential
5. Cheltenham Town Centre Interchange study (£70k) – S106/County Council Funding Potential
6. Cheltenham cycle spine phase 1 Construction Work (£1.3m) - – S106/County Council Funding Potential
7. Cheltenham Cycle Spine Phase 2 (Station to Pittville Park) Design Work (£600k) – S106/County Council Funding Potential
8. Tewkesbury Town Centre and Riverside Public Realm Enhancements (£1.5m) – S106 Funding Potential
9. Tewkesbury Town Centre children's play facilities (£75k) (part of Tewkesbury Borough enhanced play facilities project) - S106/Neighbourhood Funding Potential
10. Hampton Place, Churchdown footpath (£20k) (part of Tewkesbury Borough Active Travel network improvements) - S106/Neighbourhood/County Council Funding Potential

11. Melrose Walk, Mitton footpath (£10k) (part of Tewkesbury Borough Active Travel network improvements) - S106/Neighbourhood/County Council Funding Potential
12. Wheatpieces Woodland Walk footpath (£10k) (part of Tewkesbury Borough Active Travel network improvements) - S106/Neighbourhood/County Council Funding Potential
13. Gloucester to Haresfield Cycle Spine Design Work (£850k) – S106 / County Council / Challenge Funding Potential
14. Gloucester Strategic Transport Interchange connectivity (£2m - £5m) – S106/County Council/Challenge Funding Potential

### *Shared*

15. Recycling services depot (£28.5m split 60/40 between CBC and TBC respectively) – Section 106 Potential
16. Mass Rapid Transit, next business case stage (£2m divided by 3) – S106/County Council Funding Potential

## The Pipeline

### Projects Requiring More Work to identify Costs:

#### *Local*

17. Cheltenham High Street public realm improvements – Section 106 / Neighbourhood / County Council / Challenge Funding Potential
18. Tewkesbury Borough Crematoria / Cemeteries – Section 106 Potential
19. Tewkesbury Borough Bishops Cleeve Leisure Centre - Section 106 /Neighbourhood Funding Potential
20. Tewkesbury Ashchurch Rail Station/Infrastructure Enhancements - Section 106 / Challenge Funding Potential
21. Tewkesbury Garden Town enabling infrastructure - Section 106 / County Council / Challenge Funding Potential
22. Tewkesbury Town Centre enhanced cultural offer – Section 106 Potential
23. Tewkesbury Traffic management in historic core – Section 106 and County Council Potential
24. Tewkesbury Town Centre Business incubator units – Section 106 Potential

25. Tewkesbury Borough EV induction charging infrastructure – Section 106 / Challenge Funding Potential
26. Tewkesbury Borough Active Travel network improvements – Section 106 / Neighbourhood / County Council / Challenge Funding Potential
27. Tewkesbury Borough Community Places creation and improvement - Section 106 /Neighbourhood Funding Potential
28. Tewkesbury Borough Youth Facilities project creation and improvement - Section 106 /Neighbourhood Funding Potential
29. Tewkesbury Borough enhanced play facilities project - Section 106 /Neighbourhood Funding Potential
30. Tewkesbury Borough enhanced sports facilities project - Section 106 /Neighbourhood Funding Potential
31. Gloucester City GL1 Leisure Centre - Section 106 Potential/Neighbourhood Funding Potential
32. Gloucester City Oxstalls Sports Park - Section 106 Potential/Neighbourhood Funding Potential
33. Gloucester Blackbridge Community and Sports Hub - Section 106 Potential
34. Gloucester Nature Park - Section 106 Potential/Neighbourhood Funding Potential
35. Gloucester Crematoria / Cemeteries - Section 106 Potential
36. Gloucester Strategic Green Infrastructure - Section 106 Potential/Neighbourhood Funding Potential

### *Shared*

37. NHS GP Surgeries - Section 106 Potential
38. Expressbus Corridors – Section 106 and County Council Potential
39. Brockworth to Cheltenham cycle link (via Shurdington) – Section 106 and County Council Potential
40. Brockworth to Gloucester cycle link – Section 106 and County Council Potential
41. Gloucester to Hartpury College cycle link – Section 106 and County Council Potential

### **Projects not to be funded from CIL**

42. M5 J10 Scheme

43. M5 J9 & A46 Improvement Scheme

44. All Education requirements

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## Format:

The partner councils at the time of drafting this IFS are progressing proposals to set up a CIL Joint Committee. It should be noted that the Joint Committee proposal relates **only** to the strategic element of CIL, the Infrastructure Fund, responsibility for the neighbourhood element of CIL sits wholly with the individual councils. The Joint Committee would be responsible for the allocation of CIL monies using the interim Infrastructure List as a starting point for consideration.

For information, the Infrastructure List has been compared to the funding available in the three council's Infrastructure Funds, both as is reported in this Infrastructure Funding Statement (December 2023) and in the first 6 months of this financial year 2023/24.

### Funding Available

CIL Authority	Regulation 59i Strategic 'Infrastructure Fund'	
	Date	Amount
Cheltenham Borough Council	31/03/2023	£1,350,168.95
	<b>25/10/2023</b>	<b>£2,564,105.08</b>
Tewkesbury Borough Council	31/03/2023	£7,053,286.54
	<b>25/10/2023</b>	<b>£8,058,663.30</b>
Gloucester City Council	31/03/2023	£825,367.24
	<b>25/10/2023</b>	<b>£1,274,784.90</b>
	31/03/2023	£9,228,822.73
	<b>25/10/2023</b>	<b>£11,897,553.28</b>



## Requests for Funding

CIL Authority	Projects seeking funding		
	List	Project	Amount
Cheltenham Borough Council	Local	1.	£617,000.00
	Local	2.	£1,310,000.00
	Local	3.	£600,000.00
	Local	4.	£25,000.00
	Local	5.	£70,000.00
	Local	6.	£1,300,000.00
	Local	7.	£600,000.00
CBC Local Sub-total			£4,522,000.00
	Shared	11.	£17,100,000.00
	Shared	12.	£666,666.67
CBC Shared Sub-total			£17,766,666.67
CBC Joint Sub-total			£22,288,666.67
Tewkesbury Borough Council	Local	8.	£12,000,000.00
TBC Local Sub-total			£12,000,000.00
	Shared	11.	£11,400,000.00
	Shared	12.	£666,666.67
TBC Shared Sub-total			£12,066,666.67
TBC Joint Sub-total			£24,066,666.67
Gloucester City Council	Local	9.	£850,000.00
	Local	10.	£5,000,000.00

GCC Local Sub-total			£5,850,000.00
	Shared	12.	£666,666.67
GCC Shared Sub-total			£666,666.67
GCC Joint Sub-total			£6,516,666.67
All Councils Local Total			£22,372,000.00
All Councils Shared Total			£30,500,000.01
All Councils Joint Total			£52,872,000.01

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# Gloucester City Council's 'Annual CIL Rate Summary Statement'

Approved for Publication December 2023

## Introduction

The Community Infrastructure Levy (CIL) Regulations 2010 (as amended) require CIL Charging Authorities to:

"Each calendar year, no earlier than 2<sup>nd</sup> December and no later than 31<sup>st</sup> December ... publish a statement ("Annual CIL Rate Summary") in relation to the next calendar year".

Regulation 121C(1)

This 'Annual CIL Rate Summary' Statement sets out how 'indexation' will affect CIL charges within the City of Gloucester from 1<sup>st</sup> January 2024 to 31<sup>st</sup> December 2024.

## Indexation

Indexation allows the rates charged to be adjusted to take account of inflation.

Whilst the most common index is the Retail Prices Index (RPI), published by the Office for National Statistics, the CIL Regulations require use of an index published by the Royal Institute of Chartered Surveyors (RICS).

Since 2019 the CIL Regulations have required the RICS to publish a 'CIL Index' for 1<sup>st</sup> November each year and for all Charging Authorities to apply this index.

## Calculating CIL

CIL is calculated by multiplying the net increase in gross internal area (GIA)<sup>1</sup> by the relevant CIL rate (£/m<sup>2</sup>). The CIL rates must be index linked from the year that CIL was introduced to the year that a planning permission is granted.

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<sup>1</sup> The definition of gross internal area is not specified in the regulations; however, the generally accepted method of calculation is the RICS Code of Measuring Practice (6<sup>th</sup> edition, 2015)

## Background

Prior to changes in the CIL Regulations in 2019 Charging Authorities were required to use the national 'All-In Tender Price Index', published by the RICS' Build Cost Information Service (BCIS). Changes to the CIL Regulations that came into force on the 1<sup>st</sup> September 2019 now require, from the Calendar year 2020, use of a new RICS 'CIL Index'.

Along with the other JCS Authorities Gloucester City Council began charging CIL on planning permissions granted on or after the 1<sup>st</sup> January 2019. As required at the time the Authorities applied the 'All-In Tender Price Index' published on the 1<sup>st</sup> November 2018 for the first calendar year of charging.

The index is now applied annually on the 1<sup>st</sup> January each year based on the RICS 'CIL Index' published on the 1<sup>st</sup> November in the previous year.

## New Charges

From the 1<sup>st</sup> January 2024 to the 31<sup>st</sup> December 2024 rates have been adjusted in line with the RICS CIL Index published for the 1<sup>st</sup> November 2023.

The table below shows the original charges set for 2019 along with this years (2023) charges and the charges applying the index published on the 1<sup>st</sup> November 2023 as they will apply in the calendar year of 2024:

- The original charges which were set in Year 1 (2019) - when charging began the index was 322;
- the increased charges in Year 2 (2020) as the index rose by 3.73% to 334;
- the reduced charges in Year 3 (2021) as the index fell by 0.3% to 333;
- the reduced charges in Year 4 (2022) as the index fell by 0.3% to 332;
- the increased charges in Year 5 (2023) as the index rose by 6.9% to 355; and
- the increased charges in Year 6 (2024) as the index rose by 7.3% to 381.

## Charging Schedule

Development Category	All-in TPI 01/11/18	Year 1 (2019)	CIL Index 01/11/22	Year 5 (2023)	CIL Index 01/11/23	Year 6 (2024)
<b>Gloucester City Council</b>						
10 dwellings and under including extensions and annexes greater than 100 m <sup>2</sup>	322	£0 per m <sup>2</sup>	355	£0 per m <sup>2</sup>	381	£0 per m <sup>2</sup>
Between 11 and 449 dwellings	322	£45 per m <sup>2</sup>	355	£49.61 per m <sup>2</sup>	381	£53.25 per m <sup>2</sup>
450 dwellings and over	322	£0 per m <sup>2</sup>	355	£0 per m <sup>2</sup>	381	£0 per m <sup>2</sup>
GLCS Strategic Allocations B5	322	£0 per m <sup>2</sup>	355	£0 per m <sup>2</sup>	381	£0 per m <sup>2</sup>

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## Publication

Regulation 121C(3) requires Charging Authorities to “publish each annual CIL rate summary” on their “website”. This statement will therefore *be published on-line, alongside Gloucester City Council’s Infrastructure Funding Statement (IFS) no later than the 31<sup>st</sup> December 2023.*

## Contingency

If the RICS CIL Index is discontinued, the Council will revert to using the BCIS Index and in the event that both are discontinued, will use the Retail Price Index.

Further information and all CIL forms are available on the Planning Portal website at:  
[www.planningportal.gov.uk/planning/applications/howtoapply/whattosubmit/cil](http://www.planningportal.gov.uk/planning/applications/howtoapply/whattosubmit/cil)

If you have any questions regarding CIL please contact us at:  
Gloucester – [cil@gloucester.gov.uk](mailto:cil@gloucester.gov.uk)



<b>Meeting:</b>	<b>Cabinet</b>	<b>Date:</b>	<b>6 December 2023</b>
<b>Subject:</b>	<b>Adoption of Updated Validations Checklist for Planning Applications</b>		
<b>Report Of:</b>	<b>Cabinet Member for Planning and Housing Strategy</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>Jon Bishop, Planning Development Manager</b>		
	<b>Email: jon.bishop@gloucester.gov.uk</b>	<b>Tel:</b>	<b>39562</b>
<b>Appendices:</b>	<b>1. Updated Validations Checklist for Planning Applications</b>		

**FOR GENERAL RELEASE**

**1.0 Purpose of Report**

1.1 This report seeks the adoption of the updated validations checklist for planning applications by cabinet.

**2.0 Recommendations**

2.1 Cabinet is asked to **RESOLVE** that the updated validations checklist (Appendix 1) be adopted with immediate effect.

**3.0 Background and Key Issues**

3.1 Council last adopted a ‘Local List’ of information requirements for validating planning applications in September 2020. The current review has been carried out following the adoption of the Gloucester City Plan and in accordance with the statutory tests set out in section 62 (4A) of the Town and Country Planning Act 1990 and Article 11(3) Town and Country Planning (Development Management Procedure) (England) Order 2015 (as amended). This requires:

- LPA to publish or republish a list of requirements on its website,
- Information requests should be reasonable having regard to the nature and scale of the proposed development; and
- Information requests should relate to matters that it is reasonable to think will be a material consideration in the determination of the application.

3.2 Advice within National Planning Policy Framework has also been taken into account. This advises that local planning authorities (LPA’s) should identify the drivers for each item on the local list of information requirements. These should be statutory, policies in the NPPF or development plan or published guidance. Having identified their information requirements, LPA’s should decide whether they need to revise their existing local list. Where a LPA decides that no changes are necessary,

it should publish an announcement to this effect on its website and republish its local list. Where it is considered that changes are necessary consultation with the local community should be undertaken when necessary and responses should be taken into account by the LPA when preparing the final revised list.

- 3.3 The review of the current Local List included a formal period of consultation between the 17<sup>th</sup> October and 14<sup>th</sup> November 2023. A number of internal and external technical consultees and those planning agents who regularly submit planning applications to the Council have been consulted on the amendments/ additional validation requirements. The proposals have also been publicised on the Council's social media platforms. A limited number of responses were received (4) These comments were taken into account in formulating the revised Local List which is attached at Appendix 1.

#### **4.0 Social Value Considerations**

- 4.1 The additional information requires set out on the amended validation checklist will ensure a suitable level of information is submitted with the application at the validation stage. This will ensure better quality developments to come forward which will enhance the social value of the city generally and help to deliver the Council's wider aims and objectives in this regard.

#### **5.0 Environmental Implications**

- 5.1 The updated validation checklist will make it necessary for applicants to provide sufficient level of information with their planning applications to enable a thorough assessment against planning policy. This will drive up the quality of planning application submissions ensuring the Council's wider objectives towards sustainable development in the city and be achieved.

#### **6.0 Alternative Options Considered**

- 6.1 None considered because there is an obligation to have an up to date validation checklist.

#### **7.0 Reasons for Recommendations**

- 7.1 Updating the validation checklist is essential to ensure all the necessary information submitted with planning applications so that the LPA can consider applications in the efficient and consistent way while ensuring policy compliant developments.

#### **8.0 Future Work and Conclusions**

- 8.1 No further work required.

#### **9.0 Financial Implications**

- 9.1 There are no financial implications.



## **10.0 Legal Implications**

- 10.1 Article 11(2) of the Town and Country Planning Development Management Procedure Order provides that local planning authorities are not obliged to validate a planning application until the documents in the authority's local list of validation requirements have been submitted. However this only applies where the local list has been published or republished within the two years before the date of submission of the application. The effect of this is that the local list of application documents is only binding on applicants if it is republished at least every two years.

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

- 11.1 No Implications

## **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 No Implications

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

- 14.1 No implications

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Policy	Trigger	Additional information required for Validation
Housing		
A2 Houses in Multiple Occupation	All applications proposing HMO's	<p>HMO statement detailing application of policy</p> <p>In addition to the standard information, you will need to provide when making a planning application, you will also need to include:</p> <p>A scaled plan showing the 100m radius and a list of all the property addresses within the radius. The plan should also identify those properties that are HMOs.</p> <p>The calculation of the percentage of HMOs within the 100m radius showing the existing percentage and the proposed percentage with the application site included.</p> <p>The internal measurements floor area for each room (bedrooms and communal spaces) indicating what each room will be used for.</p> <p>A statement detailing how the scheme meets NDSS.</p> <p>For bedrooms, indicate if they are a single or a double and how many people will occupy each room. Also indicate any areas of reduced ceiling height.</p> <p>External layout plans showing the location, size and design of the:</p> <p>Waste storage area for waste bins and recycling receptacles.</p> <p>Outdoor amenity space.</p> <p>Areas for drying clothes.</p> <p>Covered and secure bicycle parking and storage at one space per bedroom.</p> <p>Car parking (if on site).</p> <p>Improvements to the natural environment.</p>
A3 Estate Regeneration	Applications proposing estate regeneration	<p>Masterplan</p> <p>Housing stock conditions survey</p> <p>Socio-economic justification and alternative options paper</p> <p>Asset audit – built, natural, community</p> <p>Community consultation strategy</p> <p>Details of housing mix, tenure, rehousing strategy</p> <p>Phasing plan</p>

A4 Student accommodation	All applications for student accommodation	Details of formal agreement with further education establishment Details of identified need
A5 Specialist accommodation	All applications proposing specialist accommodation	Details of evidenced need
A6 Accessible and adaptable homes	All applications for 4 or more dwellings	Annotated floor plans
A7 Self build and custom build homes	All applications proposing 20 or more houses	Plan identifying serviced plot location Marketing plan/ report
Healthy communities		
C1 Active design and accessibility	For major development	Active Design and accessibility section in DAS required
C4 Hot food takeaway	All applications proposing a hot food takeaway including change of use.	Plan showing location of secondary schools and colleges in proximity of site.
C5 Air quality	All applications within an AQMA	Existing planting and proposed planting plans.
C6 Cordon sanitaire – Netheridge Sewage Treatment works	All applications within the Cordon Sanitaire	Odour assessment For residential or sensitive uses – comprehensive detailed odour dispersion modelling.
C7 Fall prevention from taller buildings	For buildings or structures above 12m in height	Suicide prevention mitigation strategy
C8 Changing Places Toilets		Full specifications of the Changing Places Toilet and completed checklist.
Natural Environment		
E1 Biodiversity and geodiversity	Minor and major to provide statement demonstrating a net gain.	Biodiversity Statement

E2 Nature Recovery Area	As above (E1)	
E3 Green/Blue Infrastructure	As above (E1)	
E7 Trees, woodlands and hedgerows	For development impacting on trees	Tree protection plan Tree survey and arb method statement
Design		
F1 Materials and finishes	For major applications	Section in DAS required demonstrating compliance with policy
F2 Landscape and planting	For major applications	Plan indicating spaces proposed for adoption and details of maintenance and adoption.  Hard landscaping schemes to conform with Public Realm Strategy.
F6 Nationally Described Space Standards	For proposals for any new dwellings	NDSS compliance statement indicating internal floor space of each property and storage and a list of which do and do not meet NDSS
Sustainable living, transport and infrastructure		
4.7.6 In order to address the climate emergency, and in compliance with JCS Policy SD3 Sustainable Design and Construction, all applications for new buildings will be expected to demonstrate that all reasonable techniques have been utilised to adapt to and	For Major development	Energy statement

mitigate the effects of climate change.		
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**Addition requirements in respect of all plans and drawings for all applications**

All plans and drawings to indicate/annotate; key dimensions (in metric) e.g. width, height and length; and to a recognised metric scale.

A scale bar must be included on all drawings.

17<sup>th</sup> October 2023