

Public Document Pack



Tuesday, 18 May 2021

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COUNCIL

You are summoned to attend the Annual General Meeting of the Full Council to be held at Cirencester Baptist Church, Chesterton Lane, Cirencester, GL7 1YE on **Wednesday, 26 May 2021 at 2.00 pm.**

Rob Weaver
Chief Executive

To: All Members of the Council

The meeting will be streamed on the Council's Facebook page and can be viewed at the following link – <https://www.facebook.com/CotswoldDC>

Recording of Proceedings – The law allows the public proceedings of Council, Cabinet, and Committee Meetings to be recorded, which includes filming as well as audio-recording. Photography is also permitted.

As a matter of courtesy, if you intend to record any part of the proceedings please let the Committee Administrator know prior to the date of the meeting.

AGENDA

1. **Apologies**

2. **Declarations of Interest**

To receive any declarations of interest from Members and Officers, relating to items to be considered at the meeting.

3. **Election of Chair of the Council**

To elect the Chair of the Council for the 2021-22 civic year.

Following the election, the Chair will make the Declaration of Acceptance of Office and address the Council.

4. **Election of Vice-Chair of the Council**

To elect the Vice-Chair of the Council for the 2021-22 civic year.

Following the election, the Vice-Chair will make the Declaration of Acceptance of Office and address the Council.

5. **Announcements from the Chair, Leader, Chief Executive**

6. **Record of Attendances and Decisions of the Leader and Individual Cabinet Members 5 - 8**

- (i) To receive the record of attendance for the 2020-21 civic year.
- (ii) Decisions by the Leader and Individual Cabinet Members.

7. **Appointment of Cabinet**

In accordance with the Constitution, to receive the appointments made by the Leader of the Council in respect of Cabinet Members for 2021/22.

8. **Political Composition of the Council and Formation of Political Groups 9 - 12**

The Chief Executive to present the report setting out notifications received under Regulation 8 of the Local Government (Committees and Political Groups), Regulations 1990.

9. **Appointment of Committees 13 - 16**

To consider the report and allocate committee seats to political groups and determine appointments to committees.

Please note that the Council may be asked under this item to approve alternative arrangements to strict political proportionality for appointments to committees and other bodies in accordance with Regulation 20 of the Local Government (Committee and Political Groups) Regulations 1990.

10. **Appointment to the Independent Remuneration Panel 17 - 20**

The Chief Executive to present the report regarding the appointment of an Independent Remuneration Panel Member.

11. **Appointment of the Interim Monitoring Officer 21 - 24**

The Chief Executive to present the report regarding the temporary appointment of the

Interim Monitoring Officer.

12. **Funding & Contract changes to support BEIS public sector decarbonisation scheme 25 - 30**
Councillor Rachel Coxcoon, Cabinet Member for Cabinet Member for Climate Change and Forward Planning to present the report.
13. **Next meeting - 14 July 2021, 6.00pm**

(END)

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Agenda Item 6

COTSWOLD DISTRICT COUNCIL RECORD OF ATTENDANCE JUNE 2020 – MAY 2021

MEMBER	TOTAL CTTE	TOTAL SUB-CTTE	ATTEND AS SUB	ATTEND AS OBSERVER	APOLOGIES	SUBSTITUTE APPOINTED	OTHERWISE ABSENT
Stephen Andrews	19	-	4	11	-	-	-
Mark Annett	6	-	-	-	3	-	-
Julian Beale*	8	-	1	4	1	-	-
Tony Berry	13	-	1	4	1	-	-
Gina Blomefield	13	-	-	4	1	-	-
Claire Bloomer	12	-	1	-	2	1	-
Ray Brassington	21	2	2	2	1	-	-
Patrick Coleman	28	1	-	9	1	-	-
Rachel Coxcoon	17	-	-	1	3	-	-
David Cunningham*	-	-	-	-	-	-	-
Tony Dale	19	-	-	1	1	-	-
Andrew Doherty	20	-	-	-	-	-	-
Mike Evemy	20	-	-	6	-	-	-
Jenny Forde	20	-	-	3	-	-	-
Joe Harris	18	-	1	1	1	-	-
Mark Harris	11	-	-	-	2	-	-
Stephen Hirst	20	3	1	1	2	2	-
Robin Hughes	8	-	2	1	2	-	-
Roly Hughes	11	-	1	1	5	2	-
Nikki Ind	20	-	-	11	1	1	-
Sue Jepson	20	1	-	1	1	1	-
Julia Judd	19	1	-	1	2	2	-
Richard Keeling	21	2	-	1	1	1	-

MEMBER	TOTAL CTTE	TOTAL SUB-CTTE	ATTEND AS SUB	ATTEND AS OBSERVER	APOLOGIES	SUBSTITUTE APPOINTED	OTHERWISE ABSENT
Juliet Layton	20	1	-	1	1	1	-
Andrew Maclean	10	-	1	2	2	-	-
Nick Maunder	14	-	-	3	-	-	-
Richard Morgan	9	-	-	4	-	-	-
Dilys Neill	25	2	-	1	2	2	-
Richard Norris	14	-	-	-	-	-	-
Nigel Robbins	9	-	-	1	-	-	-
Gary Selwyn	27	3	1	6	-	-	-
Lisa Spivey	20	-	-	2	-	-	-
Ray Theodoulou	17	-	-	-	1	1	-
Steve Trotter	9	-	3	5	-	-	-
Clive Webster	30	-	-	1	2	-	-

NOTES

1. **'Total Committees'** includes attendance at Meetings of the Council, the Cabinet and the Planning and Licensing, Audit and Overview and Scrutiny Committees.
2. **'Total Sub-Committees'** includes attendances at Meetings of the Licensing Sub-Committees.
3. Councillor Beale resigned on 19 March 2021.
4. Councillor Cunningham was elected on 6 May 2021.

(END)

COTSWOLD DISTRICT COUNCIL


DECISION-MAKING MEETINGS BY THE LEADER OF THE COUNCIL AND
INDIVIDUAL CABINET MEMBERS

JUNE 2020 - MAY 2021

LEADER/ CABINET MEMBER	NO. OF MEETINGS HELD
Leader	2
Deputy Leader and Finance	12
Climate Change and Forward Planning	2
Economy and Skills	1
Environment, Waste and Recycling	1
Health and Wellbeing	1
Housing and Homelessness	1
Planning Department, Town and Parish Councils	7

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 COTSWOLD DISTRICT COUNCIL	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	ANNUAL COUNCIL – 26 MAY 2021
Report Number	AGENDA ITEM 8
Subject	POLITICAL COMPOSITION OF THE COUNCIL AND FORMATION OF POLITICAL GROUPS
Wards affected	ALL
Accountable member	Council
Accountable officer	Robert Weaver, Chief Executive Officer Tel: 01285 623607 Email: robert.weaver@cotswold.gov.uk
Summary/Purpose	To advise the Council of the notifications received under Regulation 8 of the Local Government (Committees and Political Groups) Regulations 1990 giving the composition of political groups.
Annexes	Annex A - Group schedule 2021
Recommendation/s	Full Council is asked to note the report
Corporate priorities	All
Key Decision	No
Exempt	No
Consultees/ Consultation	N/A

1. MAIN POINTS

- 1.1. This report provides Council with information of all notifications received in accordance with Regulation 8 of the Local Government (Committees and Political Groups) Regulations 1990 giving the composition of political groups.

2. FINANCIAL IMPLICATIONS

- 2.1. None

3. LEGAL IMPLICATIONS

- 3.1. None

4. RISK ASSESSMENT

- 4.1. Not required

5. EQUALITIES IMPACT

- 5.1. Not required

6. ECOLOGICAL AND CLIMATE EMERGENCY IMPLICATIONS

- 6.1. Not required

7. ALTERNATIVE OPTIONS

- 7.1. None

8. BACKGROUND PAPERS

There are no relevant background papers

Annex A
Political composition of Cotswold District Council – May 2021

Liberal Democrat Group – 18 members	Ward
Claire Bloomer	New Mills
Ray Brassington	Four Acres
Patrick Coleman	Stratton
Rachel Coxcoon	Moreton East
Tony Dale	Northleach
Andrew Doherty	Fairford North
Mike Every	Siddington and Cerney Rural
Jenny Forde	Chedworth and Churn Valley
Joe Harris	St Michael's
Mark Harris	Abbey
Roly Hughes	Chesterton
Juliet Layton	South Cerney Village
Nick Maunder	Bourton Village
Dilys Neill	Stow
Nigel Robbins	The Beeches
Gary Selwyn	Watermoor
Lisa Spivey	The Ampneys and Hampton
Clive Webster	Moreton East


Conservative Group – 14 members	Ward
Stephen Andrews	Lechlade, Kempsford and Fairford South
Mark Annett	Campden and Vale
Tony Berry	Kemble
Gina Blomefield	Campden and Vale
David Cunningham	Fosseridge
Stephen Hirst	Tetbury Town
Robin Hughes	Sandywell
Sue Jepson	Blockley
Julia Judd	Ermin
Richard Keeling	Bourton Vale
Richard Morgan	Grumbolds Ash with Avening
Richard Norris	Tetbury with Upton
Ray Theodoulou	Coln Valley
Steve Trotter	Lechlade, Kempsford and Fairford South

The Council also consists of 1 Green and 1 Independent member. In accordance with the Local Government (Committees and Political Groups) Regulations 1990 these do not constitute a political group, however the Constitution makes provision for them to receive one Committee seat each.

Green – 1 member	Ward
Andrew Maclean	The Rissingtons

Independent – 1 member	Ward
Nikki Ind	Tetbury East and Rural

Political Composition
Liberal Democrat – 18 members
Conservative – 14 members
Green – 1 member
Independent – 1 member
Total – 34 members

 COTSWOLD DISTRICT COUNCIL	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	ANNUAL COUNCIL - 26 MAY 2021
Report Number	AGENDA ITEM 9
Subject	APPOINTMENT OF COMMITTEES
Wards affected	ALL
Accountable member	Council
Accountable officer	Robert Weaver, Chief Executive Tel: 01285 623607 Email: robert.weaver@cotswold.gov.uk
Summary/Purpose	<p>This Report sets out those matters reserved to Council at its Annual Meeting:</p> <ul style="list-style-type: none"> • To establish the allocation of seats to political groups based on proportionality and to agree arrangements for making the necessary adjustments to proportionality based on appointments to individual Committees. • To make appointments to Committees for the Civic Year 2021/22. • To make appointments to the positions of Chair and Vice Chair of Committees for the Civic Year 2021/22
Annexes	Annex A - Details of the Committees for which appointments are to be made. An updated Annex A setting out the nominations from the Group Leaders will be emailed to Members before meeting.
Recommendation/s	<p><i>Full Council is recommended to:</i></p> <p><i>a) Determine that, in accordance with Section 15 of the Local Government and Housing Act 1989 ("the Act"), the Council shall continue to apply the political balance provisions under the Act;</i></p> <p><i>b) Appoint Councillors to serve on the Council's Committees as set out in Annex A for a term of office expiring at the next Annual Meeting of the Council;</i></p> <p><i>c) Appoint Chair and Vice-Chair for the Council's Committees for the Civic Year, 2021/22 by asking members of each committee to elect their Chair and Vice-Chair.</i></p>
Corporate priorities	All
Key Decision	No
Exempt	No
Consultees/ Consultation	N/A

I. BACKGROUND

- I.1.** The Act requires the Council to allocate Committee seats to political groups in proportion, as far as is reasonably practicable to the size of those groups on the Council and that the Council review that allocation each year at the Annual Meeting. The requirement is for representation to be proportional on each Committee and across the relevant Committees taken as a whole, subject to Section 15 (5) (b) of the Act which provides that where the majority of seats on the Council are held by one political group, that group shall have a majority on all bodies to which appointments are made.
- I.2.** Membership of political groups of the Council will be reported to the Annual Meeting elsewhere on the Agenda. This will then inform the proportionality calculation for each Committee.
- I.3.** Under the Council's political groups scheme, if the Council is unable to make appointments or matters change during the year the Chief Executive is authorised to consult with the group leaders and following that consultation to adjust the number and allocation of seats to each group to give effect to the rules on proportionality and to make appointments as necessary, in accordance with the nominations of the group leaders.
- I.4.** It is open to the Council or a Committee or other relevant council body carrying out a review, to adopt some other arrangement and allocate seats on a different basis other than that prescribed by the Act. Notice of such a proposal must be given in the council summons, and a decision would have to be made without any member voting against the arrangement. This is known as a nem con vote by the Council. Abstentions from voting do not invalidate the nem con vote. Notice has been given on the Agenda so that Council is not denied that opportunity.
- I.5.** Committee membership is for one year with the appointments made at the Annual Meeting.
- I.6.** Members who serve on the Cabinet cannot serve on the Overview and Scrutiny Committee
- I.7.** Under the Constitution, Members cannot serve on the Planning or Licensing Committee unless they have received training.

2. MAIN POINTS

- 2.1.** Under Section 15 of the Act, the Council must review the representation of the different political groups on Committees and other relevant Council bodies at the Annual Council Meeting or as soon as practicable after that meeting. The statutory provisions have been added to by the Local Government (Committees and Political Groups) Regulations 1990 as amended in 1991.
- 2.2.** The Constitution requires the Annual Meeting of Council to appoint Councillors to serve on the Council's Committees and other Council bodies for the civic year 2021/22.
- 2.3.** It is for each Committee to elect its Chair and Vice-Chair. However, it is the custom and practice of the Council for this to be done at the Annual Meeting by inviting the newly elected Committee to call for nominations so that a vote can be taken.

3. FINANCIAL IMPLICATIONS

- 3.1.** None

4. LEGAL IMPLICATIONS

4.1. As detailed in the report

5. RISK ASSESSMENT

5.1. An effective Committee structure and decision making process is central to the success of the Council's improvement programme. There is a risk that if appointments are not made this could result in a delay in decision making for the Council.

6. EQUALITIES IMPACT

6.1. An equalities impact assessment is not required

7. ECOLOGICAL AND CLIMATE EMERGENCY IMPLICATIONS

7.1. None

8. ALTERNATIVE OPTIONS

8.1. None

9. BACKGROUND PAPERS

9.1. There are no relevant background documents

(END)

Annex A Committee Appointments

Planning and Licensing Committee (11 seats)

Chair:

Vice-Chair:

Liberal Democrats (6 seats)	Conservatives (4 seats)	Green Party (0 seats)	Independent (1 seat)

Overview and Scrutiny Committee (10 seats)

Chair:

Vice-Chair:


Liberal Democrats (4 seats)	Conservatives (5 seats)	Green Party (1 seat)	Independent (0 seats)

Audit Committee (7 seats)

Chair:

Vice-Chair:

Liberal Democrats (4 seats)	Conservatives (3 seats)	Green Party (0 seats)	Independent (0 seats)

 COTSWOLD DISTRICT COUNCIL	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	ANNUAL COUNCIL - 26 MAY 2021
Report Number	AGENDA ITEM 10
Subject	APPOINTMENT TO THE INDEPENDENT REMUNERATION PANEL
Wards affected	None
Accountable member	Cllr Joe Harris, Leader Email: joe.harris@cotswold.gov.uk
Accountable officer	Monitoring Officer
Summary/Purpose	To appoint a person to be a member of the Independent Remuneration Panel and ask the Panel to carry out a review of councillor allowances
Annexes	None
Recommendation/s	<i>It is recommended that Council:</i> <ul style="list-style-type: none"> <i>a) Appoints Mr Richard Blamey as the third member of the Independent Remuneration Panel with immediate effect;</i> <i>b) Ask the Independent Remuneration Panel to carry out a review of councillor allowances and bring a report back to Council by September;</i> <i>c) Authorises a one off payment of £250 to be paid to all members of the Independent Remuneration Panel.</i>
Corporate priorities	N/A
Key Decision	NO
Exempt	NO
Consultees/ Consultation	None

I. INTRODUCTION

- I.1 The Council is required, under the Local Authorities (Members' Allowances) (England) Regulations 2003 and the Local Authorities (Members' Allowances) (England) (Amendment) Regulations 2003 to appoint an Independent Remuneration Panel (IRP) to make recommendations to the Council on a Scheme of Members' Allowances for Adoption.
- I.2 The appointment and purpose of the Panel is to review the Members' Allowances Scheme ([here](#)) and make recommendations to Council about the allowances to be paid to elected councillors. The Council must have regard to the recommendations of the IRP when making or amending its Scheme.
- I.3 Public perception of the independence of the IRP and the robustness of the review process is important. The Regulations require that the Panel shall consist of at least three members, none of whom is formally connected with the Council. It is also essential for the Council to ensure the Panel remains representative and in touch with the issues and challenges face by those making decisions.
- I.4 The members of the Panel are:
- Mrs Jane Winstanley, M.B.E. - retired, independent Chair - who has served on the Panel since its original inception;
- Mr Michael Paget-Wilkes - the independent person who assists the Monitoring Officer in the consideration of Code of Conduct complaints relating to district/parish/town councillors;
- Mr Simon Harper - Head of Democratic Services, Gloucestershire County Council -who also served on the Panel since its original inception.
- I.5 Unfortunately, Mr Harper has had to stand down and therefore, the Council must appoint a third member to the IRP Panel.
- I.6 Mr Richard Blamey is the chair of both Gloucestershire County Council and Tewkesbury BC IRPs and has been carrying out this role for six years. He is prepared to be a member of the Cotswold District Council IRP. Mr Blamey has a great deal of knowledge of members' allowances and regularly attends meetings of the South West IRP Chairs' Network.
- I.7 The current scheme of allowances was agreed by Council in May 2019. The report, appendices and minutes can be accessed [here](#). The IRP made the following recommendations in relation to the basic allowance:-

*“(a) for 2018/19 - £4,500 per annum per councillor (backdated to 1/4/18);
 (b) for 2019/20 - a minimum of £5,000 per annum per councillor (although the Panel believes that an increase to £5,500 could be justified);
 (c) for 2020/21, 2021/22,2022/23 - the Basic Allowance to be increased annually in line with an agreed measure - CPI or staff pay awards”*

- 1.8 It is usual to review the Members Allowance Scheme from time to time to ensure that it reflects current practice and that the levels are appropriate. For example, Stroud District Council has recently reviewed the ICT allowance and increased it from £390 (set in 2010) to £702 to reflect the increased cost of IT.
- 1.9 Subject to Council approval, the Panel will be able to commence its work immediately and will consider the inclusion and level of the following different types of allowances:
- Basic (to be paid to all councillors)
 - Special responsibility
 - Dependents’ carers
 - Travelling and subsistence
 - Parental leave
 - ICT allowance
- 1.10 The panel will provide an opportunity for Councillors and other interested persons to make representations either in person or in writing. It will then prepare a report of its findings and recommendations to Council and the individual appointed as Chair of the Panel will be requested to present the proposals.
- 1.11 The Council will determine the types and amounts of allowances to be paid but the IRP will provide advice on those matters to which the Council must have due regard before making a decision.
- 1.12 In recognition of the time commitment by members of the Panel, it is recommended that a payment of £250 be paid to each Panel member on a one off basis.

2. FINANCIAL IMPLICATIONS

- 2.1 It is proposed to make a one off payment of £250 per person to each member of the Panel, which would mean a total of £750. Any implications arising from future IRP recommendations regarding member’s allowances would be set out in a future report to Council.

3. LEGAL IMPLICATIONS

- 3.1 All legal implications are set out in the body of the report

4. RISK ASSESSMENT

- 4.1 There are no risks arising from the recommendations made in this report

5. EQUALITIES IMPACT (IF REQUIRED)

- 5.1 There are no equality implications arising from the recommendations made in this report

6. ALTERNATIVE OPTIONS

- 6.1 No alternative options have been considered. The Council must have regard to the recommendations of an Independent Remuneration Panel when considering member allowances.

7. BACKGROUND PAPERS

- 7.1 None.

(END)

 COTSWOLD DISTRICT COUNCIL	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	ANNUAL COUNCIL - 26 MAY 2021
Report Number	AGENDA ITEM 11
Subject	APPOINTMENT OF THE INTERIM MONITORING OFFICER
Wards affected	ALL
Accountable member(s)	Cllr Joe Harris - Leader of the Council Email: joe.harris@cotswold.gov.uk
Accountable officer(s)	Robert Weaver, Chief Executive Officer Tel: 01285 623607 Email: robert.weaver@cotswold.gov.uk
Summary/Purpose	This report invites the Council to appoint an interim Monitoring Officer in accordance with statutory requirements.
Annexes	None
Recommendation/s	<i>That in accordance with Section 5 of the Local Government and Housing Act 1989, the Council is asked to confirm that appointment of Angela Claridge, as the Council's interim Monitoring Officer until such time a permanent appointment has been made.</i>
Corporate priorities	All
Key Decision	No
Exempt	No
Consultees/ Consultation	

1. BACKGROUND

- 1.1 The Local Government and Housing Act 1989, places a duty on all local authorities to employ officers in certain key roles. For District Councils they are the Head of Paid Service/Chief Executive Officer, the Chief Finance Officer (S151 Officer) and the Monitoring Officer.

2. MAIN POINTS

- 2.1. Patrick Arran, the Council's outgoing Monitoring Officer is now departing from Cotswold District Council and Full Council is asked to approve a replacement so the Council is not without a Monitoring Officer.
- 2.2. The Chief Executive is currently considering the Council's senior management structure, in light of the needs of delivering the 2019 Corporate Plan. In the intervening time, it is recommended that Angela Claridge is appointed as the Council's interim Monitoring Officer on a part-time basis.
- 2.3. Angela Claridge has extensive experience at a senior level, most recently as the Service Director for Legal & HR, and Monitoring Officer for a unitary authority, and was selected in conjunction with our recruitment partners Penna, through a competitive two-stage interview process.

3. FINANCIAL IMPLICATIONS

- 3.1. The cost of the interim Monitoring Officer post is higher than the 2021/22 employee budget for the Monitoring Officer. The additional cost will be funded through the application of a contingency budget for employee costs (£22,439) which is available within the 2021/22 budget. This will enable the Chief Executive to complete his review of the Council's senior management structure. The financial impact of the proposed senior management structure will be reported later in the financial year.

4. LEGAL IMPLICATIONS

- 4.1. Under Section 5 of the Local Government & Housing Act 1989 (as amended) the Council has a duty to appoint a Monitoring Officer. Neither the Head of Paid Service nor the Chief Finance Officer can hold the position of Monitoring Officer. The Monitoring Officer has a number of statutory duties and responsibilities relating to the arrangements for effective governance ensuring that no decision or omission of the Council is likely to give rise to illegality or maladministration, and promoting high standards of conduct.

5. RISK ASSESSMENT

- 5.1. The key risk associated with the recommendation is non-compliance with the relevant legislation in regards to the Council's duty to have appointed to key roles. However, this can be mitigated through the appointment of an interim Monitoring Officer.

6. EQUALITIES IMPACT

6.1. An equalities impact assessment is not required.

7. ECOLOGICAL AND CLIMATE EMERGENCY IMPLICATIONS

7.1. Not applicable.

8. ALTERNATIVE OPTIONS


8.1. As referenced above, the council has an obligation to appoint a Monitoring Officer.

9. BACKGROUND PAPERS

9.1. None.

(END)

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 COTSWOLD DISTRICT COUNCIL	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	ANNUAL COUNCIL - 26 MAY 2021
Report Number	AGENDA ITEM 12
Subject	FUNDING & CONTRACT CHANGES TO SUPPORT BEIS PUBLIC SECTOR DECARBONISATION SCHEME
Wards affected	ALL
	Accountable member Cllr Coxcoon - Cabinet Member for Climate Change and Forward Planning Email: rachel.coxcoon@cotswold.gov.uk
Accountable officer	Chris Crookall-Fallon, Head of Climate Action Email: chris.crookall-fallon@publicagroup.uk
Summary/Purpose	To seek contingency funding to support the installation of carbon reduction measures in the Council's buildings as part of the BEIS decarbonisation scheme and to seek delegated authority to negotiate a contract variation with the Council's leisure provider, SLM, to ensure requirements of grant funding are met.
Annexes	None
Recommendation/s	<p>That Council;</p> <ul style="list-style-type: none"> a) The Council proceeds with the planned decarbonisation installation noting the financial risks surrounding withdrawal of funding should delivery fail to meet the grant funding completion deadline. b) Allocates a contingency sum of £120,000 (12.5% of works capital costs) to support delivery and avoid unnecessary delays if costs exceed initial estimates and grant funding provided. Any expenditure of this contingency to be agreed by the Deputy Chief Executive/Chief Finance Officer in consultation with the Cabinet Member for Finance. c) That £120,000 is reallocated in the Capital Programme from the £980,000 available for "Acquisition of a Strategic site at Moreton-in-the-Marsh" to the contingency for the decarbonisation scheme. d) Notes that a variation to the SLM leisure services contract is necessary to enable utility costs to be paid by the Council and agrees that management fees payable to the Council are adjusted accordingly,
Corporate priorities	Respond to the climate crisis; Support health and wellbeing
Key Decision	YES
Exempt	NO

Consultees/ Consultation	No public consultees, but analysis of the energy and carbon saving opportunity, and capex of the recommended measures, was estimated by an independent expert consultant.
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I. BACKGROUND

- 1.1. The Public Sector Decarbonisation Scheme (PSDS) is a £1bn (initial allocation) capital investment scheme operated through the Government Department for Business, Energy and Industrial Strategy (BEIS). The aim of the scheme is to invest (as grant) in the public sector estate to substantially reduce energy use and carbon emissions, reduce running costs, and contribute to the growth in capacity and skills for installation of carbon reduction measures across the economy.
- 1.2. On March 1st Cabinet noted that the Council's bid for funding had been successful and agreed to progress with the installation of carbon reduction measures in Cirencester and Bourton on the Water leisure centres together with the Moreton Area Centre.
- 1.3. The grant offer of £1.237m requires a number of criteria to be satisfied including;
 - Completion of works by 30th September 2021
 - Financial benefits from any measures installed to be received by the Council.
- 1.4. On 13th May 2021 Cabinet agreed to a series of delegations to enable swift progression with this project to meet the criteria in 1.3 above. Council are now asked to agree the continued delivery of this carbon reduction scheme, noting the risks and to allocate contingency funding for capital works. Delegation is also sought to enable a variation to the leisure services contract with SLM, an explanation of which is contained within this report.

2. Project delivery

- 2.1. The timeline is extremely challenging particularly as contractors need to be procured and some specialist equipment has a substantial lead time from placement of orders to delivery which may impact on the Council's ability to meet completion deadlines.
- 2.2. The Council filed its first monthly return to Salix, the grant administering body, in April highlighting a commitment to work towards completion by the end of September but highlighting concerns regarding potential delays which may be beyond the Council's control.
- 2.3. In order to complete this project, the works identified initially through the feasibility study need to be checked to ensure they are technically viable, particularly in light of building structures and the desire to provide the best carbon option. Contractors then need to be appointed and orders placed for specialist plant and equipment. Installations then need to take place. Regard needs to be given to disruption of leisure centre services i.e. pool hall closure, to facilitate installations and therefore avoidance of peak times i.e. swimming lessons or school summer holiday activities. There is no scope within the tight project timescales to carry out an open tender process for the appointment of contractors and therefore despite the relatively high value of works (approx. £1M), appointment will need to be done via a Framework which is not an unusual approach. Initially the detailed technical feasibility and building works stages would have been tendered separately but a Framework has now been identified which enables both elements to be completed by one

contractor. This streamlines the process and should reduce time taken and cost but it has brought forward the timeline for appointing a works contractor and therefore Cabinet agreed to delegate the decision on contract award.

- 2.4 The grant of £1.237M includes an allowance of 15 - 18% for project management or other related consultant costs required to deliver the project. A delegation is sought to allow award of all elements of required project management and the allocation of grant funding to pay for these services. Perfect Circle were appointed to commence project management support in March via a framework with appointment confirmed via a waiver. Perfect Circle is a consultancy consortium and their consultants Pick Everard are supporting the Council on this project. They would continue to manage the process through to completion.

Leisure Contract variation

- 2.5 It is proposed that a variation is agreed with SLM which transfers responsibility for payment of utility bills to the Council and that as a result of this an adjustment is made to the management fee. The ambition of this contract variation is that the BEIS funding requirements are met but that the financial position remains neutral, so that SLM neither incur additional cost nor profit, as a result of the change. The original feasibility study indicated that if all measures were installed an annual revenue saving of £43,200 could be achieved, however this will be dependent on utility provider costs, which is highlighted in the risk section.
- 2.6 The current Leisure contract will either be extended (option for extension of up to three years subject to conditions and agreement) or a new contract put in place in July 2023, following a tender process, which provides the opportunity to review and make changes to how utility costs are managed within the contract.

3. FINANCIAL IMPLICATIONS

- 3.1. The funding bid was based on a feasibility study commissioned from Inspired Efficiency however further consideration of the viability of certain measures particularly in light of structural and design constraints mean that there will be some alteration to the works agreed, in consultation with Salix. There is a risk that due to redesign, alternative measures or market prices tendered costs for the installations exceed the grant funding allocated. A contingency sum of 7.5% was included in the bid for design and engineering costs, project management and capital works. Due to the delivery timeframes involved there will not be time to report back to Cabinet/Council once actual costs are known to seek approval at that stage if contingencies required exceed 7.5%. The Capital works to install plant and equipment provide the biggest unknown until tenders are received. Therefore agreement is sought for a contingency sum which equates to 12.5% of capital works (calculated as £118,670), providing a total of 20%. It is hoped that the project will still be delivered within the grant budget allocated.
- 3.2 The funding covers capital costs of installation and project management support only. There is no provision for ongoing revenue costs. There will be some ongoing revenue costs associated with the repair and maintenance of specialist plant and equipment such as solar panels, pool hall air handling units and air/ground source heat pumps. Costs for these services will be obtained but at its meeting on 13th May 2021 Cabinet noted the revenue implications and agreed to consider them as part of the update to the MTFS.

4. LEGAL IMPLICATIONS

- 4.1. The Memorandum of Understanding (MoU) and the Grant Agreement are not legally binding and no legal obligations or rights shall arise between the Secretary of State, Salix, and the Recipient from the provisions of either the MoU or the Agreement. The parties entering into the MoU and the Agreement should however intend to honour all of their obligations.
- 4.2. Failure to adhere to the conditions does give the Secretary of State the right to withhold, reduce or reclaim the grant.
- 4.3. The Council cannot publish (for promotional purposes) any material referring to the Project without the prior written agreement of the Secretary of State or Salix, and the funding body must be fully acknowledged in any such communications.

5. RISK ASSESSMENT

- 5.1. From the point at which the Council appointed consultants to support this project costs were incurred. There is a risk that this project reaches an advanced stage including full installation but breaches grant conditions and therefore the grant is reclaimed. This risk is mitigated by early stage project planning to map out the delivery timelines for the project and dialogue with Salix on this matter. It appears it may not be possible to get agreement in advance to delays however it seems unlikely that BEIS would seek to reclaim funding if good progress can be demonstrated. Until any delays are agreed there will remain a financial risk to the Council of full project costs. This should be considered against the reduction in carbon emissions that will be achieved and the potential revenue return from reduced utility costs (see sections 6.1, 2.5 and 5.2).
- 5.2. The terms of the current Leisure Contract between the Council and SLM provide for utility bills to be paid by SLM and a fixed Management fee to be paid to the Council. Once decarbonisation measures are installed they should reduce the demand for gas and electricity and therefore reduce costs. SLM currently have a favourable contract for utility costs as part of their national leisure services provision, so if the Council takes responsibility for utilities back there is a risk that the Council cannot negotiate services from a utility provider that match the tariffs SLM have and as a result utility costs actually increase. Every effort will be made to manage this risk however this decarbonisation work is primarily driven by the Climate Emergency priority, not achieving cost savings.
- 5.3. There is a risk linked to risk 5.2 above that SLM fails to manage utility usage effectively in leisure centres if minimising usage is not financially driven, however SLM have a strong commitment to the Climate Agenda and the Council is therefore confident they will continue to drive down utility usage.
- 5.4. Failure to effectively maintain and repair plant and equipment could result in breakdowns or systems such as solar PV not operating at an optimum. Funding does therefore need to be allocated to ensure suitably qualified and experienced specialist engineers can carry out routine maintenance and reactive repairs. This will be considered as part of the 2022/23 budget setting process along with savings from reduced energy consumption.
- 5.5. There is a risk due to design, engineering or structural constraints that not all works included in the initial feasibility study are viable. If this is the case suitable alternatives will be explored but there remains a risk that some elements need to be removed from the project.

6. CLIMATE CHANGE IMPLICATIONS

- 6.1. Carrying out these works will save around 10% of the Council's annual CO2 emissions, and provide a very visible public-facing story for evidencing the Council's progress on tackling the climate emergency, in line with the Climate Emergency Strategy adopted in September 2020.

7. ALTERNATIVE OPTIONS

- 7.1. The Council could decide not to proceed with installations based on the risks outlined however this will impact on the Council's ability to deliver its Climate Emergency priority.

8. BACKGROUND PAPERS

- 8.1. None
- (END)

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