

Public Document Pack



COTSWOLD
District Council

Wednesday, 27 May 2026

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CABINET

A meeting of the Cabinet will be held in the Council Chamber - Council Offices, Trinity Road, Cirencester, GL7 1PX on **Thursday, 4 June 2026 at 6.00 pm.**

A handwritten signature in cursive script that reads 'Jane Portman'.

Jane Portman
Chief Executive

To: Members of the Cabinet
(Councillors Mike Every, Juliet Layton, Patrick Coleman, Tony Dale, Paul Evans, Mike McKeown, Andrea Pellegram and Tristan Wilkinson)

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.

Cotswold District Council, Trinity Road, Cirencester, Gloucestershire, GL7 1PX
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AGENDA

1. **Apologies**
To receive any apologies for absence. The quorum for Cabinet is 3 members.
2. **Declarations of Interest**
To receive any declarations of interest from Members relating to items to be considered at the meeting.
3. **Minutes** (Pages 7 - 24)
To approve the minutes of the previous meeting of Cabinet held on 16 April 2026.
4. **Leader's Announcements**
To receive any announcements from the Leader of the Council.
5. **Public Questions**
To deal with questions from the public within the open forum question and answer session of fifteen minutes in total. Questions from each member of the public should be no longer than one minute each and relate to issues under the Cabinet's remit. At any one meeting no person may submit more than two questions and no more than two such questions may be asked on behalf of one organisation.

The Leader will ask whether any members of the public present at the meeting wish to ask a question and will decide on the order of questioners.

The response may take the form of:

- a) a direct oral answer;
- b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

6. **Member Questions**
No Member Questions have been submitted prior to the publication of the agenda.

A Member of the Council may ask the Leader or a Cabinet Member a question on any matter in relation to which the Council has powers or duties or which affects the Cotswold District. A maximum period of fifteen minutes shall be allowed at any such meeting for Member questions.

A Member may only ask a question if:

- a) the question has been delivered in writing or by electronic mail to the Chief Executive no later than 5.00 p.m. on the working day before the day of the meeting; or
- b) the question relates to an urgent matter, they have the consent of the Leader to whom the question is to be put and the content of the question is given to the Chief Executive by 9.30 a.m. on the day of the meeting.

An answer may take the form of:

- a) a direct oral answer;
- b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

7. **Schedule of Decisions taken by the Leader of the Council and/or Individual Cabinet Members**

To note the decisions taken by the Leader and/or Individual Cabinet Members since the publication of the Agenda for Cabinet 5 March 2026.

8. **Issue(s) Arising from Overview and Scrutiny and/or Audit and Governance**

To receive any recommendations from the Overview and Scrutiny Committee and to consider any matters raised by the Audit and Governance Committee.

9. **Waste and Environment - Service Design Options** (Pages 25 - 62)

Purpose

This report sets out a package of waste and recycling service design options to support a cohesive, compliant, and efficient approach to service delivery. It enables Cabinet to consider the removal of some services alongside the introduction and simplification of others, recognising that reductions in recycling income can be mitigated by reduced operating costs and operational efficiencies.

The report describes the rationale, impacts and risks associated with:

- demobilising the Council-provided bring bank service;
- introducing kerbside collections of Plastic Bags and Wrapping in line with Simpler Recycling requirements, including the proposed approach to resident presentation of material; and
- moving to the combined collection of paper and card to simplify collections and improve operational resilience.

Recommendations

That Cabinet resolves to:

1. Agree to the withdrawal of the bring bank service.
2. Agree to the proposed approach for how residents will present the new

recyclable plastics at the kerbside (i.e. in a tied, self-supplied, single-use sack).

3. Agree to a reduction in the size of the standard issue refuse bin (from 180 litre to 140 litre) on a replacement/phased basis.
4. Agree to the new arrangement for the combined collection of paper and card.
5. Notes the financial implications.
6. Grant delegated authority to the Director of Communities and Place in consultation with the Cabinet Member for Environment & Regulatory Services to take the required steps to implement the recommendations above. In terms of timeline: The withdrawal of the bring sites would take place within this financial year, with savings realised at the start of next year; The collection of additional plastics (plastic bags and wrapping) is planned in line with the requirement of Simpler Recycling i.e. to be in place by 1 April 2027. The reduction in the standard bin size would occur at the same time; A shift to mixing paper and card would occur when replacement recycling vehicles start to be used on the collection services.

10. **Asset Management - Abberley House/ Corinium Museum Roof Repair Project** (Pages 63 - 74)

Purpose

To update Cabinet on the Abberley House Roof Repair Project and to seek delegated authority to proceed with the works post the procurement process.

Recommendations

That Cabinet resolves to:

1. Agree that repair work to the roof is to be expedited
2. Delegate authority to the Section 151 Officer, in consultation with the Cabinet Member for Finance, to receive quotations for the repair work and to instruct work to be carried out and to deal with minor matters arising during the works.

11. **Local Government Reorganisation - Structural Changes Order** (Pages 75 - 106)

Purpose

To outline the governance, legal framework, and key arrangements for the Gloucestershire Structural Changes Order, and to seek Cabinet's agreement to submit representations to Government on behalf of Cotswold District Council.

The Government has invited Gloucestershire councils to make representations, which the Secretary of State for Housing, Communities and Local Government will consider when deciding the final content of the Order.

Recommendations

That Cabinet resolves to:

1. Consider representations to the questions set out by the ministry of Housing, Communities and Local Government (MHCLG) regarding Gloucestershire's Structural Changes Order;
2. Delegate authority to the Leader of the Council to submit formal representations to MHCLG by their deadline of 16 June 2026.

12. **Asset Management - Out of District Investment Properties** (Pages 107 - 116)

Purpose

To seek Cabinet's approval to pursue options for the disposal of out of district Investment property(ies).

Recommendations

That Cabinet resolves to:

1. Approve the recommendation to actively market all 3 out of district investment properties for disposal.
2. Delegate to the Strategic Head of Housing, Property and Assets to progress negotiations with support from the Assistant Director of Legal Services.

13. **Matters exempt from publication**

If Cabinet wishes to exclude the press and the public from the meeting during consideration of any of the items on the exempt from publication part of the agenda, it will be necessary for Cabinet to pass a resolution in accordance with the provisions of Paragraph 4(2)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012 on the grounds that their presence could involve the likely disclosure of exempt information as described in paragraph 3 of Schedule 12A of the Local Government Act 1972.

Cabinet may maintain the exemption if and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Recommendation

That, in accordance with Regulation 11 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting during consideration of Agenda Item 12 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 as per of Part 1 of Schedule 12A to the Local Government Act 1972.

14. **Exempt Annex for Agenda item 12: Asset Management - Out of District Investment Properties** (Pages 117 - 122)

Annex A to Asset Management – Out of District Investment Properties report contains exempt information within the meaning of Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, as it contains information relating to the financial and business affairs of any particular person, including the authority holding that information.

The Annex A to the report is therefore not for publication in accordance with Regulation 12 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

A public summary of the decision will be published following determination of the matter.

(END)



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Minutes of a meeting of Cabinet held on Thursday, 16 April 2026

Members present:

Mike Evely	Juliet Layton	
Patrick Coleman	Mike McKeown	Tristan Wilkinson
Tony Dale	Andrea Pellegram	

Officers present:

Angela Claridge, Director of Governance and Development (Monitoring Officer)	Claire Locke, Executive Director Corporate Services
John Chorlton, Chief Technology Officer	Nickie Mackenzie-Daste, Senior Democratic Services Officer
Mandy Fathers, Business Manager for Environmental, Welfare and Revenue Service	Helen Martin, Director of Communities and Place
Tyler Jardine, Trainee Democratic Services Officer	Gemma Moreing, Business Information Lead
Peta Johnson, Head of Waste and Environment	Leonie Woodward, Head of Legal

218 Apologies

There were no apologies for absence.

219 Declarations of Interest

There were no declarations of interest from Members.

220 Minutes

The purpose of this item was to consider the minutes of Cabinet held on 5 March 2026.

The recommendation to approve the minutes was proposed by Councillor Juliet Layton and seconded by Councillor Tristan Wilkinson.

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 Voting record:
 6 For, 0 Against, 1 Abstention.

To APPROVE the minutes of a meeting of Cabinet held on 5 March 2026 (Resolution)		
Cabinet RESOLVED that the minutes of the meeting of the Cabinet held on 5 March 2026 be approved as a correct record.		
For	Patrick Coleman, Tony Dale, Mike Evey, Juliet Layton, Mike McKeown and Tristan Wilkinson	6
Against	None	0
Conflict Of Interests	None	0
Abstain	Andrea Pellegram	1
Carried		

221 Leader's Announcements

The Leader reported the sad passing of Michael Paget-Wilkes, who had served the Council since 2013 as a member of the Independent Remuneration Panels and as an Independent Person for standards matters. His contribution was valued by both Members and officers, and condolences were expressed to his family.

The Leader advised that the Council had received correspondence from the Secretary of State regarding the Renters' Rights Act, with the first phase coming into force on 1 May 2026. Officers were reviewing the implications of the legislation, supported by £60,000 of government funding to assist with implementation and engagement with local landlords.

Members were advised that a further Government response had been received in relation to the Council's ongoing representations on housing targets. While Government had confirmed that the housing numbers would not be revised, the letter acknowledged the significant environmental, infrastructure and sustainability constraints facing the Cotswold District. It was noted that the housing target had more than doubled in the previous 18 months, requiring delivery of over 1,000 homes per year in a highly constrained area. Representations submitted by the Council and local stakeholders had highlighted the impracticality of this approach, but Government had reiterated that the issue must be addressed through the Local Plan, using the national target as the starting point. The Leader confirmed it would continue to progress a plan-led approach and engage with MPs and communities within the current policy framework.

The Leader also reported that the Council had withdrawn from the planning appeal relating to a proposed 195-home development east of Moreton-in-Marsh, following independent advice that the prospects of success were extremely limited and that continuing would pose a significant financial risk. The decision reflected changes in

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national planning policy and reinforced the importance of progressing a sound Local Plan, with Regulation 19 consultation intended to commence in late August 2026.

222 Public Questions

There were no public questions.

223 Member Questions

There were no Member questions.

224 Schedule of Decisions taken by the Leader of the Council and/or Individual Cabinet Members

The purpose of the report was to note the decisions taken by the Leader and/or Individual Cabinet Members since the agenda for Cabinet 5 March 2026 was published. The following non-key decisions had been taken by the Cabinet Member for Housing and Planning, Councillor Juliet Layton, under delegated authority at the Decision meeting held on 31 March 2026.

Decisions were taken regarding the consideration of five neighbourhood plans at various stages.

The Cabinet Member for Housing and Planning considered the recommendations within the officers report and resolved that :

Mickleton Neighbourhood Plan:

Councillor Layton noted that this represented the beginning of the Parish Council's Neighbourhood Plan process and welcomed the early engagement.

The officer's recommendation to designate Mickleton as a Neighbourhood Area and Mickleton Parish Council as the qualifying body was accepted by Councillor Layton and she wished the Parish Council well in progressing the Neighbourhood Plan. Recommendation APPROVED.

Siddington Neighbourhood Plan:

No formal decision was required at this stage.

The update was NOTED.

Moreton-in-Marsh Neighbourhood Plan:

Councillor Layton welcomed the progress made and accepted the officers recommendation for the commencement of the Regulation 16 consultation on 16 April 2026, emphasising the importance of promoting the consultation widely to encourage public engagement.

Recommendation APPROVED.

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Cirencester Neighbourhood Plan:

Councillor Layton welcomed the thorough review undertaken, accepted the officer's recommendation to commence the Regulation 16 consultation, and expressed her support for wide public engagement in the process.

Recommendation APPROVED.

Chipping Camden Neighbourhood Plan:

No formal decision was required at this stage.

The update was NOTED.

The approved decisions were effective from 11 April 2026.

225 Issue(s) Arising from Overview and Scrutiny and/or Audit and Governance

There were no recommendations from the Overview and Scrutiny Committee.

There were no matters arising from the Audit and Governance Committee.

226 Service Performance Report 2025-26 Quarter 3

The purpose of this item was to provide an update on progress on the Council's priorities and service performance for Q3 2025 -26.

Councillor Mike Evely, Leader of the Council, introduced the report, highlighting that high-performing front-line public services were critical to supporting residents, businesses and communities. He explained that the service performance report was intended to identify variations from expected performance at the earliest opportunity to enable targeted intervention and improvement.

Members were advised that the report had previously been considered by the Overview and Scrutiny Committee. Key areas of delivery during the period included the Council's response to the Government's request on local government reorganisation, the first meeting of the Climate Board, the introduction of electric vehicle charging points in car parks, progress on fleet replacement, completion of the Regulation 18 consultation on the Local Plan, and improved performance under the leisure services contract.

Members commented positively on officer performance, in particular noting the achievement of full inspection of high-risk food premises, strong waste and recycling performance in a challenging national context, and progress on fleet replacement, including procurement, preparation for flexible plastics collection and transition to HVO fuel. Members also welcomed improved leisure services performance, increased memberships and participation, and the wider health and wellbeing benefits arising from this. It was further noted that increased car park usage continued to support the funding of discretionary services.

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Cabinet NOTED the overall progress on the Council priorities and service performance for 2025-26 Q3 (October-December 2025).

227 Financial Performance Report 2025-26 Quarter 3

The purpose of the report was to set out the third quarterly budget monitoring position for the 2025/26 financial year.

Councillor Patrick Coleman, Cabinet Member for Finance, introduced the report, which set out the Q3 outturn forecast for the financial year. The report showed a favourable variance of £0.045m and the Cabinet Member for Finance confirmed that the Council remained in a financially sound position without the need for borrowing. It was also noted that the report had been considered by the Overview and Scrutiny Committee on 13 April 2026.

Members were advised that the Council remained in a strong and stable financial position, with income performance generally exceeding expectations and no requirement for borrowing. Net favourable income variations totalled approximately £165,000, with over-achievement and cost savings transferred to key reserves to support financial resilience through to Local Government Reorganisation (LGR) and the achievement of a balanced budget.

Members thanked officers for the preparation of the report and for their detailed responses at the Overview and Scrutiny Committee.

Members commented on the strong overall position, noting that planning fee income of £674,000 above budget had been transferred in full to the Planning Appeals Reserve to mitigate future appeal risks. Positive car parking performance was also noted, with £165,000 transferred to an earmarked reserve for the purchase of new ticket machines in the first quarter of the 2026/27 financial year.

Members acknowledged an adverse variance of £63,000 within the Ubico contract arising from staffing pressures, agency costs, fleet reliability and training, with reassurance provided that these issues were being addressed through the vehicle replacement programme and the Ubico Business Plan. Members further recognised strong income generation within Development Management and Building Control, while noting the associated service pressures.

The positive treasury management position was welcomed, while Members noted cautions within the report regarding external economic uncertainty, particularly rising fuel and energy costs and potential interest rate changes. Assurance was given that fuel costs would continue to be closely monitored through monthly financial reporting. Members noted that the final 2025/26 outturn position would be reported to Cabinet in July 2026.

Cabinet REVIEWED and NOTED the financial position set out in the report.

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228 Strategic Risk Register Q3 2025-26

The purpose of the report was to set out the current Strategic Risk Register for the Council.

Councillor Mike Evely, Leader of the Council, introduced the report and noted that the Strategic Risk Register presented had been reviewed by the Corporate Leadership Team (CLT) during Q4 of the financial year.

Members received and noted the Strategic Risk Register. Members were advised that the report had previously been considered by the Audit and Governance Committee, and that it was now presented to Cabinet to enable oversight of the Council's corporate risks.

Members were informed that a new risk relating to Payment Card Industry Data Security Standards (PCI DSS) compliance had been added following review by the Corporate Leadership Team. It was explained that the Council was currently non-compliant but operated within the lowest risk tier. Compliance with the Payment Card Industry Data Security Standard (PCI DSS), was also being looked at following review by the Corporate Leadership Team, and that further mitigation work was ongoing to achieve compliance with further mitigation actions under assessment. Cabinet was advised that Audit and Governance Committee discussions had focused in particular on the Council's preparedness for civil contingencies and major incidents. Assurance was provided that business continuity plans were in place, that business impact assessments had been completed for all services, and that work was underway to update business continuity arrangements, with completion expected by the end of May.

Officers confirmed that the Council's risk management framework, policies and processes continued to be reviewed for robustness and effectiveness.

Cabinet REVIEWED and NOTED the Strategic Risk Register and the mitigation measures in place.

229 Discretionary Rate Relief Policy

The purpose of this item was to ask Cabinet to consider proposed changes to the Discretionary Rate Relief Policy following recent government announcements and to note the policy which underpins these schemes, as appended to the report.

Councillor Patrick Coleman, Cabinet Member for Finance, introduced the report and explained that under the Local Government Finance Act 1988 and the Localism Act 2011, the Council was required to grant mandatory rate relief in certain circumstances and had discretion to award additional relief where it supported local priorities. Members were advised that the policy reflected previous arrangements and incorporated recent Government business rates initiatives. These included the

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introduction, from 1 April 2026, of a new 100% business rate relief for a ten-year period for standalone electric vehicle charging points and electric vehicle charging forecourts, and a 15% business rates discount for eligible pubs and live music venues for the 2026/27 financial year. It was noted that the cost of the pub and live music venue relief would be shared between Central Government, the District Council, and the County Council. Members were informed that the relevant reliefs had been applied to 2026/27 annual business rates bills in February and March, and that businesses could contact the Council's Revenues service if they believed they were eligible but had not received the relief.

Members discussed Addendum 3 regarding the new Supporting Small Business Relief scheme introduced by the Government. It was noted that the reliefs applied from 1 April and largely reflected nationally prescribed requirements, with formal adoption of the policy required by the Council.

Reference was made to the absence of detailed guidance in relation to electric vehicle charging point relief, and it was noted that authority would be delegated to the appropriate officers, in consultation with the relevant portfolio holder, to determine the necessary arrangements once details were available.

Members expressed concern regarding the challenges currently facing small businesses and whether sufficient steps were being taken to communicate the availability of reliefs. Officers confirmed that mandatory reliefs were applied automatically, while discretionary reliefs required an application and subsequent approval. It was reported that information had been included on the reverse of business rate bills, council webpages had been updated, and signposting had been strengthened. The Council's "Business Matters" communications channel was also highlighted as a key mechanism for outreach.

Members encouraged continued proactive communication, including raising awareness through town and parish councils to ensure that businesses not engaged with existing communication channels were informed. It was noted that a significant proportion of local businesses were subscribed to "Business Matters," although further engagement was welcomed.

Finally, concerns were raised regarding significant increases in business rate valuations undertaken by the Valuation Office Agency, with examples cited of substantial rises and a complex appeals process. Businesses experiencing sharp increases were encouraged to consider lodging appeals and to contact the Council for support. Appreciation was expressed for the professionalism and support provided by the Revenues team.

The recommendations were proposed by Councillor Patrick Coleman and seconded by Councillor Mike Evely.

Voting record:

7 For, 0 Against, 0 Abstentions.

To APPROVE the recommendations around the Discretionary Rate Relief Policy (Resolution)

Cabinet RESOLVED to:

1. Approve the amendments to the Discretionary Rate Relief Policy as detailed within the report;
2. Delegate to the Chief Finance Officer, in consultation with the Cabinet Member for Finance, any future amendments to the Policy in respect of Electric Vehicle Charging Points and Electric Vehicle Forecourts.

For	Patrick Coleman, Tony Dale, Mike Evey, Juliet Layton, Mike McKeown, Andrea Pellegram and Tristan Wilkinson	7
Against	None	0
Conflict Of Interests	None	0
Abstain	None	0
Carried		

230 Publica Business Plan 2026-28

The purpose of the item was to seek Cabinet’s consideration of the Draft Publica Business Plan 2026–28 and to ask that Cabinet recommend that the Leader, as Shareholder Representative, approve the Plan.

Councillor Mike Evey, Leader of the Council, introduced the report and explained that Publica’s Articles of Association include twelve reserved matters requiring Shareholder Council approval, including the adoption or amendment of the Business Plan. The Draft Business Plan 2026–28 had been prepared by the Publica Board in consultation with Directors and Shareholders and set out a two-year programme aligned to the Local Government Reorganisation (LGR) timetable through to Vesting Day on 31 March 2028.

It was noted that the Business Plan had been considered by the Shareholder Forum, comprising the Leaders and Chief Executives of the partner councils, and had also been presented to the Overview and Scrutiny Committee. Publica was recognised as a key service delivery partner for the Council, and the Plan outlined its proposed priorities and service delivery arrangements, together with a work programme focused on supporting the organisation, its services and its workforce through a period of change. This included preparation for Local Government Reorganisation, while continuing collaboration with partner councils across Gloucestershire and West Oxfordshire.

Members were reminded that Publica had experienced a significant period of transition, including the return of some services to councils, and that no decisions had yet been taken regarding the future structure of either Publica or local government arrangements across Gloucestershire and Oxfordshire. The Plan therefore sought to

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provide clarity and stability over the next two years while retaining flexibility in the context of ongoing uncertainty.

Members acknowledged the challenges of preparing a forward-looking Business Plan in such circumstances and commended the leadership of Publica for producing a coherent and adaptable document. It was noted that maintaining flexibility during transformation would preserve future options while supporting effective cost management. The Plan was welcomed as providing assurance regarding continuity of service delivery, financial stewardship and strategic direction through to reorganisation and beyond.

The recommendations were proposed by Councillor Mike Evey and seconded by Councillor Tony Dale.

Voting record:

7 For, 0 Against, 0 Abstentions.

To ENDORSE the Publica Business Plan 2026-2028 (Resolution)		
Cabinet RESOLVED to:		
1. Endorse the Publica Business Plan 2026-2028		
2. Ask the Leader, as shareholder representative, to recommend its adoption to the Board.		
For	Patrick Coleman, Tony Dale, Mike Evey, Juliet Layton, Mike McKeown, Andrea Pellegram and Tristan Wilkinson	7
Against	None	0
Conflict Of Interests	None	0
Abstain	None	0
Carried		

231 Review of Publica Governance Agreement and Extension of Service Agreement

The purpose of this report was for the Cabinet to consider proposals for amendments and an extension to governance arrangements following the conclusion of the Publica Review. The report also sought delegated authority to make any minor adjustments to the Publica specification in the run-up to Local Government Reorganisation should it become necessary.

Councillor Mike Evey, Leader of the Council, introduced the report. He explained that, as part of Publica's work to ensure it was fit for the future, a review of governance arrangements and service agreements had been undertaken. Members noted that the new Agreement reflected the significant changes to the Publica shared service

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arrangements following the insourcing of services during Phases One and Two of the Publica Review, including revised governance structures and reduced service provision.

The proposals had been considered by other shareholders and were discussed at the most recent Shareholder Forum, which was chaired by Councillor Mike Evely and attended by Jane Portman, Chief Executive. Members noted that the updated arrangements clarified roles and responsibilities, aligned service specifications with current delivery, and supported preparation for potential Local Government Reorganisation.

It was further noted that amendments would be implemented primarily through deeds of variation to existing agreements in order to minimise cost, with delegated authority granted for minor amendments as required. The changes applied to the Articles of Association, Members' Agreement, Service Agreements and Service Specifications, with minor amendments to the constitutional documents and more substantive revisions to the Service Agreements and specifications, as detailed in the report.

The principal change was the extension of the Service Agreements to October 2030, aligning all councils to a common end date. It was noted that Cheltenham Borough Council had already agreed to this approach, and the Shareholder Forum had supported consistency across all councils. The extension was not intended to bind successor authorities but to provide time for them to determine future service delivery arrangements, including the potential continuation of services through Publica.

Members also noted that flexibility was retained through existing break clauses, allowing some or all services to be withdrawn prior to October 2030 with appropriate notice, as had occurred during the Phase One and Two transitions. The effect of the proposal was therefore to regularise and align the agreements to October 2030 while maintaining the option for earlier service exit if required.

The recommendations were proposed by Councillor Mike Evely and seconded by Councillor Tony Dale.

Voting record:

7 For, 0 Against, 0 Abstentions.

To APPROVE the recommendations in regard to the review of Publica Governance and Extension of the Service Agreement (Resolution)

Cabinet RESOLVED to:

1. Approve in principle the changes to the governance agreements set out in section 3.
2. Delegate authority to the Chief Executive, in consultation with the Leader, to finalise and enact through appropriate legal documentation, the detailed changes to the agreements, in line with the principles agreed.

3. Delegate authority to the Chief Executive, in consultation with the Leader, to approve minor amendments to the scope of services delivered by Publica to Cotswold District Council in advance of Local Government Reorganisation.		
For	Patrick Coleman, Tony Dale, Mike Evely, Juliet Layton, Mike McKeown, Andrea Pellegram and Tristan Wilkinson	7
Against	None	0
Conflict Of Interests	None	0
Abstain	None	0
Carried		

232 Retention Strategy 2026-28

The purpose of this item was to present the Council's Retention Strategy for approval.

Councillor Mike Evely, Leader of the Council, introduced the Retention Strategy, developed to ensure the organisation continued to attract, develop and retain a skilled and resilient workforce to deliver the Corporate Plan 2025–28. The Strategy responded to ongoing recruitment and retention pressures, skills shortages, increased competition for talent, rising costs and the uncertainty associated with potential Local Government Reorganisation.

Members noted that the Strategy aligned with the Local Government Association's "Six Ps" framework and set out a values-based approach to workforce planning, leadership development, engagement, inclusion, career progression and employer appeal. It reinforced a positive organisational culture, strong leadership and effective communication, supported by a clear and measurable action plan to reduce workforce risks, improve stability and wellbeing, and support current and future service priorities. Any financial implications arising would be managed lawfully within existing budgets.

In discussion, Members expressed strong support for the Strategy, recognising that the Council's workforce was central to service delivery and that recruitment and retention presented a significant organisational risk, as reflected in the corporate risk register. Particular reference was made to the challenges of maintaining staff stability during a period of uncertainty and structural change, and to the importance of both recruitment and retention in the context of Local Government Reorganisation.

Members welcomed the inclusion of measures to enhance flexibility and, where necessary, provide retention incentives and discretionary pay supplements in order to secure critical skills and maintain service continuity. It was acknowledged that such measures would be applied appropriately and within existing policy frameworks.

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While noting the role of pay and incentives, Members also emphasised the importance of visible leadership, staff engagement, recognition and organisational culture in motivating and retaining employees. The Monitoring Officer confirmed that retention would remain a key focus over the coming period and undertook to provide further information on workforce trends, including attrition data.

The recommendation was proposed by Councillor Mike Evey and seconded by Councillor Andrea Pellegram.

Voting record:

7 For, 0 Against, 0 Abstentions.

Councillor Patrick Coleman left the Chamber after the vote.

To APPROVE the Retention Strategy 2026-28 (Resolution)		
Cabinet RESOLVED to:		
1. Approve the Retention Strategy.		
For	Patrick Coleman, Tony Dale, Mike Evey, Juliet Layton, Mike McKeown, Andrea Pellegram and Tristan Wilkinson	7
Against	None	0
Conflict Of Interests	None	0
Abstain	None	0
Carried		

233 Advertising, Sponsorship & Endorsement Policy

The purpose of this item was to presents the Council's Advertising, Sponsorship and Endorsement Policy for approval.

Councillor Mike Evey, Leader of the Council, introduced the Policy, which established a clear and consistent framework for managing commercial partnerships, advertising, sponsorship and endorsement activity. It was noted that the Policy ensured compliance with relevant legal and regulatory requirements, including The Code of Recommended Practice on Local Authority Publicity, issued under the Local Government Act 1986, that safeguarded the Council's reputation, and mitigated risks relating to conflicts of interest or undue influence.

Members noted that the Policy defined advertising, sponsorship and endorsement, set out acceptable categories, and established governance requirements, approval thresholds and responsibilities. It provided for due diligence, declarations of interest, legal services oversight, central recording of decisions and regular review, thereby

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strengthening transparency, consistency, auditability and alignment with the Council's values and priorities.

In discussion, Members welcomed the introduction of a clear framework, particularly in the context of maintaining public trust and ensuring that communications attributed to the Council were authentic, transparent and appropriately authorised. It was observed that a formal structure was timely and important in reinforcing organisational credibility.

Support was expressed for the Policy's role in enabling proportionate and appropriate partnerships, including with community-based and not-for-profit organisations, while ensuring objectivity and compliance with statutory guidance. Officers confirmed that the Policy would be applied in a manner consistent with its principles, including inclusive promotion and alignment with corporate objectives.

The recommendation was proposed by Councillor Mike Evemy and seconded by Councillor Juliet Layton.

Voting record:

6 For, 0 Against, 0 Abstentions.

Councillor Coleman did not vote having left the Chamber.

To APPROVE the Advertising, Sponsorship & Endorsement Policy. (Resolution)		
Cabinet RESOLVED to:		
1. Approve the Advertising, Sponsorship & Endorsement Policy.		
For	Tony Dale, Mike Evemy, Juliet Layton, Mike McKeown, Andrea Pellegram and Tristan Wilkinson	6
Against	None	0
Conflict Of Interests	None	0
Abstain	None	0
Carried		

234 Artificial Intelligence Adoption Strategy

The purpose of this item was to consider a strategy for the adoption of Artificial Intelligence (AI) across council services that would protect residents and service users whilst enabling them to access the benefits that AI can offer. The report also recommended the adoption of a policy to guide use of AI for employees and councillors.

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Councillor Mike McKeown, Cabinet Member for Climate Change and Digital, introduced the report on the Artificial Intelligence (AI) Usage Policy and AI Adoption Strategy. He thanked officers for all their work in creating the strategy and implementation roadmap and outlined that the proposals established a clear governance framework for the responsible adoption and use of AI across the Council and its key delivery partners, drawing on professional experience to support practical and proportionate implementation. He confirmed that he had no commercial interest in the matter.

Members were advised that AI would have a significant impact on service delivery, digital transformation and the way residents and businesses interacted with the Council. It was noted that the Council had already begun deploying AI-enabled tools in areas such as administrative support, document drafting, customer services and planning, with human oversight retained in all cases. The Strategy was intended to formalise and govern this adoption.

The Strategy set out objectives, an action plan and ethical principles, including transparency, accountability, fairness, data protection and the requirement for human review of AI outputs. It provided for the establishment of an AI Oversight Board to scrutinise proposals, assess risk, ensure value for money and drive appropriate adoption across the organisation. The accompanying Policy defined the rules, boundaries and mandatory requirements for AI use, including safeguards relating to cybersecurity and data protection.

Members welcomed the proactive and structured approach, recognising both the opportunities presented by AI and the risks associated with misuse, inaccuracy or overreliance. Particular reference was made to the importance of training, consistency of application, collaborative working with partners, and the need to guard against bias, misinformation and so-called "hallucinations". Assurance was provided that AI outputs would remain subject to human oversight and that decisions would not be delegated solely to automated systems.

The relevance of the Strategy to Local Government Reorganisation was noted, with Members observing that establishing governance, capability and culture at this stage would support organisational resilience and ensure readiness for transition to any future unitary authority.

Discussion also highlighted the role of Members in governance and oversight, and the importance of ensuring that councillors understood both the opportunities and responsibilities associated with AI use. It was acknowledged that further guidance for Members would be considered as part of implementation.

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Members endorsed the Policy and Strategy as a balanced and forward-looking framework to enable the safe, ethical and effective use of AI in supporting service delivery and improving outcomes for residents and businesses.

The recommendations were proposed by Councillor Mike McKeown and seconded by Councillor Tristan Wilkinson.

Voting record:

6 For, 0 Against, 0 Abstentions.

Councillor Coleman did not vote having left the Chamber.

To APPROVE the AI Adoption Strategy (Resolution)		
Cabinet RESOLVED to:		
1. Approve the AI Usage Policy at Annex A		
2. Approve the AI Adoption Strategy and Roadmap at Annex B.		
For	Tony Dale, Mike Evey, Juliet Layton, Mike McKeown, Andrea Pellegram and Tristan Wilkinson	6
Against	None	0
Conflict Of Interests	None	0
Abstain	None	0
Carried		

235 Creation of a Commercial Development Post

The purpose of this item was to seek Cabinet's approval of the creation of a part-time, fixed term post to drive commerciality across the culture sector in Cirencester and the wider district.

Councillor Tony Dale, Cabinet Member for Health, Culture and Visitor Experience, introduced the report on the Creation of a Commercial Development Post. The report sought approval for the creation of a fixed-term post to strengthen commercial leadership of the cultural and visitor economy across Cirencester and the wider district in line with the cultural strategy. Members noted the importance of the cultural sector to the local economy and its wider social and place-shaping benefits, including its contribution to the visitor economy, and recognised the need to place non-statutory cultural assets on a more sustainable financial footing in the context of Local Government Reorganisation. It was noted that many cultural facilities were delivered through third-party organisations and required targeted, specialist support to improve resilience, efficiency and income generation. The report proposed the creation of a fixed-term post to work with cultural and visitor attractions to drive income growth and reduce costs, with growth targets to be set over a two-year period, and delegated

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authority granted to the Director of Communities and Place to develop appropriate measurement and reporting arrangements.

The second recommendation in the report was divided to present the delegation as a separate recommendation. The revised recommendations were proposed by Councillor Tony Dale and seconded by Councillor Andrea Pellegram.

Voting record:

6 For, 0 Against, 0 Abstentions.

Councillor Coleman did not vote having left the Chamber.

To APPROVE the Creation of a Commercial Development Post (Resolution)		
Cabinet RESOLVED to:		
<ol style="list-style-type: none">1. Approve the creation of a fixed term contract post to work with visitor attractions to drive up income and reduce costs.2. Endorse the principle of targets for growth over the two years and3. Grant delegated authority to the Director of Communities and Place in consultation with the Cabinet Members for Health, Culture and Visitor Experience to set out the detailed proposals for how this is calculated and reported.		
For	Tony Dale, Mike Evey, Juliet Layton, Mike McKeown, Andrea Pellegram and Tristan Wilkinson	6
Against	None	0
Conflict Of Interests	None	0
Abstain	None	0
Carried		

236 UBICO Business Plan 2026-27

The purpose of this item was to ask Cabinet to consider the draft Ubico Business Plan 2026-27, produced by Ubico in consultation with its directors and shareholders, and to endorse that the Leader (as Shareholder Representative) approve the plan.

Councillor Mike Evey, Leader of the Council, introduced the draft Ubico Business Plan 2026-27 in his capacity as the Council's shareholder representative. Members noted that the Plan had been developed following a consultation process and marked the transition from Ubico's previous five-year strategy to a refreshed 2026-2031 roadmap, with a focus on improving efficiency, strengthening service resilience, and preparing for Local Government Reorganisation.

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It was noted that the Business Plan set out Ubico's operational and strategic priorities for 2026–27, including enhanced emissions reporting, implementation of Simpler Recycling requirements, decarbonisation of the fleet, and continued delivery of core waste, recycling, street cleansing and grounds maintenance services. Members further noted the proposed expansion of Ubico's services into Wiltshire from August 2026, representing a significant increase in operational scale. Members were reassured that separate teams had been created to deal with the increase in scale, which was in the order of 40 per cent.

Members were advised that the Business Plan covered a range of partner authorities and that the Council's focus was to identify, monitor and track delivery of commitments relevant to its own area through appropriate performance reporting. The importance of ensuring continuity of service during the transition period and alignment with forthcoming structural change was highlighted.

In discussion, Members noted the scale of change associated with Ubico's expansion and the wider context of Local Government Reorganisation, which would influence future waste service arrangements across the region. It was recognised that waste and recycling services were complex, universal services requiring careful planning to ensure continuity and consistency for residents.

Members also noted the role of wider partnership arrangements in supporting strategic alignment across Gloucestershire waste authorities, and the importance of collaboration in delivering objectives relating to waste reduction, recycling, reuse and income generation.

The Leader confirmed that, subject to Cabinet's consideration, he would be authorised in his capacity as shareholder representative to sign the written resolution approving the draft Ubico Business Plan 2026–27.

The recommendations were proposed by Councillor Mike Evely and seconded by Councillor Andrea Pellegram.

Voting record:

6 For, 0 Against, 0 Abstentions.

Councillor Coleman did not vote having left the Chamber.

To APPROVE the recommendations around the UBICO Business Plan 2026-27 (Resolution)

Cabinet RESOLVED to:

1. Note the draft Ubico Business Plan 2026-27; and
2. Endorse that the Leader of the Council, as shareholder representative, will sign the written resolution to approve the draft Ubico Business Plan 2026-27.

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For	Tony Dale, Mike Evemy, Juliet Layton, Mike McKeown, Andrea Pellegram and Tristan Wilkinson	6
Against	None	0
Conflict Of Interests	None	0
Abstain	None	0
Carried		

237 Next Meeting

The date of the next meeting of Cabinet was confirmed as 4 June 2026 at 6.00 pm.

The Meeting commenced at 6.00 pm and closed at 8.07 pm.

(END)

Agenda Item 9



COTSWOLD
District Council

Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET – 4 JUNE 2026
Subject	WASTE AND ENVIRONMENT – SERVICE DESIGN OPTIONS
Wards affected	All
Accountable member	Andrea Pellegram, Cabinet Member for Environment and Regulatory Services Email: andrea.pellegram@cotswold.gov.uk
Accountable officer	Helen Martin, Director of Communities and Place Email: helen.martin@cotswold.gov.uk
Report author	Peta Johnson, Head of Waste and Environment Email: peta.johnson@cotswold.gov.uk
Summary/Purpose	<p>This report sets out a package of waste and recycling service design options to support a cohesive, compliant, and efficient approach to service delivery. It enables Cabinet to consider the removal of some services alongside the introduction and simplification of others, recognising that reductions in recycling income can be mitigated by reduced operating costs and operational efficiencies.</p> <p>The report describes the rationale, impacts and risks associated with: (1) demobilising the Council-provided bring bank service; (2) introducing kerbside collections of Plastic Bags and Wrapping in line with Simpler Recycling requirements, including the proposed approach to resident presentation of material; and (3) moving to the combined collection of paper and card to simplify collections and improve operational resilience.</p>
Annexes	<p>Annex A – Bring Site Service: financial and waste flow performance</p> <p>Annex B – Collection of Plastic Bags and Wrapping: options for containerisation</p> <p>Annex C – Mixed Paper and Card: impact on services</p>



Recommendation(s)	<p>That Cabinet resolves to:</p> <ol style="list-style-type: none">1. Agree to the withdrawal of the bring bank service.2. Agree to the proposed approach for how residents will present the new recyclable plastics at the kerbside (i.e. in a tied, self-supplied, single-use sack).3. Agree to a reduction in the size of the standard issue refuse bin (from 180 litre to 140 litre) on a replacement/ phased basis.4. Agree to the new arrangement for the combined collection of paper and card.5. Notes the financial implications.6. Grant delegated authority to the Director of Communities and Place in consultation with the Cabinet Member for Environment & Regulatory Services to take the required steps to implement the recommendations above. In terms of timeline: The withdrawal of the bring sites would take place within this financial year, with savings realised at the start of next year; The collection of additional plastics (plastic bags and wrapping) is planned in line with the requirement of Simpler Recycling i.e. to be in place by 1 April 2027. The reduction in the standard bin size would occur at the same time; A shift to mixing paper and card would occur when replacement recycling vehicles start to be used on the collection services.
Corporate priorities	<ul style="list-style-type: none">• Delivering Good Services
Key Decision	NO
Exempt	NO
Consultees/ Consultation	<ul style="list-style-type: none">• Portfolio Holder for Environment and Regulatory Services• Cabinet• Corporate Leadership Team



1. EXECUTIVE SUMMARY

1.1 This report brings together a set of waste and recycling service design proposals to support a cohesive approach to service delivery, enabling the Council to consider the removal of some services alongside the introduction and simplification of others. While some changes reduce recycling income, the overall position is mitigated by reduced operating costs and efficiencies across the wider service.

1.2 Cabinet is asked to agree:

(1) demobilisation of the Council-provided bring bank service at 24 sites, which currently contributes around 0.7% to the recycling rate but has become a net cost and attracts fly-tipping and graffiti;

(2) the proposed containerisation approach for Plastic Bags and Wrapping, required under Simpler Recycling from 1 April 2027, with residents presenting material in a tied single-use bag that they self-supply (supported by an extensive communications programme and a proposed move to a 140L standard refuse bin by replacement); and

(3) moving to the collection of mixed paper and card to simplify collections and improve operational resilience, recognising an estimated c. £20k per annum reduction in recycling revenue, but a move that future-proofs the services and is expected to provide long-term financial benefits.

1.3 On the bring banks, the expected waste-flow scenario suggests an approximate 0.1% reduction in the recycling rate. This would be offset by avoiding annual service costs of £43,923, although recycling income would fall by £14,800. Overall, this represents an improvement of £29,123 compared with the current position. Any savings in 2026/27 are expected to be used to fund demobilisation, with the full benefit realised from 2027/28.

1.4 There is no statutory duty to provide bring banks (though notice is required to end the current operational arrangement), whereas the plastics change is legally required and will be delivered through the Ubico service agreement; the mixed paper/card approach remains compliant with Simpler Recycling.



- 1.5** Key risks—such as displaced fly-tipping, participation levels for plastics, and changing paper/card composition—will be mitigated through communications, site cleansing, and service design that better utilises vehicle capacity.

2. BACKGROUND

A range of service design options are currently under consideration. These are provided together in this report to give a broader perspective on service delivery as a whole, where the removal of one service can be considered against the expansion/simplification of others.

Although there are cost implications for each area, overall, reduced revenue is mitigated by reduced costs.

The service design options are:

- Removal of the bring site service (net savings);
- The collection of plastic bags and wrapping;
- Collecting mixed paper and card (leading to a reduction in recycling revenue, but mitigating risks in the short term, and delaying cost increases in the medium term).

3. BRING SITE SERVICE

3.1 Bring Site Service Background

The Council provides recycling collections from a network of bring sites around the District. There are 24 sites in total. These sites are a legacy service, i.e. were initially rolled out to provide recycling services to residents. Residents now receive collections of an extended range of recycling from the kerbside (or from communal facilities).



The majority of the bring site service was operated by Thamesdown Recycling Ltd up to February 2025. Cherwell District Council have been operating the service since this date.

Each site has a range of bring banks to allow the collection of the following materials (**NB** the range of materials collected per site varies across the District):

- Council Provided Banks:
 - Cans, glass, and paper – collected by Cherwell District Council
 - Foil - collected by Ubico
- Third Party Banks:
 - Textiles and books – collected by third party providers, usually charities

The material collected from the bring sites contributes to the Council's recycling rate. However, the cost of providing the bring site service has increased in the last year, and these sites attract some anti-social behaviour e.g. fly tipping and graffiti. The rectification of which is a resource demand on the street cleansing service, delivered by Ubico.

A review of the bring site service has been conducted. This is provided as **Annex A - Bring Site Service: financial and waste flow performance**. A summary is provided below along with the recommendation to remove the Council provided bring banks, i.e. demobilise this service.

3.2 Bring Site Service – Finance and Waste Flow Impacts

Finance

The costs and revenues for the bring site service are variable in nature. Variations between years will naturally occur as recycling revenue varies according to commodity pricing, and costs are often tonnage based, e.g. handling costs at the transfer station.

A series of assumptions have therefore been made to allow a comparison between the current and previous service provider, and the potential changes to recycling income, and recycling rates, where the bring bank service is removed.



These assumptions are as follows:

- Thamesdown costs: 2024/25 budget
- Cherwell District Council: Projected annual cost
- Recycling revenue, transfer station rates, recycling credits: Current rates

A comparison between the net cost of recent service providers is provided in the following table:

Costs/ Revenues pa	Thamesdown (provided services up to February 2025)	Cherwell District Council (current provider)
Bring Site Service Cost	£28,860	£43,923
Income pa	-£29,600	-£29,600
Net cost of service	-£740	£14,323

The current bring site service also creates demand for Ubico where fly tipping or graffiti occurs and requires removal. Removal of the bring site service would lead to a reduction in enviro-crimes at these locations, reducing demand on Ubico. Although it may be difficult to result in a cost efficiency through this reduction in demand, it would provide additional time that could be used to target improvements in other areas.

Waste Flow

There are 24 Council operated bring sites in the District. Each bring site has a range of bring banks that allow the deposit of cans, glass, and paper. Some sites also have foil banks collected by Ubico (very low tonnage), and some additional banks are provided and managed by third parties e.g. textiles. The tonnages for 2024/25 are shown below:

Material	2024/25 tonnes per annum
Cans	7
Glass - Mixed	195
Paper	51



CDC Tonnage	253
Textiles (third party providers)	49
TOTAL	302

The recycling collected via the Council bring bank service contributes approximately 0.7% to the overall Council recycling rate. Where the Council bring site service is removed, this recycling will shift to another service or system. To understand the potential impact of this, a series of scenarios have been considered:

Scenario 1: All recycling from the Council bring bank service is diverted to kerbside residual waste.

Scenario 2: 50% of the recycling is recycled at the kerbside. 50% is diverted (i.e. waste minimisation and reflecting that some material may currently be commercial in origin)

Scenario 3: All recycling from Council bring banks is diverted to the kerbside recycling service

Scenario	1	2	3
Scenario Description	100% recycling to kerbside residual waste	50% recycling to kerbside recycling scheme 50% waste minimisation (commercial)	100% recycling to kerbside recycling scheme
Impact on Recycling Rate	-0.7%	-0.1%	0.0%
Impact on Income	Reduction in income: £29.6k	Reduction in income: £14.8k	No reduction in income

Where the impact of bring bank removal is close to Scenario 2:

- The recycling rate would decrease by 0.1%
- The Council would save the cost of the service: £43,923
- The Council would receive £14,800 in revenue



This would be a shift from a net cost for the service of £14,324, to net revenue of £14,800 i.e. a positive move of £29,123.

It is important to note that this information relates to the removal of the Council bring banks only. Any bring banks operated by third parties would remain in service.

3.3 Bring Site Service – Demobilisation

Where the Council bring site service is removed, savings will be realised following the demobilisation process, however costs will be incurred in the first instance. These include:

- Officer time to develop and deliver communications to residents about the change;
- A full review to understand the current condition of the sites and the repair requirements where the sites are removed;
- The cost of the physical removal and storage of bring banks
- The disposal of bring banks (however resale/ recycling will be investigated in the first instance)

It is therefore recommended that cost savings are budgeted from the start of next financial year. Any savings in this financial year would initially be redirected to fund demobilisation activities.

3.4 Bring Site Service - Alternative Options

The alternative options to demobilisation of this service are:

- Continue with the current range of sites and materials collected;
- Reduce the number of Council provided bring sites e.g. to six sites, strategically located across the District.

Where the Council continues to provide a bring site service the service will require additional investment, for example a full condition survey of the existing banks to



improve signage, stickering and general appearance of the bring banks and the sites themselves.

A reduction in number of bring sites is another consideration with sites placed at strategic locations across the District. The placement of strategic sites aligns the Council with Tewkesbury Borough Council and Cheltenham Borough Council:

- Both councils have four sites offering the collection of clothes and shoes and will be provided by a third party e.g. a charity collector;
- Tewkesbury BC have two other sites collecting a wider range of materials;
- Cheltenham BC have seven other sites collecting a wider range of materials.

These sites would however still offer the collection of limited materials (paper, cans, and glass) compared to the full and extending range of materials collected at the kerbside or from communal bin stores.

4. PLASTICS BAGS AND WRAPPING – CONTAINERISATION AT THE KERBSIDE

4.1 Plastics Bags and Wrapping – Background

The Council is required to collect additional plastics at the kerbside from 1st April 2027 to remain compliant with Simpler Recycling guidance from Government.

The group name for these additional plastics is Plastic Bags and Wrapping. This name has been defined following a series of focus groups, conducted by the Waste and Resources Action Programme (WRAP) i.e. this group name is well recognised by residents and supports clear communication of services and service rules. Examples of Plastic Bags and Wrapping include plastic carrier bags, bread bags, cereal liners, and detergent pouches.

At this stage in service development, we are considering how residents will bag/present the new recyclable plastics at the kerbside. Options for collection from communal locations will be considered at a later date. The reason that kerbside bags are being considered at this point is to ensure that where they are deemed a



requirement (NB against the recommendation of this report) there is still time to source the bags. These have a significant lead time and require global supply chains.

Trials have been conducted in the UK, funded by the packaging industry and Government, and the findings of these have been published (the FlexCollect Project), including a series of recommendations. In addition, North Somerset Council was the first authority in England to roll out Plastic Bags and Wrapping collections to all residents.

Considering these sources, the recommendation is clear that residents should present Plastics Bags and Wrapping within a tied single-use plastic bag (rather than a reusable sack, which is returned to the resident once emptied by the collection crew).

These sources however differ in terms of how these single used bags are supplied:

- North Somerset Council require residents to self-supply bags;
- The FlexCollect project recommends that the collection authority supplies bags.

4.2 Plastics Bags and Wrapping – Self Supply of Bags by Residents

5. There is a clear desire to harmonise the collection methodology for plastic bags and wrapping across the Waste Collection Authorities in Gloucestershire; however, while this ambition is understood, the diversity of existing services means a single, standardised approach may not be appropriate. Collection methodologies are closely linked to broader system arrangements, including collection infrastructure, transfer processes and material brokering, all of which vary between authorities. As such, full harmonisation is more likely to be achievable through Local Government Reorganisation. From a resident perspective, harmonisation is likely to be judged based on how materials are presented—such as the type of bags used, kerbside presentation methods, and the range of materials accepted. In practice, harmonisation is most feasible in relation to the materials collected, albeit with some minor local variations.

At this stage we are considered the type of bags to be used by residents, with a review included in **Annex B** – *Collection of Plastic Bags and Wrapping: options for*



containerisation. Factors that have been considered are cost of supply, potential wastage, the supply chain, alignment with other materials, yield of material and potential for contamination.

The outcome of this review is to recommend that residents self-supply bags. The key reasons for this are as follows:

- If we chose to supply bags, we would be contributing to plastic waste. Admittedly where residents participate in the scheme these bags would be recycled (in the trials in Cheltenham the collection bag made up 4% of the overall material collected). However, the participation in the scheme may be low. FlexCollect indicates that where the equivalent of one bag per week was provided to residents, on average 0.35 bags were used i.e. waste of 0.65 bags or 65%
- By not supplying bags we are aligning with the methodology for other recycling materials. Whilst we do supply reusable sacks, boxes, and bins, we do not provide single use bags or sacks for the presentation of textiles, small WEEE, batteries, residual waste and food waste (we do however provide single use sacks for residual waste for a small number of households, for some limited reasons).

The FlexCollect report indicates that the self-supply of bags by residents may be linked to:

- Lower levels of participation;
- Unsuitable bag selection;
- Greater quantities of untied bags presented at the kerbside.

However resident supplied bags or the presentation of loose material was only tested in limited areas. Trials in all original areas (nine local authorities) initially supplied bags. One authority was added at a later date with material collected loose in a commingled collection. This system is not comparable to the service provided by the Council.



One authority, South Gloucestershire Council, initially trialled council supplied bags, but extended their trial into an area where residents were asked to supply their own bags. Although FlexCollect is not recommending resident supplied bags, the report states that the trial in this second area achieved reasonable levels of participation, suggesting that good communications can help compensate for the absence of a dedicated bag.

The roll out of Plastic Bags and Wrapping collections will be supported by an extensive communications campaign. This will consider the guidance set out in the FlexCollect report. This covers the following communication methods: instruction leaflet, dedicated web pages, nudge techniques, how-to photography, information sharing with crews and customer services and the development of FAQs.

Reduction in the Size of the Standard Refuse Waste Bin

As further mitigation to a potentially lower participation rate, there is strong evidence that reducing the volume of refuse bins drives residents to better engage with recycling services. This could be done in a dramatic way (South Gloucestershire Council for example removed all 240 litre refuse bins and replaced them with 140 litre bins) or can be done more gradually. It is recommended that the standard refuse bin size is changed when the Plastic Bags and Wrapping service is rolled out. The standard bin size would change from 180 litres to 140 litres. This would be by replacement only i.e. for new properties or where a damaged bin requires replacement. This shift in policy would bring the Council in line with the policies of Cheltenham Borough Council, which is beneficial from a Local Government Reorganisation perspective.

As with Cheltenham Borough Council, larger bins would be made available for larger households, or households with medical needs.

5.1 Plastic Bags and Wrapping – Alternative Options

The alternative option is for the Council to supply bags directly to residents. The FlexCollect report indicates that bags could be approximately 3p each and delivery costs could be in the region of £1.15 per household. For an authority the size of



Cotswold, assuming one bag per household per week, this leads to a cost of approximately £120k for the first year. This is before we consider:

- Officer and Ubico time for issue management/ re-delivery where bags are not received;
- The provision of additional capacity for high recyclers;
- The process for re-stocking residents. This could either be a re-stock for all households (i.e. approximately £120k per annum) or stock issue to participating households only (a lower cost for bags i.e. limited wastage, but a higher unit cost for delivery).

The FlexCollect report indicates that participation could be as low as 35%. The case for supply bags in the first instance is therefore harder to justify as 65% of households may not be using the service (at a cost of c. £80K per annum).



6. COLLECTION OF MIXED PAPER AND CARD

6.1 Mixed Paper and Card – Background

Paper and card are currently collected in separate compartments on the recycling collection vehicles. These materials are delivered to the transfer station at Thamesdown Recycling Ltd. Thamesdown bulk these materials and broker them on our behalf.

The Council pays a handling fee per tonne of material and receives revenue according to a mechanism. This mechanism is based on industry pricing published in this location: <https://www.letsrecycle.com/prices/>

Collecting these materials separately, delivers maximum recycling revenue for the Council, however collecting paper separately from card:

- Requires residents to separately present card and paper (the distinction between the two can be difficult to determine);
- Takes additional time for the crews to collect;
- Takes up more space on the vehicles. The collection of separate paper and card requires two compartments. Due to variations between rounds these compartments fill at different rates. When one compartment fills, there can be space left in the other leading to underutilisation of the vehicle as a whole.

An additional factor relates to the continued decline in the use and therefore recycling of paper, and the continued increase in the amount of card in the waste stream. Card use has increased with increasing home deliveries and is now increasing where manufacturers are shifting from the use of plastic packaging to the use of card packaging. Further developments of card packaging blur the lines between paper and card, making the distinction between the two more difficult for residents to determine. Collecting mixed paper and card is easier for residents.

Where these materials are mixed, changes to the overall capacity required is mitigated to some extent as one tonnage is decreasing and the other is increasing (accepting that the high density paper is being replaced with low density card).



6.2 Mixed Paper and Card – Impact (for residents, for crews, financial impact)

More information is provided in **Annex C – Mixed Paper and Card: impact on services**. A summary of which is provided below.

Initial Impact for Residents

There would be no initial impact to residents from a containerisation perspective. Residents currently have a blue sack for card, and a recycling box for paper. They could continue to present mixed paper and card in either one or both containers. Over time we would seek to optimise the containerisation for this material stream. This would include the potential to increase the standard container size for paper and card, assisting residents with this growing waste stream. Any improvements to containerisation would also aim to keep the material dry, and streets free from windblown litter e.g. with a sack that fully seals rather than sealing on one edge. Improvements to containerisation would be planned to be in place following the issue of the current stock of blue sacks. There are currently circa. 15k blue sacks held in stock.

To support this change we would develop a communications campaign, and we would work with the customer services team to update Knowledge Articles and Guidance for residents.

Impact for Crews

Currently residents present paper and card separately. Sometimes this is not done accurately, and crews need to carry out some additional sorting at the kerbside. In any case, they need to take two container types to two different areas of the vehicle to load these materials. The collection methodology would be simplified for crews where the materials are presented and collected mixed. This will speed up collections. This increased efficiency is unlikely to deliver cost savings but is likely to mitigate future cost increases. In other words, it will save time creating capacity for collections of more material and from new properties due to housing growth, reducing / delaying the need for additional collection vehicles.



Financial Impact

Paper is currently a high value commodity, and mixing paper and card will reduce the value derived from this waste stream. It is estimated that this would reduce recycling revenue by circa. £20k per annum. Although this is a negative impact this is mitigated considerably by the points set out above: Greater levels of recycling (paper & card due to simplifying the process), greater recycling collection capacity & future proofing etc. This would have a long term financial benefit.

An additional consideration relates to the ongoing provision of containers. Initially no changes would be made to this i.e. there is no financial impact. However, over time we would seek to provide additional containment for paper and card via two sacks. The annualised cost of these is expected to be in line with the cost of the current box/ sack, but with volume equivalent to a box and two of the current sacks. This would represent an increased volume for the collection of mixed paper and card, at no additional cost for the containers themselves.

6.3 Mixed Paper and Card – Alternative Options

The alternative option is that we continue with the separate collection of paper and card. This will retain the current level of recycling revenue, but not deliver on:

- Improved ease of use for residents;
- Potential to improve containerisation for paper and card;
- Improved efficiency of the collection services, and potential to absorb the collection of more materials and housing growth in the future.

7. CONCLUSIONS

7.1 The main conclusions from this report are provided in the following table:



Service Area	Conclusions
Bring Site Service Removal	<ul style="list-style-type: none">• Removal of bring sites would lead to a reduction in environmental crime (fly tipping and graffiti);• Where the results are closest to Scenario 2 (50% diversion to kerbside recycling; 50% waste minimisation) there would be a small decrease in recycling rate (circa. 0.1%);• Costs would be saved following the removal of the bring site service but absorbed in 2026/27 to fund the demobilisation itself. Savings would be delivered in full in 2027/28.
Plastic Bags and Wrapping Containerisation	<ul style="list-style-type: none">• Asking residents to self-supply sacks would ensure that this new service is delivered in line with current collection methodology;• By residents' self-supplying sacks i.e. only where they participate in the services, costs will be limited for the Council (and ultimately taxpayers) and wastage will be reduced;• Any potential negative impacts e.g. lower levels of participation in the service, could be mitigated with an extensive communications programme.• In addition, the Council could choose to provide smaller refuse bins as standard (140 litre rather than 180 litre). Reduced refuse bin sizes have been strongly linked to driving up participation in recycling services.
Collection of Mixed Paper and Card	<ul style="list-style-type: none">• Mixing paper and card would improve ease of use for residents and crews• The aim will be to optimise containerisation over time. A larger, fully sealed bag, will support the capture of increased material, keep this material dry, and reduce windblown litter



8. FINANCIAL IMPLICATIONS

8.1 A summary of the financial implications is provided in the following table:

Subject	Negative Impact	Positive Impact	Net Impact
Bring Site Demobilisation	<ul style="list-style-type: none"> Reduced recycling revenue (Scenario 1) £14,800 (revenue) Demobilisation costs. 	<ul style="list-style-type: none"> Removed service change £43,923 (cost). 	<ul style="list-style-type: none"> £29,123 improvement against current position To be realised in 2027/28.
Plastic Bags and Wrapping Containerisation			<ul style="list-style-type: none"> £0 additional cost to the Council and taxpayers. Costs will be incurred at a later stage in the mobilisation e.g. to provide communication to residents.
Collection of Mixed Paper and Card	<ul style="list-style-type: none"> Reduced recycling revenue estimated at circa. £20,000 per annum. 	<ul style="list-style-type: none"> Future proofed services/ long-term financial benefit e.g. through a delayed requirement for additional vehicles due to property growth. 	<ul style="list-style-type: none"> Initial reduction in revenue (estimated at £20,000 per annum).



1.1. If all three proposals are implemented, they are expected to be largely cost neutral overall, with the potential to deliver a small saving. Costs associated with the demobilisation of the bring site service would result in a net cost in 2026/27 only, which would need to be met from savings identified elsewhere within the budget.

9. LEGAL IMPLICATIONS

9.1 A summary of the legal implications is provided in the following table:

Subject	Legislative Requirement	Service Contract
Bring Site Demobilisation	We are under no obligation to provide bring bank services.	Cherwell District Council currently provides the service. The current service would require notice to terminate the operation.
Plastic Bags and Wrapping Containerisation	Required under new regulations made under the Environmental Protection Act 1990 ("Simpler Recycling"). To be in place by end of March 2027.	The service will be delivered by Ubico (inclusion in new Service Agreement currently being negotiated).
Collection of Mixed Paper and Card	Simpler Recycling requires the collection of paper and card. These materials may be collected mixed.	No change to current Service Contract with Ubico. Change to crew instructions/ working procedures. Change to the composition of recycling handled by Thamesdown i.e. no paper, and more mixed card.



10. RISK ASSESSMENT

High level risks and mitigations are provided in the following table:

Subject	Risks	Mitigations
Bring Site Demobilisation	<ul style="list-style-type: none">Sites may continue to attract fly-tipping and graffiti.	<ul style="list-style-type: none">The demobilisation programme would be linked to strong communication and site cleansing.
Plastic Bags and Wrapping Containerisation	<ul style="list-style-type: none">The self-supply of sacks by residents may be linked to lower levels of participation in the service.	<ul style="list-style-type: none">The roll out of the service will be accompanied by an extensive communications campaign;Where deemed necessary, sacks could be rolled out at a later date (it is easier to turn-on this service later, than start by issuing sacks and turn-off later);Smaller bins will encourage recycling.
Collection of Mixed Paper and Card	<ul style="list-style-type: none">Waste composition changes over time. The long term trend is for more card and less paper which creates capacity issues on the vehicles.	<ul style="list-style-type: none">Mixing paper and card mitigates this risk by better utilising the available space on the collection vehicles.

11. EQUALITIES IMPACT

11.1 Demobilisation of the Bring Site Service:

The bring banks themselves can be difficult to use for people with physical disabilities. Removal of this service removes this issue. All recycling materials can be recycled at the kerbside, and assisted collections are provided to residents in line with Cotswold District Council's Waste, Recycling & Street Cleaning Policy.



11.2 Plastic Bags and Wrapping/ Mixed paper and card:

These services will be delivered in line with the current collection services, where assisted collections are provided to residents in line with Cotswold District Council's Waste, Recycling & Street Cleaning Policy.

12. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

12.1 A summary of the climate and ecological emergencies is provided in the following table:

Subject	Carbon Emission e.g. fuel use/ avoided emissions
Bring Site Demobilisation	<ul style="list-style-type: none">• Reduced fuel use as a separate vehicle is no longer required to provide collections from bring sites;• Assumed that materials continue to be recycled, either through the household service, or independently through a commercial collection i.e. no impact on avoided emissions.
Plastic Bags and Wrapping Containerisation	<ul style="list-style-type: none">• No requirement to purchase bags from global supply chains or provide delivery services to residents, reducing the transportation needs of the services.
Collection of Mixed Paper and Card	<ul style="list-style-type: none">• Future proofing of the services delays the need for additional vehicles, effectively reducing the per household transport related carbon emissions of the collection services.

13. BACKGROUND PAPERS

13.1 [none]

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COTSWOLD
District Council

www.cotswold.gov.uk

Annex A

Bring Bank Service: financial and waste flow performance

Increased residual

Increased recycling or waste minimisation

TPA by Material	2024/25	Scenario 1	Scenario 2	Scenario 3
	Baseline	All recycling diverted to residual waste	50% recycling diverted to kerbside. 50% commercial (waste minimisation)	All bring bank recycling diverted to kerbside recycling
Residual (kerbside)	15,957	16,210	15,957	15,957
Food	2,950	2,950	2,950	2,950
Garden	9,477	9,477	9,477	9,477
Kerbside Recycling	7,873	7,873	7,999	8,126
CDC Bring Sites	253			
Third Party Bring Sites	49	49	49	49
Recycling (other HH)	258	258	258	258
Total Arisings	36,817	36,817	36,690	36,817
RR%	56.66%	55.97%	56.51%	56.66%

Change in Recycling Rate% Against baseline	-0.7%	-0.1%	0.00%
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Revenue	2024/25	Scenario 1	Scenario 2	Scenario 3
	Baseline	All recycling diverted to residual waste	50% recycling diverted to kerbside. 50% commercial (waste minimisation)	All bring bank recycling diverted to kerbside recycling
Cans	6.8		3.4	6.8
Glass	194.7		97.4	194.7
Paper	51.4		25.7	51.4
Rates				
Revenue Cans	-£40.00	-£40.00	-£40.00	-£40.00
Revenue Glass	£40.00	£40.00	£40.00	£40.00
Net Revenue Paper	£70.50	£70.50	£70.50	£70.50
Recycling Credits	£73.00	£73.00	£73.00	£73.00
Net Revenue	£11,141	£0	£5,570	£11,141
Recycling Credits	£18,459	£0	£9,229	£18,459
Total Revenue	£29,599	£0	£14,800	£29,599



Annex B - Collection of Plastic Bags and Wrapping: options for containerisation

- Simpler Recycling requires us to collect an extended range of plastics by end of March 2027
- This includes a complex mix of materials. WRAP therefore used focus groups to name this material in a way that would be recognised by most people.
- This name is: **Plastic Bags and Wrapping** (initially plastic bags and soft plastic wrapping, but appears to have been recently shortened)
- Trials have been conducted under the FlexCollect project (back when we were calling the material group – Flexible Plastics)
- Cheltenham Borough Council and South Gloucestershire Council have been involved in these trials
- North Somerset Council is the first in England to roll services out council wide, and describe plastic bags and (soft plastic) wrapping as:

- plastic bags and soft plastic wrapping, in a bag (or multiple bags if needed) no bigger than a carrier bag with the top tied
 - plastic carrier bags
 - bread bags
 - frozen food bags
 - delivery bags
 - cereal liners
 - toilet roll wrapping
 - multi-pack wrapping
 - salad, pasta, and rice bags
 - cheese, fish and meat wrapping
 - crisps, sweet bags, biscuit and chocolate wrapping
 - baby, pet food, detergent and cleaning pouches
 - flexible plastic packaging lids
 - fruit nets
 - bubble wrap and cling film

North Somerset Council

North Somerset requires residents to self-supply bags for the plastic bags and wrapping service. Residents use carrier bags, small bin liners, or bread bags. These are presented tied and are placed in a recycling box alongside glass bottles and jars.

FlexCollect Project

This report and the following extracts have been used to inform this review:



Figure two • Weight per household per category (normalised per week) and bags per household per cycle (not normalised for collection frequency)

Parameter	Weight per household (g)	Bags per household
Co-mingled	44	0.27
Twin stream	42	0.29
Source segregated	78	0.35
Weekly collections	86	0.32
Fortnightly collections	46	0.3

Recommended communications:

- **Introduction flyer** to let householders know the kerbside trial is coming and that the trial will expand over time in their area. The flyer also provided a list of specific items of what can and can't be recycled and why the trial is being launched. This leaflet was sent four weeks prior to service launch.
- **Instruction leaflet** providing the same list of specific items of what can and can't be recycled, how to order more bags and frequently asked questions (FAQ) about the service. This leaflet was delivered with the collection bags. This flyer was sent two weeks prior to service launch.
- **Dedicated web pages** for each pilot local authority with specific items listed of what can and can't be recycled, more details about the service, how to order more bags, top tips on how to store and collect the material in the home and FAQ.
- **Nudge techniques** like contamination stickers to inform householders of wrong items in their collection bags. Other nudges included a follow up flyer thanking householders for using the new service and reminding those that haven't participated to start using the service. The follow up flyer was typically sent 4-6 weeks after the service launched.
- **Photography** to clearly explain items that can/and cannot be accepted and how to tie bags securely and present on the kerbside.
- **Information shared** with local authority call centre staff and recycling collection crews.
- **FAQs** – for use in the instruction leaflet, web pages and call centre staff training.

Collection bags

Nine of the ten pilots used collection bags to collect flexible plastic packaging. Printed with clear messaging, the bags served as a prompt to residents, highlighting key details of the service, including accepted materials, where to get more bags, and the need to tie bags securely.

Bags are typically priced per 1,000 bags, and for the size used across the FlexCollect trials, costs varied between:

- ⊕ 18-20 micron bags: £22-£40 per 1,000
- ⊕ 40-micron bags: £50-£80 per 1,000
- ⊕ 50-micron bags: £54-£90 per 1,000

South Gloucestershire (Phase 2 – own bags)

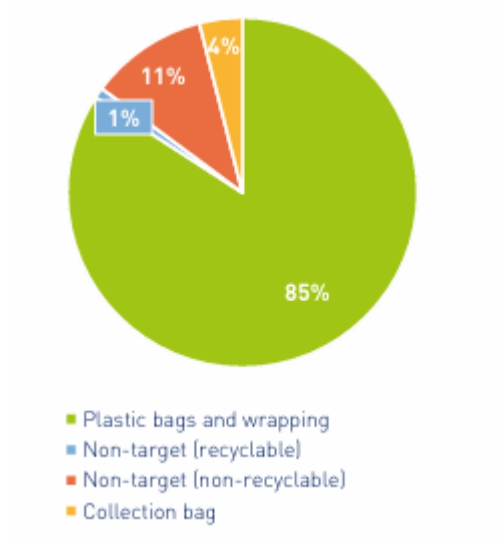
The second phase of the South Gloucestershire trial took a different approach, trialling the use of residents own bags (i.e. carrier bags and bread bags, etc).

While participants generally adapted well, a notable finding was that 76% of non-participating residents said they would be more likely to recycle these items if the council provided bags. Despite this, the trial achieved reasonable levels of participation, suggesting that good communications and service continuity can help compensate for the absence of a dedicated bag. However, feedback indicates that providing a bag still plays a valuable role in encouraging and sustaining behaviour change.

Collection bag delivery

The cost of the initial delivery of bags to all households depended on whether the service was resourced in-house or through an external supplier. In two project areas, external suppliers were used to deliver bags and flyers to households, with an average cost of £1.15 per household. The cost for a local authority with 75,000 households would be £86,250 using this method. It's worth noting however that the largest instance of this within the FlexCollect project was a delivery to 27,000 properties. Economies of scale may apply to larger numbers and reduce the ultimate cost.

Figure 38 • Cheltenham Borough Council




Summary of Options

CONTAINMENT	CDC Supply Sacks	Residents Self Supply Sacks (assumes 35% participation)
Cost to Council/ Taxpayers	£120k	Own/ pre-purchased carrier bags: £0 Self-funded liners: £65,520
Potential Wastage	£78k (assumes 35% participation)	£0
Supply Chain	Requirement to source a bulk order of sacks, likely from global sources, at a time of peak demand, and potential disruption to global supply chains (Iran War)	Sourced from residents own stock (pre-purchased carrier bags or bread bags) or bought from wide range of options available at supermarkets
Alignment with Other Materials	CDC do not provide single use sacks for recycling for other materials	Residents provide sacks/ liners for recycling, textiles, WEEE and batteries
Ability to Change Decision Later	If we start by issuing sacks it is more difficult to turn off later	If we start with not issuing sacks, it is easier to start to issue them later if we want to
Yield of Material	FlexCollect indicates increased participation and capture of materials	FlexCollect indicates reduced participation and capture of materials
Potential for Contamination	FlexCollect indicates that there is less contamination with council issued sacks. This can be mitigated with a comms campaign	Indicated that contamination may be higher where residents self-supply sacks


Annex C - Mixed Paper and Card: impact on services

The following table shows a summary of containers provided to residents in a selection of authorities in the south-west region. These authorities all provide kerbside sort collections from a range of reusable sacks and boxes:


Local Authority	Container 1	Container 2	Container 3	Container 4
Cotswold	Black box	White sack	Blue sack	Black box
	Glass	Plastics, cans	Card	Paper
Cheltenham	Green box	Green box	Blue sack	Green box
	Glass	Plastics, cans	Card	Paper
Gloucester City	Green box	Green box	Blue sack	
	Glass	Plastics, cans	Paper, card	
Forest of Dean	Green box	Green box	Blue sack	
	Glass	Plastics, cans	Paper, card	
Bristol	Black box	Green box	Blue sack	
	Glass, paper	Plastics, cans	Card, cartons	
North Somerset	Green box	Red bag	Green box	
	Glass, soft plastics	Plastics, cans	Paper, card	
South Glos	Green box	White sack	Green box	Blue - single use
	Glass	Plastics, cans	Paper, card	Soft plastics
OUTLIERS	glass bottles and jars	mixed plastics and cans	paper and card	




mixed glass bottles & jars




household plastic packaging



food tins & drink cans



cardboard



paper

This shows:

- Most have a box for glass only
- All have a container (box or sack) for mixed plastics and cans
- Most mix card and paper (4 out of 7)

One outlier, Bristol, is currently planning to mix paper and card. This change is being planned concurrently with a fleet replacement programme.

Why This Matters

- Recycling performance is linked to ease of use for residents. Mixing paper and card is easier (less decisions/ less separation)
- Residents should be provided with appropriate containment (volume to aid recycling capture, reduction in windblow litter)
- More mixed materials is a mitigation for multi-compartment vehicles. Less material types = less compartments and less risk of many compartments filling up at different rates.
- Less sorting = faster collection operations. Not necessarily cost saving, but mitigates future cost increases
- Aligns more with Simpler Recycling. Simpler Recycling indicates that four containers are required but local authorities have the freedom to make local exceptions to this:

MATERIALS	SIMPLER RECYCLING	CURRENT CDC	PROPOSED CDC
General Waste	1	1	1
Food Waste	1	1	1
Paper and card	1	2	1
Other dry recyclables	1	2	2

Impact on Recycling Revenue

Mixing paper and card would lead to a reduction in recycling revenue. The following projection uses the annual tonnage from 2024/25 and the rates for April 2026 (cost of handling and revenue per tonne)

2024/25	Paper	Card (hard mixed paper)	Mixed Card (soft mixed paper)
Annual Tonnage	429	2,669	3,098
Handling cost per tonne	-£12.00	-£12.50	-£12.50
Revenue per tonne	£82.50	£40.00	£40.00
Recycling credits per tonne	£73.00	£73.00	£73.00
Net Revenue	£61,561.50	£268,234.50	£311,349

Based on these assumptions:

- Net revenue for separate paper and card is £329,796
- Net revenue for mixed paper and card is £311,349
- Mixed paper and card results in less revenue **-£18,447**

Container Provision

- Initially no change to containerisation is proposed, Residents could use both existing containers (sack and box) to present mixed paper and card,
- New residents would be provided with one of two sacks depending on need.
- Residents can request up to one additional sack.

This would continue up until the point the existing stock is fully used (circa 15k blue sacks are currently held in stock)

New sacks will be designed, in consultation with Councillors, Ubico and selected residents, with the intention to make them larger, easy to handle, and to allow the full bag to seal, protecting the contents from rain, and reducing windblown litter.

This is shown in the following graphic:



Annualised Cost of Containers

Initial containment options are similar in cost (considering replacement rates and delivery costs) Opportunity to optimise costs where current blue sack stock is issued. Replacement sacks could be bigger, limited to 2 per household, and more cost effective.

£ per Unit

Container Costs and Replacement Rates

Container	Unit Cost	Delivery Cost	Typical Life (years)	Cost per Annum
Recycling box and lid	£7.75	£5.13	5	£2.58
Blue sack	£2.61	£5.13	3	£2.58
White sack	£2.77	£5.13	3	£2.63



Assumed at £80k pa
260 working days
60 containers delivered per day

£ per Household

Current Provision	Mixed Paper & Card - Existing Residents	Mixed Paper & Card - New Residents	Mixing Paper and Card - Later Decision
£5.16	£5.16	£5.16	£5.27
box and sack	box and sack	two sacks	two bigger sacks

Cost of Maximum Provision

£7.73
(includes one extra sack)

£7.74
(includes one extra sack)

£5.27
(limited to 2 x larger sacks)

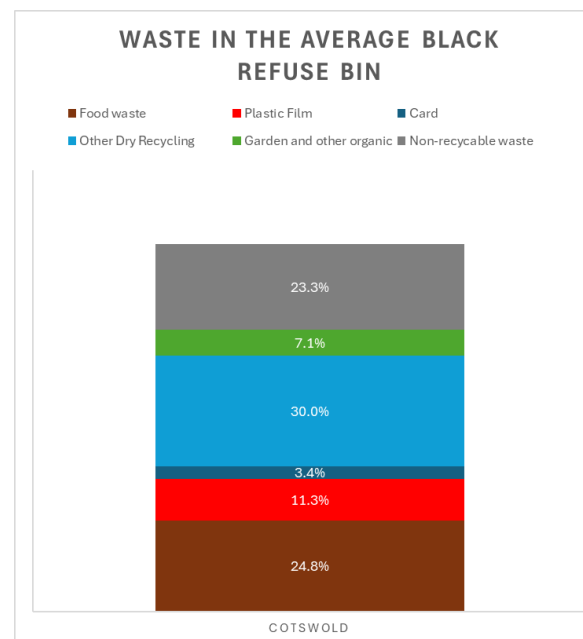
Would Increased Containment Lead to More Card?

The Councils card yield is already high/ paper yield is already low. This may indicate that some mixing is taking place already (and it does on narrow access vehicles as these do not have separate compartments for paper and card).

Local Authority (2023/24)	Kg per HH		Kg per HH per Wk			RANK CARD	RANK TOTAL
	Card (year)	Paper (year)	Card (Week)	Paper (Week)	Total		
North Somerset	73.7	0.1	1.42	0.00	1.42	1	4
Somerset	72	4.9	1.38	0.09	1.48	2	2
South Glos	66.4	7.1	1.28	0.14	1.41	3	5
Cotswold	61.6	13.7	1.18	0.26	1.45	4	3
Forest of Dean	53.5	39.4	1.03	0.76	1.79	5	1
Bristol (2022/23)	53	10	1.02	0.19	1.21	6	10
Torbay	44.9	15.5	0.86	0.30	1.16	7	11
West Devon	44.7	22.6	0.86	0.43	1.29	8	9
Gloucester City	41.4	30.5	0.80	0.59	1.38	9	7
Cornwall	38.9	28.6	0.75	0.55	1.30	10	8
Cheltenham	36.8	36.2	0.71	0.70	1.40	11	6
Calderdale	24.9	18.3	0.48	0.35	0.83	12	12

Residual waste analysis conducted in 2019 indicated that there was limited card remaining in the refuse bin.

From these combined data sources, we may see some additional capture of card i.e. increased diversion from residual waste. However, growth in this waste stream may be more likely to come from changes in waste composition over time e.g. increased home deliveries/ changes in packaging.



Mixing Paper and Card – a Summary

MIXING PAPER AND CARD	POSITIVE	NEGATIVE
Ease for Residents	Reduced need to separate materials (or decide when does paper become card?)	
Container Capacity	Intention to provide more containment to residents that need it	
Street Scene Benefits	Lids are provided for boxes but not always used. Sacks have built in Velcro flaps/ keep material dry and potentially reduce wind-blown litter	The current sacks are small and Velcro seals on one side only. The design of the sacks will be reviewed e.g. to seal more edges of the sack.
Ease for crews/ vehicle utilisation	Crews have less material types to sort/ vehicle utilisation can be optimised (less compartments that may fill at different rates)	
Loss of recycling revenue		Loss in revenue for paper. Estimated at a loss of £20k pa.
Potential for increase in cardboard yield	More card = more revenue/ less residual waste/ higher recycling rate	More card = more pressure on the recycling vehicles (mixing card/ new vehicle design = mitigation to this)
Ongoing Cost of Containers	Initially cost neutral. Opportunity to optimise later.	

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Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET MEETING – 4 JUNE 2026
Subject	ABBERLEY HOUSE/CORINIUM MUSEUM ROOF REPAIR PROJECT
Wards affected	Abbey Ward
Accountable member	Councillor Patrick Coleman, Cabinet Member for Finance Email: Patrick.coleman@cotswold.gov.uk
Accountable officer	David Stanley - Deputy Chief Executive and Chief Financial Officer Email: david.stanley@cotswold.gov.uk
Report author	Alan Hope - Head of Strategic Housing, Property & Assets Email: alan.hope@cotswold.gov.uk
Summary/Purpose	The Purpose of the report is to update the Cabinet on the Abberley House Roof Repair Project and the seek delegated authority to proceed with the works post the procurement process.
Annexes	Annex A – Drawing of Abberley House/Corinium Museum Roof Annex B – Proposed Scope of Works for Roof Repair



Recommendation(s)	<p>That Cabinet resolves to:</p> <ol style="list-style-type: none">1. Agree that repair work to the roof is to be expedited2. Delegate authority to the Section 151 Officer, in consultation with the Cabinet Member for Finance, to receive quotations for the repair work and to instruct work to be carried out and to deal with minor matters arising during the works.
Corporate priorities	<ul style="list-style-type: none">• Delivering Good Services• Supporting Communities• Supporting the Economy
Key Decision	YES
Exempt	NO
Consultees/ Consultation	<p>Consultation has been held with:</p> <p>Officers responsible for</p> <ul style="list-style-type: none">• Leisure Contract with Freedom Leisure who operate the Museum,• Procurement• Property & Assets• Health & Safety <p>Tenants of the buildings affected.</p> <p>Further consultation may be carried out as the scope of the works evolves.</p>



1. EXECUTIVE SUMMARY

- 1.1** The roof covering the Cotswold District Council (CDC) owned buildings, Abberley House and the Corinium Museum is compromised in several locations, resulting in water ingress into the tenanted/occupied areas below, including the Corinium Museum and Abberley House upper floor offices.
- 1.2** As a result of the water ingress, the building is at risk of deterioration and CDC are at risk of increasing tenant dissatisfaction/losing tenants and therefore further rental income reduction.
- 1.3** The purpose of this report is to brief Cabinet and seek their approval to proceed with roof repairs.

2. MAIN POINTS

- 2.1** The roof coverings over Abberley House and the Corinium Museum are compromised and require remedial work. Diagram 22-097-100 in Annex A show the roof zones in relation to the buildings.
- 2.2** CDC have employed J S Slater Building Surveyors, a Cirencester based Building Surveying Consultancy with extensive experience of Heritage Buildings, to carry out an inspection of the roof and to recommend remedial actions. J S Slater are developing a scope of works for the roof remedial work, a draft of which is included in Annex B.
- 2.3** Subject to Approval to Proceed, the roof remedial work will be procured using a competitive process managed by the CDC/Publica Procurement team.

3. ALTERNATIVE OPTIONS

- 3.1** The Council could choose to take no action. However, advice received from J S Slater, an established Building Surveying Consultancy with experience of heritage buildings, confirms that the works identified within the Scope of Works are necessary. Failure to undertake these works is likely to result in continued and potentially accelerated deterioration of the building's fabric.
- 3.2** Permitting the building to deteriorate further is likely to have an adverse impact on tenants and on the rental income received by CDC, and may result in increased costs of repair at a later date.



4. CONCLUSIONS

- 4.1** It is recommended that the roof repair works are put to the market for competitive quotations in accordance with CDC Procurement policies and that the works are carried out.

5. FINANCIAL IMPLICATIONS

- 5.1** The 2026/27 Budget includes a general provision of £0.4m within the capital programme for Asset Management. In addition, it is anticipated that a further £0.2m of unspent budget from 2025/26 will be carried forward into 2026/27, subject to approval as part of the 2025/26 year-end outturn process.
- 5.2** It is proposed that the roof remedial works are funded from this combined allocation. The final estimated cost of the works will be confirmed following completion of the procurement process.

6. LEGAL IMPLICATIONS

- 6.1** The council has a duty to keep its buildings in good repair for the safety of the building's occupiers and visitors, as well as to maintain the value of its assets. In this instance, deciding not to do the required repairs could drive tenants away but could also bring claims against the council.
- 6.2** As enforcer in a number of areas of law, the council should make sure it complies with all legislation or face reputational damage.
- 6.3** As mentioned earlier in this report, the council will need to follow its procurement rules as detailed in its constitution.

7. RISK ASSESSMENT

- 7.1** Failure to proceed with the Roof Repair Works may result in further deterioration of the building's fabric, potential loss of tenants, reduced rental income, and increased costs associated with future remedial works. In the longer term, this could give rise to health and safety risks. These risks would be mitigated through the implementation of the works identified within the Scope of Works currently being developed by J S Slater.
- 7.2** There is a risk that the cost of the works may exceed the available budget provision. In light of significant inflation within the construction sector following the COVID-19 pandemic, and ongoing market volatility influenced by recent geopolitical events,



including the conflict in Iran, it is difficult to accurately predict final costs in the current challenging environment. This risk will be mitigated through an open and competitive procurement process, designed to achieve an appropriate balance between quality and cost, in accordance with the Procurement Act 2023.

- 7.3** There is a risk of limited market interest from service providers. The construction supply chain has been adversely affected by challenging economic conditions since the COVID-19 pandemic in 2020. High-quality contractors are often operating at capacity and are therefore more selective in the projects for which they tender. Due to its heritage nature, this project may be considered too large and/or complex for some roofing contractors, while at the same time being too small for some general contractors. This risk will be mitigated through pre-tender market engagement with contractors to raise awareness of the opportunity and gauge levels of market interest.

8. EQUALITIES IMPACT

- 8.1** None anticipated.

9. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 9.1** The roof of the Abberley House/Corinium Museum buildings has not formed part of the Solar Strategy previously implemented by CDC. However, it is proposed that, during the course of the roof repair preconstruction works, an assessment be undertaken to determine the suitability of incorporating such measures, and that a business case evaluation be carried out where appropriate. If programme and budget considerations allow, any approved decarbonisation measures would be incorporated into the project. However, given that the roof is currently compromised and requires repair, it is considered undesirable to delay the necessary repair works. As a listed building, the roof structure and configuration may not be suitable for photovoltaic (PV) installation.

10. BACKGROUND PAPERS

- 10.1** None

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NOTES:
 1. Figured dimensions to be taken in preference to scaled dimensions.
 2. Large scaled drawings to be taken in preference to small scale.
 3. Critical dimensions to be taken from site.
 4. If in doubt, the contractor must ask for clarification.
 5. These drawings and designs are the copyright of James Slater & Co. and may not be reproduced or used without permission.

Rev.ID	Rev.date	Rev.by	Comment

KEY

- Corinium Museum
- Abberley House
- Jacks
- CH Chimney
- RL Rooflight

CLIENT:
 Cotswold District Council

TITLE:
 Roof Plan

draft

STAGE:
 Existing

SITE:
 Abberley House
 Park Street
 Cirencester
 Gloucestershire
 GL7 2BX

JAMES SLATER & CO
 SURVEYING & ARCHITECTURE

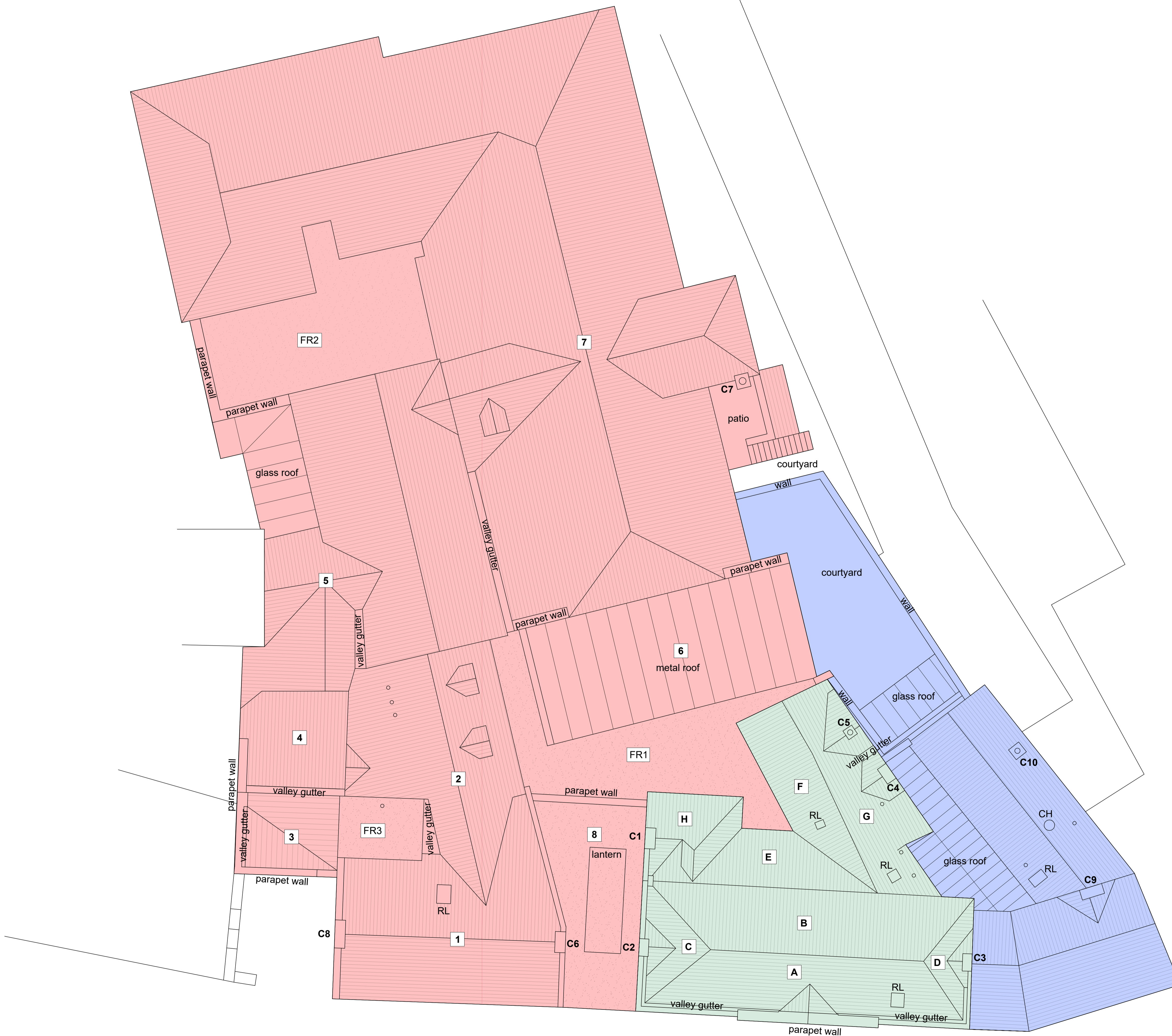
19 Dyer Street
 Cirencester
 Gloucestershire
 GL7 2PP
 Tel: 01285 650686
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 **RICS**
 www.james Slater.co.uk

SCALES:
 not to scale @ A1

DATE: March 2023	DRAWN: GB	CHECKED: MW
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DRAWING NUMBER: 22-097-100	REV: *
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Annex B – Abberley House/Corinium Museum Scope of Works (draft)

Abberley House – full spec being compiled

1. Allow for replacing all leadwork to the valleys, parapet gutters, and the copings. Contractor to allow for all stripping off, removal from site, all new leadwork, laying and BWIC etc.

On the reverse side of the centralised pediment, allow to hack off all existing cement render and cart away from site. Allow to repoint the area with lime mortar. Form additional lead apron to the rear of the pediment in place of the render and dressed & detailed appropriately with the parapet coping to provide a continuous layer down to the gutter behind. See drawing 22-097-305. This shall be in accordance with the Lead Sheet Associations details and instructions. Lead to be laid to BS EN 12588 and BS6945 and be appropriately coded. Allow for use of patination oil to reduce risk of staining.

Lead valleys are to be constructed in accordance with the Lead Sheet Association details and recommendations. Where the existing timbers have decayed, fix new treated softwood valley boards down the length of the gutter. Dress appropriate coded lead strips at least 500mm wide into the gutter. Ensure stone slates are cut accurately to allow a minimum 100mm clear width to the valley. All lead rebates to be pointed with hot-mixed lime mortar and all new fillets are to be formed in lime mortar.

Contractor to allow the removal a like for like replacement of the untidy leadwork dressed over the central pediment.

2. Carry out investigations to the underlying roof structure when roof stripping is complete.

The extent of damage to roof timbers is unknown at this stage. Consequently, it will be necessary for the Contractor to investigate the extent of the damage and allow for the Contract Administrator (as well as any necessary specialists) to investigate once the stripping is complete. All costs for repairs are to be agreed with the CA prior to any repairs being carried out.

Wherever possible repairs to structural timbers will be carried out in timber using traditional carpentry methods, retaining all sound existing material, and replacing only what is necessary in order to restore the structural integrity of the building. Badly decayed or split members or parts of members should be carefully cut away

and new sections spliced in, using timber of the same species and scantling as the original. Oak used in repairs should be new, but seasoned. Typical methods of repair include the use of scissor scarfs for main posts, bridle scarfs for horizontal members such as sole plates, shouldered scarfs where horizontal members are subject to bending stresses, and halved scarfs for the repair of vertical members such as studs and slip tenons. As much historical fabric will be retained as possible to facilitate these repairs.

LISTED BUILDING CONSENT – where the new rooflight is to be formed, the timber cut away to form this opening must be reused where possible to action timber repairs elsewhere.

Contractor is to price based on the following:

- 15.no rafter ends to need splice repairing/sistering.
- 2.no truss ends to need flitch plating.

15.no ceiling collars ends to need splice repairing/sistering.

3. Contractor is to allow for the making good of any existing water damage to the internal ceilings. This will include new lath and plastering with redecoration. All lath and plaster ceilings repairs to be completed on a like for like basis

4. Contractor to inspect 4no. lintels as shown on 22-097-303. Where lintels are rotten or deteriorated, allow to replace on a like for like basis. Contractor to include for new lime plastering and full redecoration using breathable paints.

5. Where internal plastering has become damaged from the leaks, contractor is to allow for removal of the damaged plaster and to renew the plaster for new lime plaster. All new lime plaster is to be decorated using breathable paints. Allow for approximately 5m² of new lime plastering.

Corinium Museum – full spec being compiled

1. Valley gutters to the entrance of the museum to be stripped and re-laid on both sides. Render to be addressed as needed to the parapets. Ceiling to be replastered and redecorated.

2. Flat roof above the Corinium reception and circulation area to be stripped and re-laid.

3. Ground floor left hall (service corridor) – check all internal stormwater pipes and repair. Valey gutter above to be stripped and re-laid. Ceiling

replastering and redecoration. Reroute first floor kitchen boiler condensate drain .

4. Ground floor glazed link – clean and re-seal rainwater goods.
5. First floor left-hand office. Reroofing, replacement of the valley gutter, removal of all vegetation, timber repairs to the roof structure, replastering and redecoration in the office.
6. Top floor leaks above the staircase (rear slope) – this will require further investigation as I can see nothing obvious from my drone imagery.
7. Top floor cracking: structural monitoring (monthly) to see if the cracking is worsening (time basis charge as per fee agreement).
8. Rear roof of the museum – timber repairs and redecoration to soffit and fascia boards / clean and reseal all rainwater goods as needed.
9. Neighbour's tree – write to the neighbour as ask permission to action maintenance, obtain planning permission etc.
10. Museum chimneys need capping and venting.
11. Right-hand wall and parapet needs repointing.

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Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET 4 JUNE 2026
Subject	LOCAL GOVERNMENT REORGANISATION – GLOUCESTERSHIRE STRUCTURAL CHANGES ORDER
Wards affected	All
Accountable member	Councillor Mike Evely, Leader of the Council Email: mike.evely@cotswold.gov.uk
Accountable officer	Jane Portman, Chief Executive Officer Email: jane.portman@Cotswold.gov.uk
Report author	Jane Portman, Chief Executive Officer Email: jane.portman@Cotswold.gov.uk
Summary/Purpose	<p>To outline the governance, legal framework, and key arrangements for the Gloucestershire Structural Changes Order, and to seek Cabinet’s agreement to submit representations to Government on behalf of Cotswold District Council.</p> <p>The Government has invited Gloucestershire councils to make representations, which the Secretary of State for Housing, Communities and Local Government will consider when deciding the final content of the Order.</p>
Annexes	<p>Annex A – Letter from MHCLG dated 19 May 2026</p> <p>Annex B – Examples of previous Structural Changes Orders</p> <p>Annex C – Indicative timetable from MHCLG</p> <p>Annex D – Implementation Guidance from MHCLG</p>
Recommendation(s)	<p>That Cabinet resolves to:</p> <ol style="list-style-type: none"> 1. Consider representations to the questions set out by the ministry of Housing, Communities and Local Government (MHCLG) regarding Gloucestershire’s Structural Changes Order 2. Delegate authority to the Leader of the Council to submit



	formal representations to MHCLG by their deadline of 16 June 2026
Reasons for Recommendations	<p>The Secretary of State for Housing, Communities and Local Government has invited representations from each of Gloucestershire's seven councils on the content of the Structural Change(s) Order (SCO).</p> <p>In particular, councils have been asked for their views on key transitional arrangements. The Council's response, alongside those of the other Gloucestershire councils, may influence the final content of the Order.</p> <p>By responding clearly and promptly, the Council can help ensure the Order supports effective governance and protects the interests of residents, service users and the district as a whole.</p>
Corporate priorities	<ul style="list-style-type: none">• Preparing for the future
Key Decision	No
Exempt	No
Consultees/ Consultation	Corporate Leadership Team Overview and Scrutiny Committee Cabinet



1. EXECUTIVE SUMMARY

- 1.1** This report outlines the key milestones, timelines, and governance requirements relating to the development of the Gloucestershire Structural Changes Order (SCO), following the consultation on Local Government Reorganisation proposals.
- 1.2** The SCO will establish the legal framework for the new authority or authorities, including governance arrangements, electoral structures, transition planning, and transfer of functions.
- 1.3** The Structural Changes Order will include the following:
- Legally establish the new Authority(ies) and define their boundaries
 - Specify the name of the new Authority(ies)
 - Set out the election arrangements for the new Authority(ies)
 - Designation of the Returning Officer(s)
 - Warding arrangements including number and names
 - Possible alignment of Town and Parish Council elections
 - Creation and composition of Joint Committees or an Implementation Executive depending on whether the decision is for 1 unitary authority (Implementation Executive) or 2 unitary authorities (Joint Committees). This will include direction on the number of elected members from each current council. (Previous composition from other councils is set out in the Table at Annex B)
 - Creation, leadership and (if required) those officers who must be included within the composition of the Implementation Team. This will include details of Interim Statutory Officers and may include specific officers from current councils (Previous composition from other councils is set out in the Table at Annex B).
 - Designation of transition function on the preparing/new authority(ies)/current councils.
 - Transfer of functions to new authority(ies) on Vesting Day
 - Creation of charter trustees for any areas where civic/ceremonial functions are to be preserved, and definition of those areas (if required).
- 1.4** The report seeks Cabinet's agreement to make formal representations to Government on behalf of Cotswold District Council in relation to the Gloucestershire Structural Changes Order.



2. BACKGROUND

2.1 In March 2025, the Secretary of State for Housing, Communities and Local Government invited Gloucestershire's seven local authorities to put forward proposals for the reorganisation of Local Government in Gloucestershire. Three proposals were submitted:

- A proposal for one unitary council for the whole of Gloucestershire – proposed by Gloucestershire County Council and supported by Tewkesbury Borough Council, Stroud District Council and Cotswold District Council. This is referred to below as the 1UA proposal.
- A proposal for two unitary councils: one for the west (Gloucester, Forest of Dean, Stroud) and one for the east (Cheltenham, Cotswold, Tewkesbury) – proposed by Cheltenham Borough Council. This is referred to below as the 2UA East/West proposal.
- A proposal for two unitary councils: one would be an expanded Gloucester City, called Greater Gloucester, which includes several nearby parishes; the other would cover the rest of the county, called Gloucestershire Unitary – proposed by Gloucester City Council. This is referred to below as the 2UA Greater Gloucester proposal.

2.2 Since then, the Secretary of State has consulted on those proposals and is expected to decide in July 2026 which one will be implemented. In the meantime, the Ministry of Housing, Communities and Local Government is preparing a Structural Changes Order to be laid before Parliament in winter 2026, with a view to it being made in March 2027.

2.3 A Structural Changes Order (SCO) is a statutory instrument made by the Secretary of State under the Local Government and Public Involvement in Health Act 2007. It is the legal mechanism used to implement local government reorganisation. The Order sets out the legal framework for transition, including the abolition of existing councils, the creation of new councils where needed, and the transfer of functions, staff, assets, rights and liabilities. It typically includes provisions on:

- The constitution of new authorities;
- Electoral arrangements;
- Transfer and exercise of functions;
- Transfer of property, rights and liabilities (including contracts);



- Transitional and implementation arrangements, including shadow authorities and implementation executives.

2.4 Although the SCO is made by the Secretary of State, its content can be shaped by proposals developed locally. Officials from the Ministry of Housing, Communities and Local Government (MHCLG) have invited Gloucestershire councils to make representations on a number of transitional issues.

2.5 Based on the Government’s indicative timetable, we had expected Gloucestershire to have until September 2026 to submit these representations. That would have allowed more time to seek a shared view across the seven councils and to complete each council’s internal decision-making process. However, in a letter received on 19 May 2026, MHCLG officials have asked for representations to be made by 16 June 2026. This has two main implications:

- It severely limits the amount of time for deliberation and discussion of the complex issues involved, by Gloucestershire Councils.
- We will be making these representations in advance of knowing which of the three proposals for reorganisation the Secretary of State will be supporting. As a result, we will need to consider all three options when making our representations.

2.6 Although the Secretary of State will decide the final content of the SCO, it is important that the Council seeks to influence it.

3. GLOUCESTERSHIRE STRUCTURAL CHANGES ORDER

3.1 Matters to be determined/considered:

Topic	Decisions needed under 1UA	Decisions needed under 2UA – East/West	Decisions needed under 2UA - Greater Gloucester/ Gloucestershire
Preparing Authority or New Shadow Authority	Proposal set out that the County Council would be the preparing authority with an implementation Executive. Decision needed as to whether this is still the agreed approach or	Required to be 2 new Shadow Authorities with Joint Committees	Required to be 2 new Shadow Authorities with Joint Committees



Topic	Decisions needed under 1UA	Decisions needed under 2UA – East/West	Decisions needed under 2UA - Greater Gloucester/ Gloucestershire
	seek a new Shadow Authority with a Joint Committee		
Membership of Implementation Executive / Joint Committee (See examples of previous SCO decisions at Annex B)	Implementation Executive: Decision needed on how many seats will be occupied for each of the predecessor councils	Joint Committee: Decision needed on how many seats will be occupied for each of the predecessor councils	Joint Committee: Decision needed on how many seats will be occupied for each of the predecessor councils
Appointment of chair of Implementation Executive / Joint Committee	In the case of a preparing authority this will be the Leader of Gloucestershire Council Executive	This will be a decision of each Joint Committee	This will be a decision of each Joint Committee
Political balance of Implementation Executive / Joint Committee	To be determined	To be determined	To be determined
Implementation Team: NB: While under all proposals there will be a single implementation team, the composition of that team may differ from proposal to proposal (NB: These roles are at senior officer level)	Decision needed, to be included in response on: <ul style="list-style-type: none"> - Who will be leader of the Implementation Team - Who will be deputy leader(s) - Any other officers to be included 	Decisions needed, to be included in response on: <ul style="list-style-type: none"> - Who will be leader of the Implementation Team - Who will be deputy leader(s) - Any other officers to be included 	Decisions needed, to be included in response on: <ul style="list-style-type: none"> - Who will be leader of the Implementation Team - Who will be deputy leader(s) - Any other officers to be included
Designation of Returning Officers (RO)	In the case of a preparing authority, this will be the existing (RO) for Gloucestershire County Council	To be decided: Usual practice is that an existing RO is nominated for each of the new Councils from amongst those councils within its footprint	To be decided: Usual practice is that an existing RO is nominated for each of the new Councils from amongst those councils within its footprint



Topic	Decisions needed under 1UA	Decisions needed under 2UA – East/West	Decisions needed under 2UA - Greater Gloucester/ Gloucestershire
Alignment of Town and Parish Council Elections	To be determined: Working assumption is that we would want to align all parish elections to the new electoral cycle		
Name of new authorities	Included in proposal: Gloucestershire Council	To be determined	Included in proposal: <ul style="list-style-type: none"> Greater Gloucester Council Gloucestershire Council
Number of new councillors for each new council – if different from proposals	110 in the proposal	52 for East in the proposal 58 for West in the proposal	52 for GG in the proposal 81 for GU in the proposal
Warding arrangements including number and names (Deadline: 17 August 2026)	Included in proposal: Existing County Council divisions to be used	Included in proposal: Existing County Council divisions to be used	To be determined
Arrangements for transition of civic / ceremonial functions			

4. ALTERNATIVE OPTIONS

- 4.1** Cabinet could choose not to submit a representation to Government, or representations to only some of the questions. However, this would mean the Council does not formally influence the content of the Structural Changes Order
- 4.2** Cabinet could choose to delay submitting a representation pending further information or clarity from Government, although this would risk reduced influence on the final Order.

5. CONCLUSIONS

- 5.1** The Gloucestershire Structural Changes Order is a critical step in establishing the future structure of local government in the county. It will provide the necessary legal and governance framework to enable a smooth and effective transition to the new authority or authorities.



5.2 Cabinet is therefore invited to note the contents of this report and agree the Council's representations to Government, ensuring that the interests of Cotswold District Council are fully reflected in the final Structural Changes Order.

6. FINANCIAL IMPLICATIONS

6.1 There are no direct financial implications arising from making these representations to the SoS (other than the member and officer time involved).

6.2 Under the single unitary authority proposal, there is a significant difference in the cost of the Preparing Authority model and the Shadow Authority model, the latter being estimated to cost Gloucestershire an additional £500k. If Cabinet is minded to request that the Secretary of State implements a Shadow Authority model, additional funding will need to be set aside by Cotswold District Council in the LGR Transition reserve to cover the Council's share of the additional cost for that eventuality.

7. LEGAL IMPLICATIONS

7.1 Local government reorganisation is led by the Secretary of State (MHCLG) under the Local Government and Public Involvement in Health Act 2007. The Secretary of State retains broad discretion over whether and how reorganisation proceeds. The consultation seeks a response to the following aspects of any Structural Changes Order (SCO) that may be made - interim implementation structures, elections, Council names, councillor numbers and warding arrangements for the first election, ceremonial matters and the timetable.

7.2 While councils may submit representations, the Secretary of State retains full discretion over the contents of the Order as a result there are no legal implications to this report.

7.3 Decision makers should note, the brief consultation period limits the amount of time for engagement, review and discussion of the issues involved. This makes group working of the authorities unlikely which may result in an incohesive response from the authorities that are vested in the outcome. In addition, the response will be made before the model of reorganisation is determined therefore each of the three options put forward should be considered when making representations.

7.4 Although the Secretary of State will decide the final content of the Order, it is important that the Council should represent the views of its members and electorate.



8. RISK ASSESSMENT

- 8.1** There is a risk that Gloucestershire councils may be unable to reach a consistent, collective position. This could reduce the overall influence of representations submitted to Government and lead to less favourable outcomes for the district council.
- 8.2** The programme presents a high level of strategic and operational risk, driven by uncertainty, timescales, and complexity. However, with early planning, strong governance, and effective partnership working, these risks can be managed to support a smooth and successful transition.
- 8.3** The main risks associated with this decision are set out below.

Risk	Impact	Mitigation
Cotswold District Council's representations are viewed as unworkable by the Secretary of State (SoS)	The SCO would not take account of those representations	Any proposed representations should be based on previous Structural Changes Orders used in other areas. This makes it more likely that they will be considered workable by the Secretary of State.
CDC's views do not accord with those of the County Council and other Gloucestershire District Councils.	Those representations may carry less weight with the SoS, meaning the SCO doesn't reflect our preferences	Despite the short timescale, discussions are underway with the County Council and District Councils to reach a shared position wherever possible.
Disputes between local councils as to the content of the SCO	Damage to the positive working relationship and consensual approach that has characterised our approach to date	Although councils may not agree on every issue, there is likely to be scope for agreement or compromise on many of the questions. Where views differ, CDC recognises the right of the County Council and District councils to take a different view in good faith.
Insufficient time to make decisions	CDC will miss the deadline and not be able to influence the content of the SCO	Although more time would have been preferable, the MHCLG deadline means it is unlikely that all councils will reach a shared position. It is therefore expected that each council will submit its own representations. Leaders have prioritised these discussions in order to meet the deadline.



Risk	Impact	Mitigation
Disputes between authorities	Delay to programme	Agreed principles and escalation routes

9. EQUALITIES IMPACT

9.1 A full equalities impact assessment was undertaken for each of the three proposals and can be found at: [Future Gloucestershire : Devolution and Local Government Reorganisation in Gloucestershire.](#)

10. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

10.1 At this stage there is not enough information known about the changes that would be made to service delivery and ways of working. However, overall environmental and climate matters have been considered in the Options Analysis section of the LGR full proposals to inform the decision.

10.2 Once a decision has been made by government as to the LGR model in Gloucestershire and implementation programmes have been scoped, full climate and ecological emergencies implications can be clarified.

11. BACKGROUND PAPERS

11.1 None

(END)



Ruth Miller
*Deputy Director, Local Government
Reorganisation*
**Ministry of Housing, Communities &
Local Government**
2 Marsham Street
London
SW1P 4DF

Chief Executives of Gloucestershire
Councils

19 May 2026

Dear Chief Executives,

I am writing to seek your views on matters that will be necessary for the Secretary of State to consider in any Structural Changes Order (SCO). The final decision on all these matters, including whether to implement a proposal, with or without modification, lies with the Secretary of State. Seeking your views is without prejudice to whether the Secretary of State decides to implement a proposal.

For the matters below, we would appreciate your response by **Tuesday 16 June**, and if you are able to provide an earlier response this would be appreciated. This is so the Secretary of State can consider and take decisions on these matters after he has taken decisions on which proposal, if any, to implement, with or without modification. These decisions will then be shared alongside the announcement of any reorganisation decision, which we expect to make before summer recess. While all views expressed will be considered, it is ultimately for the Secretary of State to decide what to include in the legislation to ensure any new councils are well placed to go live and to implement the proposal that is chosen.

We encourage you to work together to seek to agree representations for each proposal that would affect your councils for the Secretary of State to consider. You can respond singly, jointly, or as a collective, to LGRorganisation@communities.gov.uk and to your delivery lead (emma.reed@communities.gov.uk). Even if agreement cannot be reached, we encourage you to discuss your thoughts with each other. If you are unable to provide a view at this stage on any of these matters, it would be helpful if this could be set out so it can be considered by ministers.

Interim implementation structures

In the event of a decision to reorganise, a SCO will provide for the creation of a new single tier of local government for the area. This could either be through the creation of an entirely new council, or by establishing the new council as a continuing authority of one of the existing councils – known as a preparing council. Our current view is that a preparing council will only be considered where there is an existing council on the same geography as the new unitary council. We understand there is interest from some in whether a preparing council model is possible where the geography is very similar – if you think this could apply then your thoughts on democratic accountability and other practical considerations in the transition period in this model would be welcomed.

In advance of elections, the SCO requires the establishment of joint committees for each new council, or an implementation executive for any preparing council. Once elections are held – expected to be on 6 May 2027 – the executive of the shadow council or preparing council is empowered to make preparations for the new council to go live and provides direction to the implementation team. The SCO places duties on all councils to cooperate as a key principle, and it is important that transitional arrangements for reorganisation is a shared endeavour. The transitional responsibilities are set out in the [Implementation Bodies guidance](#) published on 12 March.

The SCO specifies, for each new unitary council, the membership of the joint committee/s or implementation executive. The SCO could, but does not have to, specify who is to be the Chair and could specify provisions around political balance. The joint committee/s and implementation executive would have a time and purpose limited existence given the expectation in this round of local government reorganisation that elections take place 11 months before any new unitary councils go live.

The SCO requires that an officer implementation team consisting of officers of all affected councils across the invitation area would be formed to support the implementation of the proposal through the entire transition. The SCO would specify particular roles, such as the Lead and Deputy Lead.

Elections

The SCO specifies the returning officers for the first election to each of the new unitary councils created. The SCO could also align parish council elections with the elections to the new councils.

Names

The SCO lists the councils that will be abolished and names new unitary councils. To support the timetable described above, we anticipate that decisions will be taken on naming new councils at this stage, with Ministers being guided by the information in proposals and your representations. For the avoidance of doubt, the names announced will be included in the SCO. However, it should be noted that existing legislation provides for a council to change its legal name, and councils do choose to operate with an alternative name for branding purposes.

Councillor numbers and warding arrangements for the first election

The SCO will include a schedule setting out warding arrangements and the number of councillors for each new council for the first election. We anticipate these councillors will be elected for an initial term of five years subject, of course, to Ministerial decision. While councillor numbers were included in proposals, we appreciate this may have been further refined as more detailed modelling work on warding has been undertaken. If this is the case, please do confirm your proposed councillor numbers and any rationale for this to support the Minister's final decisions on the content of the SCO. We will need any further representations on numbers by 16 June at the latest, and ideally earlier.

With regard to your suggested warding arrangements, these can be based on any combination of existing wards, divisions and parish boundaries. We understand there may be significant work compiling this, and that you may wish to wait until after a decision on which proposal is to be implemented to finalise this work. We will need any further information on warding by **17 August** and would appreciate receiving it before this date wherever possible.

We would encourage you to consider the Local Government Boundary Commission for England's guidance, as set out on their [website](#) and in our joint webinars last year as a good place to start while drawing these up, while recognising that the usual criteria are unlikely to be met in the same way as a full review. The Commission can offer advice and guidance as you draw up these boundaries. Please do reach out to them directly if you have not already. The Commission expects to carry out an electoral review of all newly established councils after their first elections and before their subsequent elections.

Ceremonial matters

With regard to historic and ceremonial matters, we understand the importance of these and will work closely with you through the transition period to ensure these are preserved. Many matters are covered by generic regulations, or local agreements you may choose to make. Any matters requiring legislative provision, such as the establishment of Charter Trustees in unparished areas, or amendments to the Lord Lieutenancy, are normally provided for through a supplementary "mop-up" order that brings together localised and place-specific arrangements once the SCO has established the new governance framework. This approach has been used successfully in previous reorganisations, including in Cumbria, and is the approach we are taking in Surrey, and ensures historic rights and privileges are preserved while allowing the main Order to focus on the transition to new unitary arrangements. If there are any particular issues that we should be aware of, please do reach out if you have not already done so.

Timetable

The SCO is subject to the affirmative procedure and usually takes six to nine months to prepare and take through Parliament, depending on the complexity. As an indicative timetable, we hope to draft the SCO over the summer, with a version shared in the autumn for fact checking, before sending the Order for pre-legislative scrutiny and laying in Parliament around the end of the year.

Questions

In summary, for each proposal these are the questions for you to consider for 16 June or before:

- Whether you would prefer a preparing council and implementation executive model (where geographies align) or a new council model with a joint committee?
- How many members from each relevant council would you prefer to sit on each Joint Committee or implementation executive, including the balance of members from different councils?

- Would you prefer for any individuals to be specified for the Chair/Deputy Chair roles, and if so, who?
- What are your views on any requirement for political balance in the implementation executive/joint committee(s)?
- What would be your preferences for the membership of the Implementation Team and whether roles should be specified?
- Who should be the returning officer for the first election to each of the new unitary councils, that proposals would see established? (We anticipate that the SCO would specify the role at a particular council rather than an individual person)
- Confirm if you would prefer the SCO to align future parish council elections with those of the new councils and set out when parish council elections currently take place across the four year electoral cycle for each of the new council areas?
- What are the current legal names of the councils and what would be your preferred names for new councils?
- If different to proposals, has there been any further modelling of your preferred councillors for each new council that you would like the Secretary of State to consider, alongside any information on the rationale for the numbers?

For 17 August or before:

- What are your suggested wards, that reflect the proposal and councillor numbers decided, and that best meet the LGBCE guidance, for inclusion in the SCO?

We have attached some information that sets out how this has been done previously along with links to relevant SCOs including Surrey. We would again emphasise that decisions will be taken for each area taking account of the representations across all proposals in an area and other relevant matters.

We are happy to meet to discuss these matters or for you to share initial views [further to our meeting on 14 May]. We would like the ideas that you share with us by 16 June 2026 to have political endorsement; accordingly, we ask that this letter is shared with Leaders.

Yours sincerely,



Ruth Miller
Deputy Director, Local Government Reorganisation

Annex B - Precedents

<p>Implementation Executive</p>	<p><u>Somerset</u> - the Implementation Executive shall consist of Somerset Council’s Leader; 4 other members of Somerset Council and the Leaders of the district council executives</p> <p>In the absence of the Somerset Council Leader Somerset Council must nominate five existing members. In the absence of the district council Leaders the district councils must nominate one existing member each. The Leader of Somerset Council will be the Leader of the Implementation Executive.</p> <p><u>North Yorkshire</u> – the Implementation Executive shall consist of North Yorkshire Council’s Leader who will preside at all meetings of the Implementation Executive; 9 other elected members of North Yorkshire Council and 7 elected members of the district councils. The Leader of North Yorkshire Council will be the Leader of the Implementation Executive and one of the elected members from the district councils will be the Deputy Leader.</p>
<p>Joint Committee</p>	<p><u>East Surrey</u> – 10 persons 5 persons nominated by County Council 1 person nominated by each existing council in East Surrey Area (5 in total)</p> <p><u>West Surrey</u> – 12 persons 6 persons nominated by County Council 1 person nominated by each existing council in West Surrey Area (6 in total)</p> <p><u>Cumberland</u> - 12 persons 3 persons nominated by the County Council 3 persons from each Cumberland Council (9 in total)</p> <p><u>Westmoreland and Furness</u> - 12 persons 3 persons nominated by the County Council 3 persons from each Cumberland Council (9 in total)</p> <p><u>Buckinghamshire</u> – No Joint Committee (Likely to have been as a result of COVID 19)</p>
<p>Implementation Team</p>	<p><u>Surrey</u> – No numbers specified but must include officers of the county council and the East Surrey Councils and West Surrey Councils. The “leader” of the Implementation Team is the Chief Executive for the time being of the county council and the “deputy leaders” are to be an officer of one of the East Surrey councils and an officer of one of the West Surrey councils</p> <p><u>Cumbria</u> – No numbers specified but must comprise officers from the county council, the Cumberland councils and the Westmorland and Furness councils. The “leader” of the Implementation Team is to be appointed from the Implementation Team and the “deputy leaders” must be an officer of one of the Cumberland councils and an officer of one of the Westmorland and Furness councils.</p>

Buckinghamshire – No numbers specified but must comprise officers from the county council and each of the district council. The “leader” of the Implementation Team is to be the Chief Executive of the county council. And the deputy leader of the Implementation Team is to be an officer of one of the district councils.

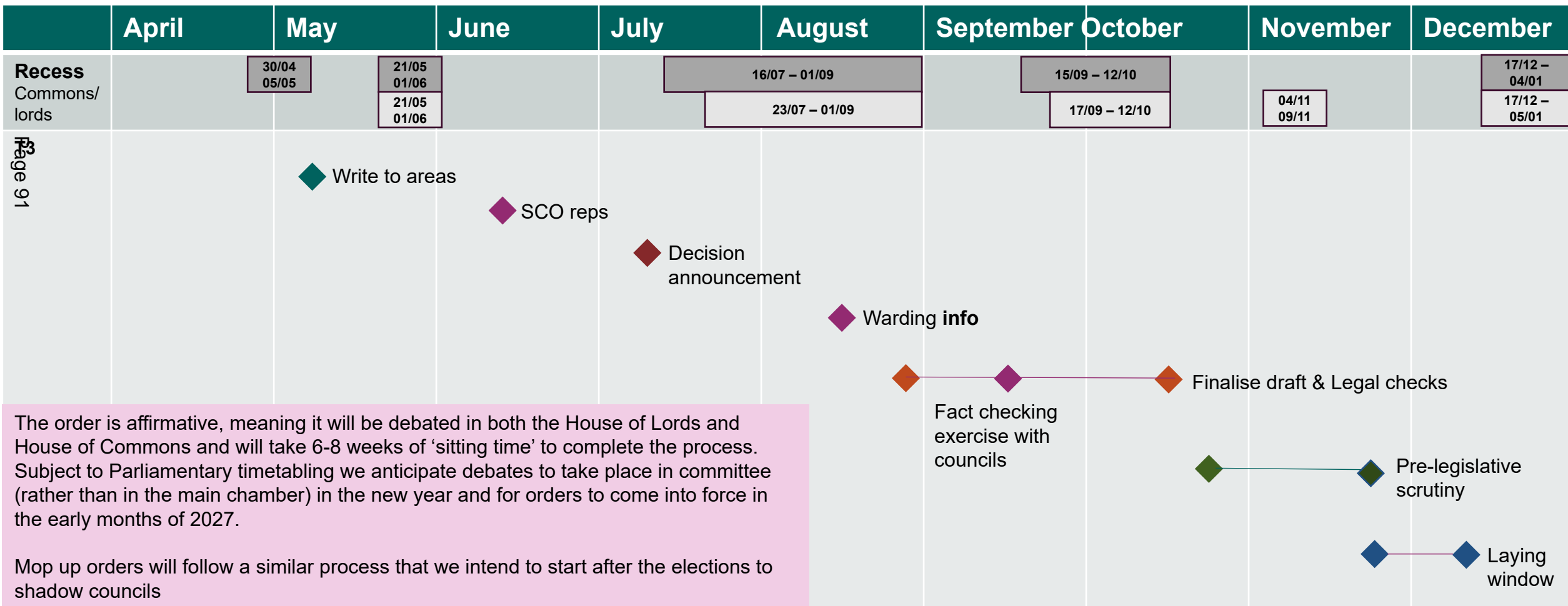
Somerset – the team shall consist of the Head of Paid Service for the County Council, the Heads of Service or each of the district councils; Somerset Council’s monitoring officer; Somerset council’s chief finance officer and the Somerset Council programme director. The “leader” of the Implementation Team is to be the Head of Paid Service for Somerset Council.

North Yorkshire – The team must include officers from both the North Yorkshire Council and each of the district councils and include the Head of Paid Service of the North Yorkshire Council; the Head of Paid Service of one of the district councils; North Yorkshire Council’s monitoring officer and North Yorkshire Council’s chief finance officer. The “leader” of the Implementation Team is the Head of Paid Service of the North Yorkshire Council and the “deputy leader” is to be one of the district council’s Head of Paid Service



The SCO usually takes six to nine months to prepare and take through Parliament, depending on the complexity.

We expect to draft the SCO over the summer, with a version shared in the autumn, for fact checking, before sending the Order for pre-legislative scrutiny and laying in Parliament around the end of the year. **The visual below is indicative.**



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Implementation bodies and predecessor councils during local government reorganisation

Introduction

1. This explanatory note is for all councils who were invited on 5 February 2025 to submit proposals for unitary local government under section 2 of the Local Government and Public Involvement in Health Act 2007 (the 2007 Act). Although operating on different timescales, this applies to all councils going through reorganisation.
2. This note describes the principles and expectations, focussing on the roles of the predecessor councils, implementation bodies and Implementation Teams during transition. The specific arrangements for each reorganisation will be set out in the Structural Changes Order (SCO) for each reorganisation. We expect to provide further guidance in due course, including on shadow councils.

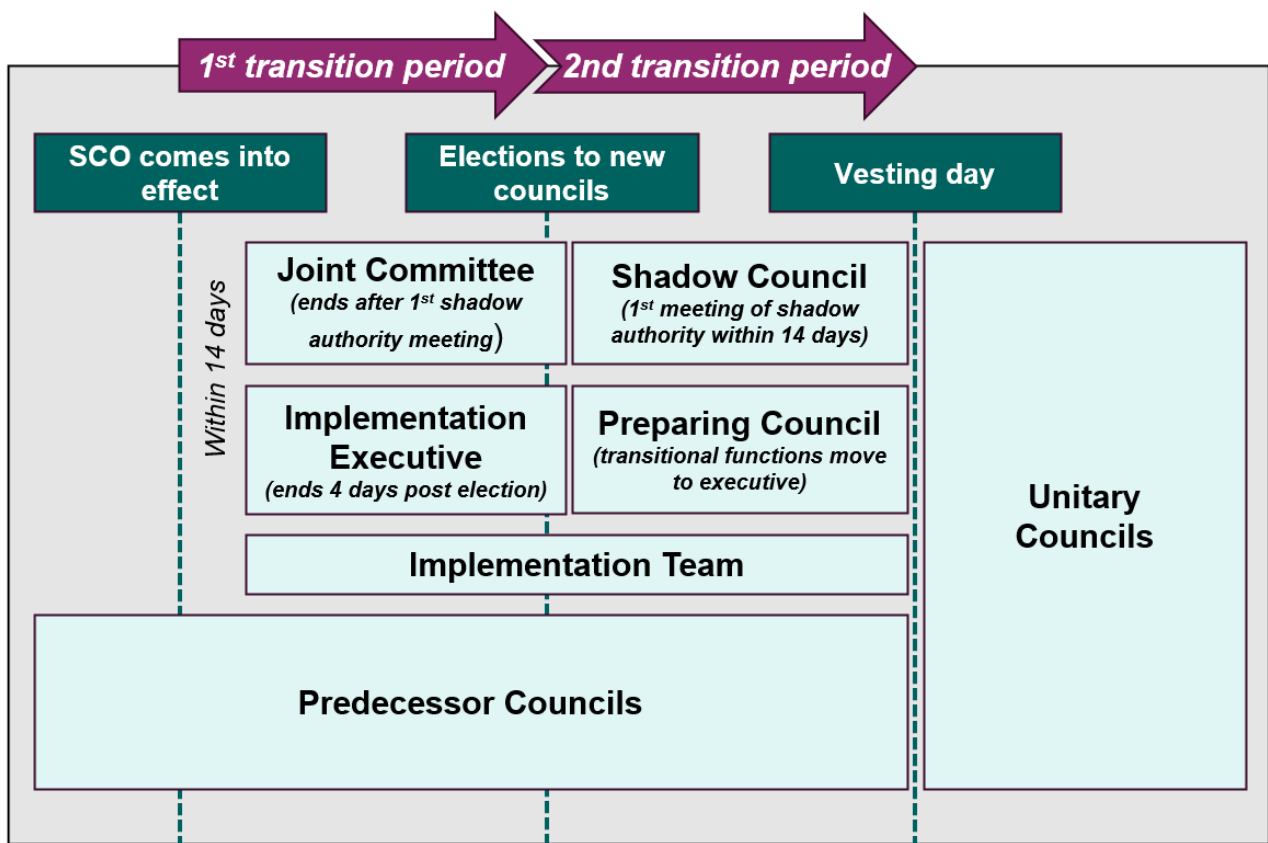
Transition periods and implementation bodies

3. We expect that for each reorganisation there will be two statutory periods of transition. The first transition period runs from when the SCO comes into force, up to the inaugural elections to the new council. The second transition period runs from a defined date following the inaugural elections, up to vesting day – referred to as the reorganisation date in the SCO. This is in line with the most recent reorganisations in North Yorkshire, Cumbria and Somerset and the approach we expect to take in this round, noting that other approaches have been used in the past.
4. The two transition periods, with different types of implementation body, will be established by the SCO, depending on the governance arrangements agreed for an area:
 - a. During the **first transition period** before elections to the new councils, there needs to be an implementation body representative of the existing councils in the area. Accordingly, the SCO that establishes the new councils will require the relevant existing councils to form an implementation body. For the first transition period, these bodies are mostly constituted as Joint Committees (one Joint Committee for each new unitary council). An Implementation Executive may instead be used if an existing council will in future assume the responsibilities, functions and staff of other councils that will cease to exist – referred to as a preparing council. The preparing council model is most appropriate (though not required) where the geography of the new unitary council matches that of one of the existing councils. The functions of a Joint Committee and an Implementation Executive are largely the same and Joint Committees would be required for many of the proposals submitted, were these to be implemented. Therefore, this note refers primarily to Joint Committees. The relevant SCO will specify the particular responsibilities of each Joint Committee.
 - b. For the **second transition period**, the Joint Committee will be dissolved and replaced by a new, different implementation body made up of the members elected in the inaugural elections to the new unitary council. This body is called a Shadow

Council, until vesting day, when it assumes all local government functions, full local authority powers and becomes the only council for the area. The councillors elected in the shadow period remain members of the new Council. The relevant SCO will specify the functions, powers and responsibilities of the Shadow Council. Where a preparing council model is in place, the Implementation Executive will be dissolved and replaced by the new executive of the preparing council following the inaugural elections.

- The transition periods are shown on the diagram below, with the Joint Committee or Implementation Executive operating for a defined period and with a specific remit. The predecessor councils continue to operate and have legal competence, independence and authority throughout both periods of transition. They deliver business-as-usual services and prepare for the transfer to new unitary councils. The Implementation Team, to be formed of officers from the predecessor councils, also operates throughout both periods of transition, to support the delivery of the new unitary councils up until vesting day. The relevant SCO will provide the detailed arrangements specific to each area, which may vary dependent on local circumstances.

Diagram: Transition periods and implementation bodies



The role and operation of a Joint Committee

- Joint Committees have preparatory functions, with one Joint Committee formed for each new unitary council (for ease, this is not shown in the diagram above). Their focus is to prepare the ground for matters that need to be in place on day one of the Shadow Councils. As such, they are not responsible for taking any decision on behalf of the new

councils and should act in a manner that does not fetter any decision the new shadow councils may wish to take.

7. The exact functions for the Joint Committee to undertake will be set out in the SCO and are expected to be limited to:
 - a. Formulating proposals for a code of conduct for the new unitary council
 - b. Creating a team of officers – known as the Implementation Team (see section below)
 - c. Preparing an implementation plan at a strategic level for the new authorities
8. In practice, the Implementation Team will undertake the preparations, with direction from the Joint Committee in the first transition period and decisions ultimately made by the Shadow Council in the second transition period.
9. The implementation plan should identify the key activities and timescales for their completion to facilitate each council's discharge of functions once the new arrangements are in place; and that budget provision for the delivery of the implementation plan is sufficient for the purpose. The Joint Committee needs to gather and later communicate sufficient financial information to inform early budget-setting decisions by the Shadow Council. The Joint Committees are required to have regard to the selected proposal and structure set out in the SCO in developing those plans. Implementation plans may be substantially amended by the Shadow Council once in place. The Cabinet of the Shadow Council (often referred to as the Shadow Executive) replaces the Joint Committee as the implementation body for the second transitional period and is responsible for reviewing and revising the implementation plan following the inaugural election.
10. As the Joint Committees are not responsible for implementation and their role is limited to preparing proposals and facilitating transitional arrangements, they **do not**:
 - a. Carry out recruitment or appointment to senior posts
 - b. Design or implement the operating model of the new organisation
 - c. Consider, set or develop budgets for the new council
 - d. Make decisions about service delivery or policy
11. However, they should be concerned that adequate arrangements are proposed for the new unitary council to undertake these activities effectively and efficiently. For example, they should be assured that the implementation plan they devise will allow each new unitary council to build and agree a budget for its first operating year (as a minimum) in accordance with the statutory timescales and requirements. While responsibility for setting the new council's budget lies with the shadow council, the Joint Committee is responsible for ensuring sufficient implementation budgets are in place in predecessor councils to enable the transition.
12. They should also prepare job profiles and key accountabilities for the Head of Paid Service, Section 151 Officer and Monitoring Officer that must be designated on an interim basis at the first meeting of the Shadow Council. The SCO will set out a requirement to appoint to these roles on a substantive basis by a certain date, as set out in the workforce guidance. They can also ensure that the necessary proposals are prepared for the new council to be able to agree a leader and cabinet governance

model, code of conduct and key interim appointments at its first meeting as required by the SCO as well as other key elements such as member allowances and a constitution as soon as possible. If these important preparations are not made, this could create an excessive workload and therefore limit the progress of the Shadow Council.

13. Typically, the Joint Committee must be established within 14 days of the SCO coming into effect. It is dissolved a short time after inaugural elections take place and after the first meeting of the Shadow Councils. In practice, this means that formally Joint Committees may only exist for a short period, sometimes only a few weeks dependent on the timing of the SCO coming into effect and elections to new councils.
14. Membership, Chair and voting arrangements for each Joint Committee will be set out in the SCO and will vary between areas. For example, if the Chair is not specified in the SCO, it is expected that the Chair will be selected via a vote during the first meeting of the Joint Committee. Membership is made up of specific numbers of councillor nominees from each of the predecessor councils in the area of the new unitary council to ensure sufficient representation.
15. Joint Committees have the authority to set their own rules of procedure. This can involve setting expectations such as:
 - a. Giving consideration to all options available and having regard to due consultation
 - b. Giving consideration to advice from officers
 - c. Having clarity of aims and desired outcomes
 - d. Having respect and regard for human rights and for the councils' Public Sector Equality Duties
 - e. A presumption in favour of openness, transparency and accountability
16. We expect that councils will set up a voluntary Joint Committee before the SCO comes into effect, after which point their establishment will become a requirement. Establishing voluntary Joint Committees in parallel with the SCO process, which mirror the forthcoming required governance arrangements, can provide more time for developing the implementation plan and proposals for the new authorities to consider. The specific timing of the establishment of voluntary Joint Committees is likely to vary between areas.

The role of predecessor councils

17. The predecessor councils continue to operate until vesting day, delivering business-as-usual services and preparing for the transfer to new unitary councils. During both the first and second transition periods, the SCO will place a duty for predecessor councils to:
 - a. Consult and co-operate with each other and with shadow authorities throughout the transition process to secure the economic, efficient and timely transfer of functions, property, rights and liabilities (which includes the transfer of staff)
 - b. Generally exercise their functions to further the purposes of the SCO
 - c. Provide any information reasonably requested by other relevant councils or shadow councils to support implementation

- d. Cooperate in the formation of the Implementation Team and release officials from normal duties as reasonably required
- 18. Predecessor councils are limited to the roles described above and are not responsible for implementation or designing new operating or delivery models in the new unitary councils.
- 19. Where a section 24 direction is applied, this would require the consent of the new shadow councils (or that of the Secretary of State) before predecessor councils enter into contracts or dispose of assets above a certain value.
- 20. There is also a suite of generic regulations that cover local government reorganisation that all councils need to have regard to, that set out requirements for staffing, assets, plans, continuity, and the exercise of certain functions in the transition period (such as the creation of town or parish councils).

The role of the Implementation Team

- 21. The Implementation Team is expected to be a single team across the area made up of officers of the predecessor councils. The SCO may specify membership and who must be the Implementation Team Leader (often known locally as the Senior Responsible Officer) and Deputies. Our expectation is that the Implementation Team Leader will work with all relevant councils to bring an Implementation Team together that meets the requirements of the SCO, to be agreed by the Joint Committee (or Joint Committees where there is more than one for the area). It is expected that the Implementation Team Leader is responsible for the management of the Implementation Team, including ensuring appropriate membership throughout the transition. The councils have a duty to cooperate in the formation of the Implementation Team and release officials from normal duties as reasonably required.
- 22. The Implementation Team – as formed by the Joint Committee in line with the specification in the SCO – will support the collection of data and transfer of functions, staff, property, rights, liabilities and information from predecessor councils. The rationale for this is that the Implementation Team holds expertise on these matters, which will be essential for both transition periods. The Implementation Team Leader will be responsible to the Joint Committees and later the Shadow Councils for the work of the Implementation Team (rather than the predecessor councils) and to ensure the Joint Committees are able to effectively fulfil their obligations.
- 23. The role of agreeing the Implementation Team is provided to the Joint Committees, with leadership from the Implementation Team Leader, and not the Shadow Council. Unlike the Joint Committees, which are to be dissolved on the day after the Shadow Council holds its first meeting, the Implementation Team is not time bound and remains in place throughout the whole transition period. It is the formal mechanism for the release of

council staff to work on preparations, given the duty on predecessor councils to cooperate and release staff. The designation and appointment of statutory officers, which is required in the SCO for the shadow councils, may support implementation but are not a replacement for the Implementation Team.

Implementation Executive

24. An Implementation Executive is typically used where an existing council (county or district) already operates on the same geography as the future unitary council and is designated as a preparing council which will become the new council. As with Joint Committees, specific arrangements for the Implementation Executive are set out in the SCO.
25. The main differences between the Joint Committee and Implementation Executive are that Implementation Executives are constituted as a committee of the preparing council's executive. Membership is made up of specific numbers of councillor nominees from all the former councils and the preparing council within the area of the new unitary council. Similar preparatory duties may be placed on it as a Joint Committee. An Implementation Executive is typically wound up within four days of the elections and its functions transfer to the executive of the preparing council.

Implementation Bodies and Predecessor Councils: Second Transition Period

Introduction

1. This explanatory note is for councils undergoing local government reorganisation and focuses on the role of the **Shadow Council** (also known as a Shadow Authority) during the second transition period. It builds on and follows the note on [implementation bodies and predecessor councils during local government reorganisation](#), published in March 2026. The note describes the responsibilities set out in the legislative framework that provides for local government reorganisation. However, it is not intended to be exhaustive or definitive and councils need to engage their monitoring officers and take their own legal advice as appropriate.

Transition periods and implementation bodies

2. We expect that for each reorganisation there will be two statutory periods of transition. The first transition period takes place following the Structural Changes Order (SCO) coming into force, whereby a Joint Committee is established within 14 days (for preparing councils, an Implementation Executive is established when the SCO comes into force). This operates for a limited period until the inaugural elections have taken place. Areas are encouraged to adopt a voluntary Joint Committee ahead of the SCO, though specific timing of the establishment of voluntary Joint Committees is likely to vary between areas.
3. The second transition period takes place following the inaugural elections to the Shadow Council, up to vesting day. During this period the Joint Committee is dissolved following the first meeting of the Shadow Council, which takes place within 14 days of the inaugural elections.
4. The Implementation Team is a single team of officers from all current councils in the area that are released from (some of) their day to day duties as reasonably required to support preparation for implementation as needed by the new councils ahead of go live. High level membership and appointment of the Implementation Team Leader (often known locally as the Senior Responsible Officer) is often specified in the SCO.
5. Areas that are instead using the preparing council model (which is most appropriate where an existing council operates on the same geography as a future unitary council) have an Implementation Executive that operates for a similar period to the Joint Committee. It is dissolved within 4 days of the inaugural elections to the new council with the functions then transferring to the executive of the Preparing Council.
6. For the purposes of this note, the Shadow Council is largely equivalent to the Preparing Council. The principal distinction is that a Preparing Council has a dual role: it continues to discharge the full range of its existing statutory service delivery functions, while also undertaking the preparatory work required to take on additional functions and become a new unitary authority. Councillors in a Preparing Council carry out both roles. For example, where a county council is designated as the Preparing Council, it will continue to deliver county services, while preparing for the transfer and integration of district council services. In this example, district councils in the area continue to deliver their services until vesting day.

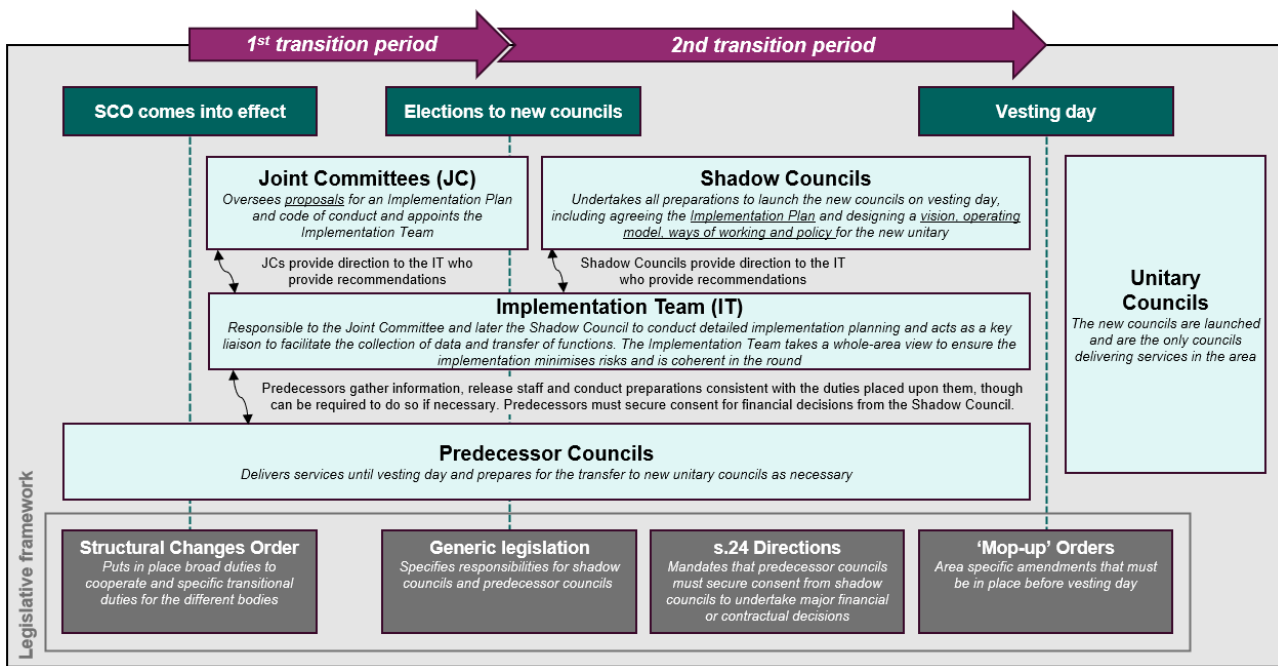
The role and operation of the Shadow Council

7. A Shadow Council is established to facilitate the transition of local authority functions from the predecessor councils to the new unitary council between the inaugural elections and vesting day. It is given specific functions in the transition period, both in the SCO and in generic legislation, to enable it to prepare to assume full local authority powers on vesting day.

8. While a Shadow Council is not a local authority until vesting day, it is required to build the core components of the new council ahead of “go live”. Members are elected who then go on to appoint a ‘golden triangle’ of senior officers to enable robust preparations and other statutory officers as required. These members remain members of the new council following vesting day and the SCO specifies the arrangements for terms of offices. Councillors elected to the Shadow Council operate within the preparatory remit until vesting day, taking decisions and engaging with residents on the preparations for the new council, and then take on the full range of member responsibilities after vesting day with the assumption of full local authority powers.
9. During the shadow period, the Shadow Council operates in a preparatory capacity as the future new authority. It is responsible for developing the vision, operating model (reflecting the required aggregation or disaggregation of services) and ways of working for the new council, and for taking the key preparatory decisions required in the year before vesting. This includes setting the budget and council tax necessary to enable the new authority to operate from day one, and taking decisions needed to ensure continuity of services.
10. The Shadow Council must work closely with the predecessor councils and other shadow councils in the area to ensure that the new council is fully functional, aids a safe and legal transition from vesting day and that the council fulfil its statutory duties, including the Best Value Duty.
11. A key difference from a local authority is that the Shadow Council does not deliver services in the transition period. Another difference is that the functions of the Shadow Council can be discharged by the Shadow Executive rather than full council, unless specified otherwise in legislation. The Shadow Council also cannot incur expenditure or acquire a liability without agreement from the relevant predecessor councils. Expenditure incurred by the Shadow Council is to be divided between the predecessor councils in proportions agreed by them. There is an arbitration process available in exceptional circumstances if agreement cannot be reached. Where decisions cannot be agreed at a local level, the Secretary of State may determine the proportions in which expenditure is to be divided and paid, or indeed appoint an arbitrator for that purpose. Councils are expected to act reasonably and responsibly to resolve issues locally wherever possible.

Duties and responsibilities

12. The legislation that comes into effect at different points in the transition sets the framework for the duties of the different Implementation Bodies. There are four components that are described in more detail in this note and captured in the diagram below:
 - a) Structural Changes Order – This provides both broad duties to cooperate and undertake necessary preparations, as well as specific transitional duties, such as appointing to key roles and agreeing Implementation Plans.
 - b) Generic legislation – This sets out further responsibilities for Shadow Councils, predecessor councils and new unitary councils in relation to different matters e.g. finances, staffing, etc. Where agreement is needed between councils, there is also an arbitration process available, although it is not expected to be needed.
 - c) Section 24 Directions – These directions have a specific purpose to require predecessor councils to obtain consent before entering into major financial or contractual commitments.
 - d) ‘Mop-up’ legislation – These orders create area specific amendments ahead of vesting day so that the new council has legislative continuity.



Duties under the SCO

13. The SCO will set out the functions and responsibilities of the Shadow Council in the second transition period and make provisions for the inaugural elections. The Joint Committee will have prepared an implementation plan and proposals, such as for a code of conduct, for the Shadow Council to consider, approve – with or without amendment – and take forward.
14. The Shadow Council must take all the necessary or expedient practicable steps to prepare for full local authority functions and powers and ensure continuity of public service delivery following vesting day. All councils in the area – including other shadow councils – will be under a duty to cooperate to prepare for transfer, including preparations for aggregation and disaggregation.
15. At its first meeting the Shadow Council must:
 - a. Adopt a leader and cabinet model of governance.
 - b. Adopt a councillor code of conduct.
 - c. Designate on an interim basis an officer from one of the predecessor councils within its area to perform the duties of interim head of paid service (chief executive), interim chief finance officer (section 151 officer) and interim monitoring officer. In making these interim designations, Shadow Councils should seek to adopt a similar procedure to those set out in the key legislation on how councils appoint statutory officers.
16. Following its first meeting and throughout the second transition period, the Shadow Council has responsibilities to:
 - a. Review and revise implementation plans prepared earlier by the Joint Committee.
 - b. Undertake decisions on staffing (as is required by the Staffing Regulations, TUPE Regulations and relevant Structural Changes Order), budgets, operating models and policy for the new council. Policies do not take full effect until the new council officially assumes service delivery of the functions. Where the Shadow Council does not prepare a replacement policy ahead of vesting day, continuity provisions mean that relevant predecessor council policies continue to have effect until replaced, subject to any statutory requirements to review or replace them within a specified period after vesting day.

- c. Make substantive appointments to the head of paid service (chief executive), chief finance officer (section 151 officer) and monitoring officer for the new authority to be in post by a specified date ahead of vesting day. In making these appointments, Shadow Councils will need to have regard to the relevant legislation on making local authority statutory officer appointments. As well, Shadow Councils will also need to be aware of the requirements of [the Staffing Regulations 2008](#) in making any decisions on the appointment of a chief executive for the new council – in particular, that if the Shadow Council does not appoint the head of paid service via open competition, the new council will need to ensure it has run an open competition within 12 months of vesting day.
 - d. Adopt a scheme for the payment of allowances to its members.
 - e. Undertake necessary steps to commence and sustain their running as a Shadow Council.
 - f. Prepare for the assumption of local government functions and full local authority powers on vesting day. Shadow Councils must liaise with predecessor councils and other Shadow Councils in the area to ensure continuity of service delivery.
17. The Shadow Council must set out its vision, design, operating model and its services as well as set its budget and taxes. While Shadow Councils are not local authorities and do not have full local authority functions until vesting day, the SCO provides local authority powers so far as needed to discharge their transitional functions during the shadow period. Accordingly, they may appoint staff in addition to those required by the Order. In making any appointments, Shadow Councils should be mindful of their obligations under the Staffing Regulations and TUPE and should take independent advice on whether such an appointment is permitted. They will develop supporting documentation, with statutory officers having a key role in this work. This is not an alternative to the Implementation Plan that sets out the key activities and timescales for the transition to new unitary councils to take place.
18. There are backstops in place if duties are not carried out or agreements cannot be reached and Shadow Councils can request predecessor councils undertake necessary preparations. The SCO creates a duty to cooperate and legal obligation that councils are expected to comply with. Government action to encourage compliance is not expected to be needed.
19. The Shadow Council does not appoint an alternative Implementation Team, as the Implementation Team formed during the first transition period remains in place throughout the implementation process. Statutory officers appointed by a Shadow Council in accordance with the SCO support implementation but do not replace the Implementation Team, which is the mechanism for the predecessor councils to fulfil the duties that have been placed on them. These include the duty to prepare for and facilitate the economic, effective, efficient and timely transfer to the new council of its functions, property, rights and liabilities, and to consult with each other to fulfil that duty. However, appointed statutory officers may work closely with the Implementation Team to ensure the developing needs of the Shadow Councils are reflected in the implementation activity.
20. Operationally, the requirements on the Implementation Team will change through the period, as the Implementation Plan is revised and delivered and as staffing and transfer arrangements (including aggregation and disaggregation) are confirmed. Throughout it has a key role in facilitating the transition across the area as captured in the Implementation Plan(s) to ensure risks are minimised, as well as acting as a liaison with predecessor councils to gather relevant information and conduct required preparations.

Electoral matters

21. The SCO will specify who is to act as Returning Officer for the inaugural elections. Shadow Councils need to then review electoral matters including interim acting and local returning officers and post-

reorganisation registration officers and returning officers, noting there could be elections to fill casual vacancies.

22. Predecessor Councils should note in accordance with section 89(3) of the Local Government Act 1972 that there will be no requirement to hold a by-election where a casual vacancy arises for a councillor six months before the predecessor council abolition – due to the short time the office is available. However, where there is a total number of vacancies exceeding one third of the councillor member number, a by-election will then be required. An SCO will ordinarily provide for this in the part focused on electoral matters.

Duties under generic regulations

23. In addition to responsibilities set out in the SCO, generic regulations apply to local government reorganisation. These further specify the responsibilities of the Shadow Council and predecessor councils. All councils need to have regard to these regulations that set out requirements for staffing, assets, plans, continuity, and the exercise of certain functions in the transition period (such as the creation of town or parish councils) and assist the Shadow Council where necessary to facilitate the transfer of these functions.

24. Some key aspects are set out below ¹:

Finance ²:

- Shadow Councils are responsible for calculating budget requirements, council taxes and business rates and issuing notices for them.
- Predecessor councils must share reports of statutory audits, inspections and investigations with the relevant Shadow Council. They are also required to consult Shadow Councils and take their views into account in respect of any of its policies, procedures or structures for the purposes of statutory reports and related recommendations.

Staffing ³:

- The Staffing Regulations 2008 make provision in respect of the transfer of staff and other staffing matters during local government reorganisation. In particular, they provide that the transfer of functions from a predecessor council to a new single tier council shall be treated as a “relevant transfer” within the meaning of the TUPE Regulations. Non-statutory staffing guidance covers these elements in more detail.
- By applying TUPE in this way, the Government is seeking to ensure employees of predecessor councils who are in post immediately before the reorganisation date and whose terms and conditions of employment provide for their employment to continue beyond that date, become employees of the single tier council that succeeds their predecessor council, and that they shall transfer, subject to the operation of the TUPE Regulations, on the same terms and conditions as they had enjoyed immediately beforehand. It also seeks to ensure that employees of a preparing

¹ Also of note are [The Local Government \(Structural Changes\) \(Transitional Arrangements\) \(No.2\) Regulations 2008](#); [The Local Government \(Structural Changes\) \(Further Transitional and Supplementary Provision and Miscellaneous Amendments\) Regulations 2009](#); [The Local Government \(Boundary Changes\) Regulations 2018](#).

² [The Local Government \(Structural Changes\) \(Further Transitional and Supplementary Provision and Miscellaneous Amendments\) Regulations 2009](#); [Local Audit and Accountability Act 2014](#); [Accounts and Audit Regulations 2015 \(as amended\)](#); [The Accounts and Audit Regulations 2015](#).

³ [The Local Government \(Structural and Boundary Changes\) \(Staffing\) Regulations 2008](#); [The Transfer of Undertakings \(Protection of Employment\) Regulations 2006](#).

council, as affected employees, will benefit from prescribed protections under the TUPE Regulations.

- In addition to the Staffing Regulations, each area will be subject to its own individual SCO. The Staffing Regulations are subject to the specific provisions in an area's SCO and therefore councils will need to have regard to any specific staffing provisions in the SCO.

Service planning ⁴:

- Continuity provisions apply to policies and service arrangements. Some policies will have a required period for replacement after vesting day, such as licensing and housing allocation policies. Shadow Councils may wish to start preparatory work on key reviews ahead of vesting day.

Assets, property, income, rights and liabilities ⁵:

- The relevant Shadow Councils must agree how to disaggregate assets, property, income, rights and liabilities at least three months before vesting day, and ideally earlier. If councils fail to agree, then an arbitration process is set out, that may involve assets being held by a caretaker council on trust until there is agreement, or the ultimate appointment of an arbitrator. Councils are expected to resolve issues locally wherever possible.

Ceremonial matters ⁶:

- Shadow Councils should work with predecessor councils to consider the transfer of historic property and rights, whether charter trustees are required for unparished areas, and whether any further matters should be included in supplementary 'mop up' legislation.

Community Governance Reviews ⁷ :

- The Shadow Council has the final sign off on any Community Governance Reviews underway. This means that while Predecessor Councils are able to undertake Community Governance Reviews, they are not able to conclude these without sign off from the Shadow Council or future unitary council.

Engagement on further legislation – Mop-up legislation

25. There will be further consequential legislation (known as 'mop-up' legislation) needed to make area-specific amendments that must be in place prior to vesting day. All councils are responsible for identifying the relevant legislation that requires updating as part of implementation for their area.
26. Development of legislation will be an iterative process between the department, predecessor councils and shadow councils. While decisions on what should be included are for Ministers, the department will work with councils throughout. It is likely that area-specific amendments may be grouped with other area-specific amendments when it comes to preparing an Order.

⁴ Continuity provisions within the Local Government (Structural Changes) Regulations 2008–2009: [The Local Government \(Structural Changes\) \(Transitional Arrangements\) \(No.2\) Regulations 2008](#).

⁵ [Local Government and Public Involvement in Health Act 2007](#); [The Local Government \(Structural Changes\) \(Transitional Arrangements\) \(No.2\) Regulations 2008](#) and [The Local Government \(Structural Changes\) \(Further Transitional Arrangements and Staffing\) Regulations 2009](#) ; and relevant Structural Changes Orders.

⁶ [The Charter Trustees Regulations 2009](#); [Lieutenancies Act 1997](#); [Sheriffs Act 1887](#).

⁷ [Local Government and Public Involvement in Health Act 2007](#); [The Local Government \(Structural Changes\) \(Transitional Arrangements\) Regulations 2008](#)

27. Typical area-specific provision can include matters such as pensions administration, housing financing arrangements, membership of boards or external bodies, and ceremonial arrangements, as set out in the table below.

Provision	Considerations
Ceremonial matters	<ul style="list-style-type: none"> • The Shadow Councils, working with the predecessor councils, must determine whether there are bodies in place to maintain ceremonial aspects/provisions in the areas under each respective unitary council. • The Order can create charter trustees in unparished areas to ensure historic rights and privileges are maintained and vested in the Charter Trustee for the relevant area where there is no parish or town council. • The Order will, if necessary, also amend the statutory definition of the area of the ceremonial county in the Lieutenancies Act 1997 and Sheriffs Act 1887, to include the new local government areas of the new unitary councils. The amendments would reflect the names of the new authorities and their areas, and do not involve any amendment to the ceremonial boundaries.
Pensions	<ul style="list-style-type: none"> • If needed, provision can be made to transfer pension arrangements in the new councils to ensure that the rights, assets, and liabilities of the relevant Pension Fund transfer to one of the new unitary councils as the new administering authority of the pension. • It can also provide that the pension assets and liabilities relating to the predecessor councils transfer to the new unitary councils in proportions determined by the new council. This will ensure that there is clarity on who is taking over the responsibility for funding existing pensions accrued - This prevents exit payments arising under the regulations which would normally be triggered where an employer leaves the scheme. • If a different arrangement, such as a Single Purpose Pension Authority is under consideration then this will be in a separate order/process
Miscellaneous	<p>The Shadow Councils, working with the predecessor councils, must look at area specific issues where these are not addressed by existing regulations of generic application to determine whether amendments are required. Examples can include, but are not limited to:</p> <ul style="list-style-type: none"> • Area of Outstanding Natural Beauty/National Landscapes • National Park Authorities • Fishery Authorities • Harbour authorities • Devolution arrangements • Sub national bodies e.g. Transport for the North

Duties under a Section 24 direction

28. The programme expects to put Section 24 directions in place to avoid predecessor councils binding new councils with new, significant financial and contractual obligations without their knowledge. Once a Section 24 direction is made, this will mandate that predecessor councils obtain the written consent of the relevant Shadow Councils to major financial decisions (such as land or property transactions) or contracts from a specified date. It is for the Shadow Council to decide how to grant consents for financial decisions from predecessor councils. However, Shadow Councils should put

in place proportionate arrangements, such as general consent for particular types of spend, to provide appropriate oversight while avoiding unnecessary delays or risks to service delivery. This is often achieved through Shadow Councils establishing a strict consent based review process where the S151 officer plays a significant role in approving expenditures above certain thresholds.



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET – 4 JUNE 2026
Subject	ASSET MANAGEMENT – OUT OF DISTRICT INVESTMENT PROPERTIES
Wards affected	All
Accountable member	Patrick Coleman – Cabinet Member for Finance Email: patrick.coleman@cotswold.gov.uk
Accountable officer	David Stanley – Deputy Chief Executive & Section 151 Officer Email: david.stanley@cotswold.gov.uk
Report author	David Stanley – Deputy Chief Executive & Section 151 Officer Email: david.stanley@cotswold.gov.uk
Summary/Purpose	To seek Cabinet's approval to pursue options for the disposal of out of district investment property(ies)
Annexes	Exempt Annex A – Out of District Investment Properties
Recommendation(s)	That Cabinet resolves to: <ol style="list-style-type: none"> 1. Approve the recommendation to actively market all 3 out of district investment properties for disposal. 2. Delegate to the Strategic Head of Housing, Property and Assets to progress negotiations with support from the Assistant Director –Legal Services.
Corporate priorities	<ul style="list-style-type: none"> • Preparing for the future • Delivering Good Services
Key Decision	NO
Exempt	NO (Exempt Annex A)
Consultees/ Consultation	Corporate Leadership Team, Leader, Cabinet Member for Finance



1. EXECUTIVE SUMMARY

- 1.1** The Council acquired 3 out of district investment properties in 2010 for a combined capital outlay of £5.076m. The financial performance (net rental income) from these assets has deteriorated since 2022/23.
- 1.2** This report seeks Cabinet approval to actively market the properties for disposal.

2. BACKGROUND

- 2.1** In July 2009, Cabinet and Council approved the allocation of £5m in the Capital Programme for the acquisition of suitable investment properties to help the Council achieve a stable investment yield in excess of long-term rates available in money markets through rental income rather than an over reliance upon interest rates.
- 2.2** The Capital Strategy set an investment target of 6% to enable the council to generate a net income stream of at least 4% above the interest rate at the time (0.50%). The report to Cabinet and Council outlined that to generate £200,000 of additional income the Council would need to invest in the region of £5,000,000, hence the recommendation to include this sum within the Council's capital programme. A maximum lot size of £3m was recommended.
- 2.3** The Council acquired the three out of district investment properties for a combined purchase price of £5.076m.
- 2.4** The Asset Management Strategy adopted by this council on 09 May 2024 stated a Strategy Objective of 'Preparation for Disposal of out of District investments at the right time, re-investing in more local investment opportunities.'



3. FINANCIAL PERFORMANCE, ASSET MANAGEMENT ISSUES

3.1 Table 1 below sets out the relevant financial information regarding the out of district investment properties, with Exempt Annex A providing more detail on each property.

Table 1: Out of District Investment Properties

	Property			
	60-70 Great Bridge, Tipton	Eign Gate, Hereford	1 Sutton Park Road, Seaford	All properties
Date of acquisition				
Purchase Price (£'000)	1,980	1,777	1,155	4,912
Capitalised fees (£'000)	104	0	60	164
Capital Cost (£'000)	2,084	1,777	1,215	5,076
Net Book Valuation 31/03/2025	505	320	820	1,645
Net Loss (against NBV)	1,579	1,457	395	3,431
Estimated Market Value	775	350	1,057	2,182

3.2 As can be seen from the table, there has been a material reduction in the Net Book Value (NBV) of the properties. At the last published balance sheet date (31 March 2025), the properties were valued at £1.645m – a reduction of £3.431m against the capital cost at acquisition.

3.3 As set out Section 2, the Council's decision to acquire investment property was to generate a net income stream (from rental income) of at least 4% above the interest rate at the time (0.50%).

3.4 Table 2 shows the net rental income for the financial years 2012/13 to 2025/26 as recorded on the Council's financial system. Although the properties were acquired prior to 2012/13, financial information covering the period before 2012/13 is not readily available as these were held in previous financial system. Whilst an estimate of the income for 2010/11 and 2011/12 has not been made, it is not a material consideration for this report.



Table 2: Net Rental income (2012/13 to 2026/27)

	60-70 Great Bridge, Tipton	Eign Gate, Hereford	1 Sutton Park Road, Seaford	All properties
Net Rental Income				
2012/13 (£'000)	(121)	(110)	(73)	(304)
2013/14 (£'000)	(119)	(110)	(77)	(306)
2014/15 (£'000)	(122)	(110)	(81)	(314)
2015/16 (£'000)	(119)	(109)	(92)	(321)
2016/17 (£'000)	(123)	(109)	(82)	(314)
2017/18 (£'000)	(135)	(109)	(82)	(325)
2018/19 (£'000)	(123)	(105)	(82)	(311)
2019/20 (£'000)	(125)	(63)	(82)	(270)
2020/21 (£'000)	(120)	(62)	(98)	(279)
2021/22 (£'000)	(122)	(63)	(94)	(279)
2022/23 (£'000)	(112)	(62)	(92)	(266)
2023/24 (£'000)	(5)	(61)	(90)	(156)
2024/25 (£'000)	100	(36)	(67)	(3)
2025/26 (£'000)	96	(23)	(52)	21
2026/27 (£'000) (est)	(80)	(36)	(72)	(188)
Cum. 2012/13 to 2026/27 (£'000)	(1,231)	(1,168)	(1,215)	(3,615)

3.5 Rental income peaked in 2017/18 (£0.325m) and declined until 2022/23 (£0.266m). However, with a void period at the property in Great Bridge, the reduction in net income accelerated with 2024/25 net rental income reducing to just £3k. The level of budgeted net income for 2026/27 is £0.188m based on current occupation and lease arrangements.

3.6 Members should note that the impact on the revenue budget since 2022/23 has been mitigated through:

- Annual revenue budget and Medium-Term Financial Strategy (MTFS) adjusted to take into account reduced level and certainty of rental income
- Rental income from in-district investment properties remained in-line/above budgeted levels for the relevant periods.
- Higher level of investment income from cash balances through Treasury Management investments.

3.7 In terms of Asset Management, as the investment properties are outside of the district, and property management/landlord obligations are fulfilled through external agents rather than through the Council's Property and Assets team. Whilst any costs



of management are funded from the gross rental income and is not considered a material consideration, there is still a draw on internal resources to management relationships and outcomes.

4. OPTIONS

- 4.1** Whilst the Council's portfolio of out of district investment properties is relatively modest, the Council's investments are not diversified. All properties are within the commercial retail sector and property values in this sector have reduced as the wider retail economy has contracted post-Covid as consumer behaviour has changed.
- 4.2** Based on the current financial performance and wider asset management requirements outlined above there are a number of options to consider.
- Continue to hold all out-of-district investment properties and maintain realistic revenue budget/MTFS income projections.
 - Assess market appetite/actively market the properties for sale leading to a future decision on disposal of all out of district commercial investment properties
 - Assess market appetite/actively market the properties for sale leading to a future decision on disposal of one or two district commercial investment properties, retaining one or two.
- 4.3** At this stage of the process, no decision is being taken on disposal or otherwise. The report is requesting approval from Cabinet to assess market appetite/actively market the investment properties.
- 4.4** At the point a formal and proceedable offer for a property is made, delegation is sought for the Strategic Head of Housing, Property and Assets to progress negotiations with support from the Assistant Director – Legal Services. Any decision on disposal will revert to members in line with the Council's constitution.
- 4.5** In assessing any potential offers, consideration will need to be given to the revenue and capital financing implications. There is a balance to be achieved in terms of ensuring the revenue budget is not adversely impacted in the immediate short-term



whilst assessing the longer-term position in terms of rental income and expenditure projections.

- 4.6** In terms of the capital position, whilst there may be a capital receipt to the council from disposal, this will need to be assessed against the net book value, market assessment/valuation, and a realistic view on both the likelihood of achieving a disposal outcome within the next 6 to 12 months and at an appropriate level.
- 4.7** Whilst it is not an immediate consideration for this report, the financial implications section of the report (Section 7) set out the way in which any disposal will be accounted for.
- 4.8** Should a disposal be considered at a future point, any net capital receipt would be utilised to finance the capital programme in 2026/27 and 2027/28.

5. CAPITAL FINANCING FRAMEWORK

5.1 MHCLG and CIPFA rules/guidance on commercial property investment

5.2 The Government have tightened the Capital Finance Framework since 2021 with further guidance to Local Authorities on Out-of-Area Property investments and disposals, approach to Capital Receipts, and the wider implications on Capital Finance and PWLB Lending Terms. This in part is due to the investment positions at a small number of local authorities such as Slough, Spelthorne, Woking, and Thurrock. The key points are set out below

- MHCLG and CIPFA have adopted a progressively more restrictive stance due to concerns that the local authority sector is over-exposed to the financial risks associated with commercial property investments.
- Since 2020, the regulatory and professional framework has evolved from a permissive regime to one with stronger guardrails on borrowing and investment risk, increased scrutiny of commercial and non-treasury activity, and greater emphasis on long-term financial sustainability and transparency. The combined effect is that capital finance decisions must now demonstrate clear strategic alignment (not yield-driven), robust governance and risk management, and explicit affordability within the revenue budget.



- **Prudential Code for Capital Finance in Local Authorities (2021 Edition)** strengthened focus on proportionality of debt to resources and included explicit discouragement of borrowing for yield (debt for commercial return). The Code introduced enhanced requirements for Capital Strategy reporting and classification of investments (service, treasury, commercial).
- **Treasury Management in the Public Services: Code of Practice (2021 Edition)** reinforced risk management and governance expectations, integration between treasury strategy and wider financial strategy. The code also expanded coverage of Non-treasury investment risks within Treasury Management Practices (TMPs).

5.3 In summary, there is an implied policy and guidance position from MHCLG and CIPFA that local authorities should consider disinvestment from commercial property.

6. CONCLUSIONS

- 6.1** The report outlines the broad options – continue to hold the investment properties, dispose of all, dispose of one or two.
- 6.2** Net Book Valuations and assessment of the market value of the properties indicates that two of the three properties (Hereford, Great Bridge) have significantly reduced in value. The third property (Seaford) is held on the balance sheet at a lower Net Book Value than the acquisition cost although the market assessment is above this. Given the wider retail property market is somewhat depressed, it is considered unlikely that either Great Bridge or Hereford would return close to their acquisition values. Seaford has held its value.
- 6.3** Table 2 highlights the past financial performance of each property. As with the capital values, the revenue performance of Great Bridge and Hereford properties has reduced significantly since 2017/18. The Seaford property has maintained a relatively stable level of rental income over the same period.
- 6.4** It is recommended that all properties are actively marketed (for disposal) to assess appetite. Any decision on whether to dispose or hold will be taken at a future point.



7. FINANCIAL IMPLICATIONS

- 7.1** The difference between the properties' net book value and disposal proceeds will be recognised as a gain or loss within the Council's Comprehensive Income and Expenditure Statement (within the Surplus/Deficit on Provision of Services). This gain or loss is not chargeable to the General Fund and will be reversed out through the Movement in Reserves Statement via the Capital Adjustment Account.
- 7.2** The proceeds from any sale will be credited to the Capital Receipts Reserve and will be available to support the Council's capital programme.
- 7.3** Any disposal will result in a reduction in net revenue income. Table 1 of the report sets out the financial performance since 2012/13 with a forecast and revenue budget of £0.188m for 2026/27.
- 7.4** The Medium-Term Financial Statement (MTFS), as approved by Council in February 2026, prudently reduced the investment property income by £0.100m reflecting current market conditions and potential void period costs.

8. LEGAL IMPLICATIONS

- 8.1** If all or some properties are sold, the Council would no longer be the owner of the properties or be entitled to any income from them.
- 8.2** The Council's legal team would complete the work required for any sale.
- 8.3** If retained, the Council's legal team may be required to carry out work in relation to a new Lease in the event that Superdrug exercise their break clause in 2027 and vacate 27 Eign Gate, Hereford.

9. RISK ASSESSMENT

- 9.1** Whilst there is no material risk associated with the recommendation in this report, there is a risk that:
- 9.2** The Council may not be able to attract any interest in the investment properties resulting the Council continuing to hold the investment properties.
- 9.3** The Council may not receive offers at a suitable level to be able to demonstrate best value consideration.



10. EQUALITIES IMPACT

10.1 None

11. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

11.1 None

12. BACKGROUND PAPERS

12.1 None

(END)

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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