



## AYLESBURY VALE DISTRICT COUNCIL Democratic Services

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22 February 2018

### CABINET

A meeting of the **Cabinet** will be held at **6.30 pm** on **Tuesday 6 March 2018** in **The Olympic Room, Aylesbury Vale District Council, The Gateway, Gatehouse Road, Aylesbury, HP19 8FF**, when your attendance is requested.

**NOTE:** There will be an informal session starting at 6.15 pm to give Members the opportunity to comment on issues on the Agenda. The press and public may attend as observers.

**Membership:** Councillors: N Blake (Leader), A Macpherson (Deputy Leader), J Blake, S Bowles, H Mordue, C Paternoster, Sir Beville Stanier Bt and J Ward

Contact Officer for meeting arrangements: Bill Ashton; [bashton@aylesburyvaledc.gov.uk](mailto:bashton@aylesburyvaledc.gov.uk);

### AGENDA

#### 1. APOLOGIES

#### 2. MINUTES (Pages 3 - 14)

To approve as a correct record the Minutes of the meeting held on 9 January, 2018, copy attached as an appendix.

#### 3. DECLARATIONS OF INTEREST

Members to declare any interests.

#### 4. CORPORATE RISK REGISTER (Pages 15 - 22)

**Councillor Mordue**

**Cabinet Member for Resources, Governance and Compliance**

To consider the attached report.

Contact Officer: Kate Mulhearn (01296) 585724

#### 5. NEW HOMES BONUS - PARISH GRANTS (Pages 23 - 34)

**Councillor Mrs Macpherson**

**Cabinet Member for Communities**

To consider the attached report.

Contact Officer: Jan Roffe (01296) 585186

**6. CROWD FUNDING (Pages 35 - 40)**  
**Councillor Mrs Ward**  
**Cabinet Member for Civic Amenities**

To consider the attached report.

Contact Officer: Caroline Wheller (01296) 585185 / Sam Ovens (01296) 585035

## CABINET

9 JANUARY 2018

**PRESENT:** Councillor N Blake (Leader); Councillors A Macpherson (Deputy Leader), J Blake, H Mordue, C Paternoster, Sir Beville Stanier Bt and J Ward.

**IN ATTENDANCE:** Councillors S Lambert, L Monger and M Rand.

**APOLOGY:** Councillor S Bowles

### 1. MINUTES

RESOLVED –

That the minutes of the meeting held on 20 December 2017 be approved as a correct record.

### 2. DRAFT BUDGET PROPOSALS FOR 2018/19

The report to Cabinet on 20 December, 2017, had presented a set of initial budget proposals for 2017/18 and beyond. The report had highlighted uncertainty around a number of issues, particularly further reductions in Government Grant, retained business rates and the New Homes Bonus, although these fears had largely been dispelled following the Government's draft Grant settlement announcement on the previous day.

On 19 December, 2017, the Government had announced the draft Grant settlement for Councils. Despite indications that there might be significant changes to reflect ongoing pressures on the wider local government sector, Government had largely honoured its commitments contained in the four year settlement.

In the few weeks since the initial proposals had been considered, work had continued to refine the budget assumptions. In practice, little had changed at a service level and consequently the significant elements of the final budget proposals revolved around the impact of the Government grant numbers and changes to other centrally funded support.

As set out in the draft proposals, it was proposed to support the Connected Knowledge programme through the use of Council NHB reserves. The programme underpinned many of the components of Service delivery and Commercial AVDC and therefore the ability to meet the financial agenda for the Council for the coming years.

The draft budget and proposals under development were attached as appendices to the Cabinet report as follows:-

- Appendix A1 – MTFP – 2018/19 to 2022/23 – Final Proposals.
- Appendix A2 – Summary of Changes.
- Appendix B – Budget Proposals 2017/18 to 2022/23 (General Fund Revenue Balances).
- Appendix C – Budget Savings identified in 2018/19 budget planning.
- Appendix D – Budget Pressures identified in 2018/19 budget planning.

- Appendix E – Fees and Charges (Amendments) schedule.
- Appendix F – Aylesbury Special Expenses – Summary Budget 2018/19.

The budget report also included information on:-

### **Government Grant Update**

As referred to above, the draft Grant settlement for 2018/19 had been announced on 19 December, 2017, in which the Government had largely honoured the commitments within the 4 year settlement and left the pre-announced Grant numbers mostly unchanged. Importantly, the Revenue Support Grant and Baseline Business Rates settlements were virtually the same as those announced for 2018/19 (which was Year 3 of the four year settlement).

However, there had been a 1% increase in the Council Tax referendum thresholds across all Councils.

The Secretary of State for Communities and Local Government had also announced a formal consultation on a review of relative needs and resources which would feed into a new funding system that would be introduced in 2020 to 2021. Alongside the new methodology, a new phase for the business rates retention programme would also be introduced. The aim was for local authorities to retain 75% of business rates growth from 2020 to 2021, and was intended to be a lever and incentive for local authorities to grow their local economies.

The mechanism for this would be through incorporating existing grants into business rate retention including the revenue support grant, and the public health grant. Local authorities would be able to keep that same share of growth on their baseline levels from 2020 to 2021, when the system was reset.

In 2016/17, the government had introduced the concept of negative revenue support grant and this remained an issue for some councils. The Secretary of State had announced that he would be re-looking at this element during the forthcoming year, but had warned that any solution would need to be found from within the existing local government funding system.

The announcements heralded the most fundamental change to the settlement formula since business rates retention was introduced. However, with no more funding in the system it was likely that the historic downwards trend would continue. As such, the Council's strategy around commercialism and efficiency was considered the right strategy to deal with the financial challenges facing the council. The additional freedom around council tax increases would soften the challenges marginally, although new pressures, such as those associated with inflation, were likely to absorb any respite offered by them.

### **New Homes Bonus**

The Government had announced that there would be no new changes to the way New Homes Bonus operated. The baseline growth would remain fixed at 0.4%, with NHB only paid on growth above this. AVDC would receive £6.3m in 2018/19 which included previous years' delivery. Nationally, NHB payments of £946m would be made in 2018/19.

Actual numbers for future years would still depend upon actual housing growth. However, the decision not to make changes provided sufficient certainty to validate the revenue contribution assumption included within the Medium Term Financial Plan.

The draft budget settlement had also confirmed that local authorities could increase planning fees by 20% where they committed to investing the additional income in planning services.

### **Business Rates Pooling**

The membership of the pool in 2016/17 which was formed around the retention of the Disproportionate Growth Levy had been AVDC, Bucks County Council, Bucks Fire and Rescue, Chiltern District Council and South Bucks District Council. As part of the finance settlement the Government had confirmed that this pool would continue into 2018/19, unless any of the pooling members notified that they wished to withdraw within 28 days of the provisional finance settlement being announced.

It had been recommended that AVDC continue with the pooling arrangement in 2018/19, as it was believed there would again be a gain from it. No account had been taken of any anticipated gain in the 2018/19 budget proposals so any gain achieved would be placed in the Business Rates Equalisation Reserve.

Nationally, a number of local authorities were participating in 100% retention pilots in relation to business rates. The government had announced a number of further county pilot areas as part of the finance settlement and had said that it might invite further pilots in 2019/20. The relationship between the 100% retention pilots and the government's intention to deliver a 75% system by 2020 were still unclear.

### **Fees and Charges**

Fees and charges are reviewed as part of the annual budget setting review process. The proposed fees and charges for 2018/19 were detailed at Appendix E.

A significant review was planned during the forthcoming financial year of car parking charges and, in particular, season ticket prices. Any proposed changes to income levels might potentially be implemented in year. This additional income had not been factored into the financial plan.

The fees and charges in relation to Taxi Licensing were subject to review by the Licensing Committee and were excluded from the proposed list of charges.

### **Council Tax**

The initial budget proposals had recommended increasing Council Tax from 1 April 2018 by the assumed maximum expected amount of £5.00 (3.48%) for a Band D property. This was the maximum allowable for lower tier councils and would represent an increase equivalent to 10 pence per week and would increase the Band D Council Tax for Aylesbury Vale District Council to £149.06. The Government had assumed that each council would make maximum allowable increases and had reduced the amount of Grant awarded to councils by an equivalent amount.

Increasing Council Tax by this amount would generate £362,400 and help to protect services valued by residents and businesses in the Vale.

In the finance settlement announcement, Government had also confirmed they intended to defer the setting of referendum principles for Town and Parish Councils for 3 years.

## **Impact on the Budget Proposals**

The numbers announced in the draft Finance Settlement in December had been as expected and only very marginally different to those assumed in the Cabinet's initial budget proposals.

Consequently, the Revenue Support Grant for 2018/19 had provisionally been set at £3,826,500 for 2018/19 which was £12,700 less than had previously been assumed. The MTFP had been amended to reflect this by adjusting the proposed contribution to balances in 2018/19.

## **Reserves and Balances**

Members were informed that earmarked reserves represented the prudent saving of sums against the recognition of future financial events which, if not prepared for, would be difficult to deal with at the point they occur. In short, earmarked reserves were an essential part of sound financial planning. The reserves were held for legitimate reasons and the balances were reasonable given a fair assessment of the budgetary pressures that they were held against.

It was expected that the total balance held in reserves would dip significantly over the next 2 years as the pressures against which they were being held materialised and the infrastructure schemes, for which the New Homes Bonus was held, were delivered.

The Council also held general working balances as insurance against unexpected financial events. This included failure to generate expected income as well as financial claims against the Council. The current minimum assessed level of balances was £2 million which had been arrived at based upon a risk and probability assessment of potential budgetary factors during 2018/19.

## **Medium Term Financial Plan (2018/19 and After)**

The report to Cabinet in November 2017 had set out the rationale for the core assumptions used in the Medium Term Financial Plan. Whilst some of the uncertainty surrounding the Government Settlement and the future of New Homes Bonus had now diminished following the publication of the draft Settlement in December, there were still multiple uncertainties and risk factors which needed to be managed beyond 2020.

The single biggest issue that was likely to remain was the ongoing and severe impact of the reductions in Government Grant and how public sector austerity continued to impact upon local government, as a whole, and the demands of the communities it served and the services it provided.

The reality of continued public sector austerity through this Parliamentary term had been confirmed within the 4 Year Funding Settlement. Further, the Chancellor had announced within his Autumn Statement that he expected the austerity agenda to continue into the next Parliamentary term, thereby potentially spanning another 6 years.

## **Special Expenses**

Members were informed that the work undertaken since the preparation of the initial proposals had confirmed that the Special Expenses budget for Aylesbury Town should remain frozen at its current level for 2018/19.

The Chairman of the Finance and Services Scrutiny Committee attended the meeting and elaborated upon the consideration given by that Committee to the budget proposals.

He reported that the Committee had felt that future reporting should include more explanatory information on budget savings and pressures to help non cabinet members better understand all the issues. It had also been felt that it might be helpful at some stage for the Environment and Living Scrutiny Committee to have an opportunity to examine how recycling costs might be mitigated beyond the current contract with UPM. The Committee had also noted that there should have been another line in the fees and charges schedule relating to the car park at Cornwalls Meadow, Buckingham to show that the charge for up to three hours was 50 pence.

The relevant Cabinet Members indicated that they would take all of these comments on board.

Lastly the Committee had asked that cabinet should seriously examine the possibility of devolving some of the Special Expenses items to Aylesbury Town Council. The Leader of the Council agreed that Cabinet should look at the implications of such an arrangement and would call for reports during the course of the forthcoming financial year.

The Cabinet Member for Finance, Resources and Compliance reminded Members that agreement had been reached with the unions and staff side in February, 2017 for a two year pay award providing for 1% in 2017/18 and 2% in 2018/19 across all grades. This had been provided for within the draft budget proposals.

RESOLVED –

- (1) That the Finance and Services Scrutiny Committee be thanked for its input to the budget planning process.
- (2) That in relation to Council tax, Council be recommended to approve an increase of £5 (3.48%) in respect of a Band D property for the financial year commencing on 1 April, 2018.
- (3) That Council be recommended to approve the budget for 2018/19, which included the use of £1.53m of New Homes Bonus to meet the costs of the Connected Knowledge Programme in 2018/19, and the Medium Term Financial Plan as set out in summary form at Appendix A to the Cabinet report.
- (4) That the fees and charges (taken into the final calculations) set out in Appendix E to the Cabinet report be agreed.
- (5) That Council be recommended to approve Aylesbury Special Expenditure totalling £864,700, supported by a precept of £45, which represented a Council Tax freeze for Special Expenses (as set out in Appendix F to the Cabinet report).
- (6) That Council be recommended to affirm the decision made in February, 2017, following negotiations with the unions and staff side, to approve a two year pay award for staff, with 2% being payable across all grades for 2018/19, (the second year of the agreement), for which provision had been made in the draft budget proposals.

### **3. CAPITAL PROGRAMME UPDATE 2018/19 TO 2021/22**

Cabinet had received an update report on the Capital Programme for the period 2018/19 to 2021/22 to its meeting on 20 December, 2017. Cabinet had reviewed the available resources at the beginning of 2017/18, the projected resources during 2017/18 and 2018/19 before any expenditure had been taken into account, and the significant factors

impacting on the Programme for the next and forthcoming years. These had all been summarised in the Minutes of that meeting, which had also included Cabinet giving approval of the Capital Programme for the purposes of scrutiny.

The Chairman of the Finance and Services Scrutiny Committee attended the meeting and elaborated upon the consideration given by that Committee on 8 January to the Capital Programme update. He indicated that the Scrutiny Committee had been supportive of the Programme, including in particular the use of residual Right to Buy capital receipts and nominal sums from New Homes Bonus for affordable housing, to fund new affordable housing schemes.

RESOLVED –

- (1) That the Finance and Services Scrutiny Committee be thanked for its feedback on the Capital Programme for 2018/19 onwards.
- (2) That Council be recommended to approve the updated Capital Programme for the period 2018/19 to 2021/22 onwards, as set out in summary form at Appendix A to the Cabinet report.

#### **4. PUBLIC SECTOR EQUALITY DUTY**

Cabinet considered a report, also submitted to the Finance and Services Scrutiny Committee on 8 January, 2018, and summarised in the Minutes of that meeting, giving an assessment of the Council's performance against the Public Sector Equality Duty, and the requirements of Regulation 2 of the Equality Act, 2010 (Specific Duties) Regulations, 2011.

The Chairman of the Scrutiny Committee attended Cabinet to elaborate upon the Committee's deliberations.

The Committee Chairman reported that overall, the Committee had been satisfied with the assessment, but had commented as follows:-

- Future reporting should include measurable objectives/baselines and performance against them.
- Future reporting should include more information on health and disability and how the Council was meeting its legal obligations.
- Future reporting should include more explanatory information generally, including such information on why the percentage of employees who had self declared disability had fallen over the last 10 years; why there were generally more females in the grades SG2-SG5, and a male/female breakdown on flexible working.
- The Committee had also been of the view that future reports should highlight, by way of examples, some of the positive work that had been done by AVDC to meet the equality duty.

The Cabinet Member for Communities indicated that she planned to meet with officers to discuss the issues raised by the Scrutiny Committee and would seek to provide the information requested, bearing in mind the need to retain conciseness and ease of readability.



RESOLVED –

That the Equality Report 2017 be approved for publication in order to meet the Council's statutory duty.

## **5. BUCKINGHAMSHIRE GROWTH STRATEGY 2017-2050**

Cabinet received a report on the Buckinghamshire Growth Strategy 2017-2050 that had been prepared by the Buckinghamshire Thames Valley Local Enterprise Partnership (BTVLEP). A response had been sought from AVDC to the document.

In August 2017, BTVLEP had commissioned consultants SGD Economic Development to prepare a growth strategy to submit to the Government. This work appeared to have been commissioned in response to the Department for Communities and Local Government's request in relation to the National Infrastructure Commission's work on the Oxford to Cambridge Corridor and that the central part of the corridor needed to work up the initial investment priorities and pressures as the other parts of the corridor were well advanced with their work.

Related pieces of work had also been carried out by the Oxfordshire authorities in relation to the Growth Deal and an investment plan had been prepared by the Cambridgeshire and Peterborough Combined Authority.

AVDC had been contacted on 10 August 2017 to participate in the BTVLEP work and asked to respond in 4 hours with any comments on the proposal. Prior to this contact there had not been any in depth conversation about the scope of the brief and how this work would fit in with the other statutory and non-statutory strategies prepared by the local authorities.

Comments about the scope of the work had been made before the due time but officers had clearly indicated they did not believe this was something that could be properly commissioned in the time available. Officers had also clearly indicated that the focus of AVDC and other partners needed to be on preparing the Housing Infrastructure Fund (HIF) bids, that were due in at the end of September, as well as working on the growth deal for the central area in a collective group rather than having competing bids across the corridor area.

Members were informed that the consultants had undertaken their work mainly through a desk top exercise and a review of existing documents, with some meetings with officer representatives from the other authorities. The report had been published in September and had been considered and endorsed by the BTVLEP Board on 22 September 2017. The document was attached as an appendix to the Cabinet agenda.

The report had also been agreed by Buckinghamshire County Council at the Cabinet meeting held on 23 October 2017. The strategy was set out in two timeframes 2017-2030 and 2030-2050, and detailed the following ambitions:

- Deliver up to 105,000 new homes over the lifetime of the strategy.
- Address housing, infrastructure and skills constraints on growth.
- Enable the constituent parts of the Buckinghamshire economy to work together, strengthen the economic eco system and capitalise new regional growth opportunities.

- Increase the value of the local economy from £15bn per annum to £35bn per annum by 2050, a £4.5bn increase over a business as usual scenario.
- Ensure that economic prosperity drives future growth in Buckinghamshire.

Mr Richard Harrington, Chief Executive of BTVLEP attended the meeting to provide an overview of the key elements of the Strategy and to answer any questions.

Cabinet questioned Mr Harrington robustly on a number of issues/assumptions contained in the strategy document, including:-

- The impossibly short timescale in which it had been produced.
- The unsubstantiated assumptions made in the strategy
- The non-acceptance that in reality there was not an economy based solely on Buckinghamshire.
- The omission of any reference to the impact of Heathrow Airport.
- The fact the document had no real relevance to the Council's Local Plan.
- The references to growth potential of Wycombe and Chesham, ignoring the fact the preparation of VALP has already demonstrated that this Authority would need to meet the unmet housing needs of these areas.
- The weaknesses evident in the assumptions made by Experian about economic growth forecasting.
- The impossibly high housing growth figures, which did not appear to take account of empirical data around housing provision numbers achieved in previous years.
- The absence of investment priorities.
- The apparent lack of detail required by the Government to determine contributions towards economic and housing growth.

Members felt that this Council could not support the document in the light of the concerns raised above, and accordingly it was,

RESOLVED –

- (1) That the Buckinghamshire Growth Strategy 2017-2050 be noted and Mr Harrington be thanked for his presentation.
- (2) That this Council's response to the strategy be as follows:-
  - AVDC is disappointed and surprised about how this issue has been approached and is concerned that despite having raised a number of valid issues, the document was still commissioned in the manner presented.
  - AVDC believes that the document does not have any formal status and therefore will not be referenced in any of AVDC's planning work.

- AVDC does not believe that the other planning authorities in Bucks recognise the strategy.
- AVDC believes that this document cannot be considered as a real strategy and questions its validity/value, given its broad and unsubstantiated statements.
- AVDC is firmly of the view that the LEP needs to work better at identifying mission critical investments that need to be secured from Government. This document does little to provide any clarity on the priority asks and offers that AVDC would seek to achieve within the context of a central area growth deal.
- AVDC's priority will be to work with the other local authorities that are willing to work in partnership across the central area in order to move a growth deal forward and must expect that both LEPs will actively engage with this rather than pursue separate growth conversations, which it is understood Government would like to avoid.

## **6. AYLESBURY VALE ESTATES (AVE) BUSINESS PLAN**

Consideration was given to a report on the Aylesbury Vale Estates (AVE) draft Business Plan for 2017/18 submitted also to the Economy and Business Development Scrutiny Committee on 22 November, 2017. The Scrutiny Committee had had an opportunity to question the asset managers on various aspects of the Plan, including the risk robustness of current projects and debts, specific tenants across the AVE portfolio and on income projections. In general, the Scrutiny Committee had been satisfied with the draft Plan. Cabinet was also afforded an opportunity to ask questions of the asset managers.

A copy of the Plan had been circulated as part of the confidential section of the Cabinet agenda.

RESOLVED –

That the Aylesbury Vale Estates Business Plan for 2017/18 be approved.

NOTE: Councillor Mrs Ward declared a personal interest in this item as a director of AVE and did not vote thereon.

## **7. VALE COMMERCE**

In December, 2015, the Council had agreed to the establishment of a wholly owned company subsequently registered as Vale Commerce Ltd as a vehicle to deliver new commercial services to residents and businesses in the District. Vale Commerce had gone on to develop a household brand 'Limecart' and a business brand 'Incgen' and had been successful in securing a small number of subscription customers for both Limecart offering a subscription package based around household cleaning services and Incgen offering business incubation services.

During 2016 and 2017 the business had developed offers that were taken to market and refined accordingly with customer feedback. Unfortunately, it had not been possible to scale the activity in accordance with initial targets.

Vale Commerce had been started to test if conceptually it would be possible to run subscription services for additional residential and business services and this had been achieved. However, the marketplace was congested and also challenging in terms of a subcontracting model. To make a success of the approach would require a significant

cash injection. However, on balance and considering the viability of the business and receptiveness of the marketplace, the associated risks and costs of doing so were outweighed by the benefits. As such the Board had recommended to the Shareholder that the company trading was suspended and the company put into a dormant state.

A copy of the Board report had been circulated as part of the confidential section of the Cabinet agenda.

The Company did not employ staff directly but used fulfilment partners to deliver the services. High level lessons learnt from running the company included maintaining quality through partners, scheduling to meet customer requirements, understanding the market appetite, and the need for speed of reaction to changes in the market. The experience developed through running the company and the wider commercial activities across the council would be shared with Members at a future seminar. It would also feed into the Audit 'review' following Council's resolution in December 2017.

The Council, as the shareholder, had agreed a loan to Vale Commerce Ltd of £50,000. This had been used to fund equipment, the development of brands and the website as well as the development of the services that had been offered. At the end of the first year the company recorded a loss of £37,000 which was not unusual for a start up company.

In the current financial year the company had traded and generated new income through the AVDC commercial team, mainly through Council to Council to sales. The total council spend since its creation of £115,000 was netted off by the commercial team income for the year. The income invoiced and committed would be sufficient to cover a final loan repayment to the Council to ensure the company was left without liabilities and in a neutral financial position, thereby enabling it to enter dormant status.

The company's Board of Directors had met on 13 December, 2017, and had decided to move the company into a state of dormancy and transfer assets and appropriate IP such as the brands and website back to the shareholder. However, any change to the status of an AVDC company was a reserved matter under the Shareholder Agreement. The assets could be used in the future by the new commercial team and plans were already under development as to how to maximise the value of the brands.

RESOLVED –

That the decision of Vale Commerce Ltd's Board of Directors, taken at their meeting on 13 December, 2017, to move the company into a state of dormancy and transfer assets and appropriate IP such as the brands and website back to the shareholder be acknowledged.

NOTE: Councillor Mrs J Blake declared a personal interest in this item as a director of Vale Commerce and did not vote thereon.

## **8. EXCLUSION OF THE PUBLIC**

RESOLVED –

That under Section 100(A)(4) of the Local Government Act, 1972, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in the Paragraph indicated in Part 1 of Schedule 12A of the Act:-

Aylesbury Vale Estates draft Business Plan (Paragraph 3)

Vale Commerce (Paragraph 3)

The public interest in maintaining the exemptions outweighed the public interest in disclosing the information because the reports contained information relating to the financial or business affairs of organisations (including the Authority holding that information) and disclosure of commercially sensitive information would prejudice negotiations for contracts and land disposals or transactions.

**9. AYLESBURY VALE ESTATES (AVE) BUSINESS PLAN**

As referred to elsewhere in these Minutes consideration was given to the draft Business Plan of Aylesbury Vale Estates, attached to the confidential part of the Cabinet agenda.

**10. VALE COMMERCE**

As referred to elsewhere in these Minutes consideration was given to the report to the Vale Commerce Board, attached to the confidential part of the Cabinet agenda.

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**Cabinet**  
**6 March 2018**

**CORPORATE RISK REGISTER – MARCH 2018**  
**Councillor Mordue**  
**Cabinet Member for Resources, Governance and Compliance**

**1 Purpose**

- 1.1 To report to Cabinet on the updated Corporate Risk Register.

**2 Recommendations/for decision**

- |   |
|---|
| 2.1 To consider and note the Corporate Risk Register and identify any issues for further consideration. |
|---|

**3 Corporate Risk Register – Supporting information**

- 3.1 The Corporate Risk Register provides evidence of a risk aware and risk managed organisation, and records and considers the significant risks it is believed exist that might hinder, or indeed prevent, the Council from delivering its statutory duties or core objectives.
- 3.2 The Register reflects the risks that are on the current radar for Strategic Board. Some of them are not dissimilar to those faced across other local authorities.
- 3.3 The Audit Committee has a role to monitor the effectiveness of risk management and internal control across the Council and as part of discharging this role it regularly reviews the Corporate Risk Register.
- 3.4 The risk register is reviewed regularly by Strategic Board and reported to the Audit Committee. Additionally, it is now reported twice yearly to Cabinet for review to help inform the budget setting and monitoring process.

**4 Reasons for Recommendation**

- 4.1 To allow members of the Cabinet to review the Corporate Risk Register.

**5 Resource implications**

- 5.1 None.

Contact Officer

Kate Mulhearn – Corporate Governance Manager  
Tel: 01296 585724

Background Documents

None

## Corporate Risk Register Update

The Corporate Risk Register (CRR) shows the key risks to the Council and the actions that are being taken to respond to these risks. The CRR is reviewed on a regular basis by Strategic Board and was last updated on 7 February 2018.

The CRR is regularly reported to Audit Committee and since the last meeting in January 2018, one new risk has been added (#4) two risks have increased from Moderate to High. The changes are summarised below:

Risk Ref	Change	Comment
4) Portfolio of commercial (profit generating/cost recovery) activities and opportunities fails to produce the return on investment needed to support a sustainable Council.	New (Moderate)	Risk reflects need for continuing focus on income generation to achieve a sustainable Council.
2) Organisational culture does not enable the strategy (Connected Vision, Connected Knowledge & commercial targets). Behaviour framework and Values are not embedded.	Increased M → H	Recognised that staff morale (existing and new) may have deteriorated in recent months and the need for increased communication from Directors on vision and direction of the new organisation. Post behavioural assessments, work is needed to embed desired behaviours into cultural norm.
15) Failure to manage a major partnership or a significant council contractor.	Increased M → H	Significant performance issues with Street Cleaning contractor. Contractor is working on improvement plan and being closely monitored.

**Note on impact of Brexit** – Management continue to considered the risks arising following the Brexit decision. At this stage there is too much uncertainty about the specific implications on the strategic objectives and day to day operations of the Council to put anything meaningful on the CRR.

There are **21 risks** on the corporate risk register. The residual risk rating is summarised as follows:



Residual Risk Rating			
Low risk 2	Moderate risk 9	High Risk 9	Extreme risk 0
<p>16) Fraud, corruption, malpractice by internal or external threats.</p> <p>17) Equalities is not considered in decisions resulting in Judicial Review and other litigation.</p>	<p>4) Portfolio of commercial (profit generating/cost recovery) activities and opportunities fails to produce the return on investment needed.</p> <p>6) Council owned or partly owned companies (VC, AVE &amp; AVB) fail to achieve the Council's objectives. Inadequate governance arrangements.</p> <p>8) Fail to manage and deliver major capital projects - Waterside North, Pembroke Road.</p> <p>10) Fail to deliver a sound Vale of Aylesbury Local Plan.</p> <p>11) Health &amp; Safety - Non-compliance with Fire and Health and Safety legislation.</p> <p>14) Safeguarding arrangements, internal policies and processes are not adequate to address concerns about /protect vulnerable adults &amp; children.</p> <p>18) Failure to manage and deliver the requirements of the SLA for HS2.</p> <p>20) Failure to effectively engage with members and the community around the Council's vision and strategy.</p> <p>21) Failure to respond to new legislation on Homelessness Duty, enforceable from 1 April 2018. Inability to recruit and train staff in complex new legislation.</p>	<p>1) Fail to achieve the Medium Term Financial Plan. Annual sector budgets are not delivered.</p> <p>2) Organisational culture does not enable the strategy.</p> <p>3) Failure to deliver the Connected Knowledge Strategy and achieve the Council's Digital objectives.</p> <p>7) Waste Transformation Project fails to deliver commercial, customer, H&amp;S, Environmental objectives.</p> <p>9) Fail to recruit Technical Professional Specialists (Planning, IT, Property). Reliance on use of consultants / agency and not effectively managed.</p> <p>12) Fail to plan for a major or large scale incident. Risk to safety of public &amp; staff. Business interruption affecting the Council's resources and its ability to deliver critical services.</p> <p>13) Information Governance - A significant data breach, Inappropriate access, corruption or loss of data</p> <p>15) Failure to manage a major partnership (e.g. LEAP, Enterprise Zones) or a significant council contractor.</p> <p>19) Modernising Local Government agenda: i) fails to achieve an outcome that addresses community needs ii) disruption to service delivery due to resource detracting from day-job and ongoing uncertainty</p>	

**Notes:**

- 5) *Fail to deliver the Property Investment Strategy and achieve planned return on investment* - has not yet been fully assessed and rated.
- *Impact of Brexit* - We continue to assess the potential risks arising following the Brexit decision. At this stage there is too much uncertainty about the specific implications on the strategic objectives and day to day operations of the Council to put anything meaningful on the CRR.

**Risk Matrix**

Impact	5	Catastrophic	5	10	15	20	25
	4	Major	4	8	12	16	20
	3	Moderate	3	6	9	12	15
	2	Minor	2	4	6	8	10
	1	Negligible	1	2	3	4	5
Score			Rare	Unlikely	Possible	Likely	Very Likely
			1	2	3	4	5
			Likelihood				

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	1-3	Low Risk	Acceptable risk; No further action or additional controls are required; Risk at this level should be monitored and reassessed at appropriate intervals
	4 - 6	Moderate Risk	A risk at this level may be acceptable; If not acceptable, existing controls should be monitored or adjusted; No further action or additional controls are required.
	8 – 12	High Risk	Not normally acceptable; Efforts should be made to reduce the risk, provided this is not disproportionate; Determine the need for improved control measures.
	15 - 25	Extreme Risk	Unacceptable; Immediate action must be taken to manage the risk; A number of control measures may be required.

**Risk Ratings - Impact**

Score	Descriptor	Compliance	Finance	Health and safety	Internal Control	Political	Reputational	Staffing & Culture
1	Negligible	No or minimal impact or breach of guidance/ statutory duty	Small loss risk of claim remote	Minor injury; Cuts, bruises, etc.; Unlikely to result in sick leave	Control is in place with strong evidence to support	Parties work positively together with occasional differences; Members & executive work co-operatively	Rumours; Potential for public concern	Short-term low staffing level that temporarily reduces service quality (<1 day)
2	Minor	Breach of statutory legislation; Reduced performance rating from external/internal inspector	Loss of 0.1-0.25 per cent of budget; Claim less than £20k	Moderate injuries; Likely to result in 1-7 days sick leave	Control in place with tentative evidence	Parties have minor differences of opinion on key policies; Members and executive have minor issues	Local media coverage short term reduction in public confidence; Elements of public expectation not met	Low staffing level that reduces the service quality
3	Moderate	Single breach in statutory duty; Challenging external or internal recommendations or improvement notice	Loss of 0.25-0.5 per cent of budget; Claims between £20k - £150k.	Major injuries; More than 7 days sick leave – notifiable to HSE	Control in place with no evidence to support	Members begin to be ineffective in role; Members and Executive at times do not work positively together	Local media coverage – long term reduction in public confidence	Late delivery of key objective/service due to the lack of staff; Low staff morale; Poor staff attendance for mandatory/key training
4	Major	Enforcement action; Multiple breaches of statutory duty; Improvement notices; Low performance ratings	Uncertain delivery of key objectives/loss of 0.5 – 1.0 percent of budget; Claims between £150k to £1m	Death; Single fatality	Partial control in place with no evidence	Members raise questions to officers over and above that amount tolerable; Strained relationships between Executive and Members	National media coverage with key directorates performing well below reasonable public expectation	Uncertain delivery of key objective/service due to lack of staff; Unsafe staffing level or competence; Loss of key staff; Very low staff morale; No staff attending training
5	Catastrophic	Multiple breaches in statutory duty; Prosecution; Complete system changes required; Zero performance against key priorities and targets	Non delivery of key objective/loss of >1 percent of budget; Failure to meet specification/slippage; Loss of major income contract	Multiple deaths; More than one Fatality	No control in place	Internal issues within parties which prevent collaborative working; Que from members shift resources away from corporate priorities	National media coverage, public confidence eroded; Member intervention/action	Non-delivery of key objective/service due to lack of staff; Ongoing unsafe staffing levels or competence; Loss of several key staff; Staff not attending training on ongoing basis

**Risk Rating – Likelihood**

	Likelihood	Likelihood Descriptors	Numerical likelihood
1	Rare	May occur only in exceptional circumstances	Less than 10%
2	Unlikely	Do not expect it to happen/recur but it is possible it may do so	Less than 25%
3	Possible	Might happen or recur occasionally	Less than 50%
4	Likely	Will probably happen/recur but it is not a persisting issue	50% or more
5	Very Likely	Will undoubtedly happen/recur, possibly frequently	75% or more

**Capacity to Manage**

Capacity to Manage	Description
Full	Full – all reasonable steps have been taken to mitigate the risk and are operating effectively. The cost / benefit considerations on implementing additional controls have been considered and no additional actions are proposed.
Substantial	Substantial – there are sound arrangements to manage the risk with some scope for improvement. Arrangements have had a demonstrable impact in reducing either the likelihood or consequence of the risk.
Moderate	Moderate – there are a number of areas for improvement in arrangements that would help to demonstrate effective and consistent management of the risk.
Limited	Limited – there are significant areas for improvement in arrangements that would help to demonstrate effective and consistent management of the risk.
None	None – there are a lack of clear arrangements in mitigation of the risk.

AVDC Corporate Risk Register

Last review date: 7 February 2018

Ref	Risk Owner	Delegated Manager	Risk	Potential Consequences	Inherent Risk Rating			Capacity to Manage Risk	Existing Controls	Residual Risk Rating			DoT (up = increasing risk)	Proposed Actions/Comment	Completion Date	Connected Vision
					Likelihood	Impact	Overall Risk Rating			Likelihood	Impact	Overall Risk Rating				
1	Andrew Small	Strategic Board	Fail to achieve the Medium Term Financial Plan. Annual sector budgets are not delivered.	Failure to meet statutory obligations and business objectives; Pressure on budgets increase; Inefficient and ineffective use of resources; Poor publicity and reputation damage; Inability to meet the demands of the future and ensure continuous improvement of services.	4	5	20	Moderate	Balanced MTFP to 2021/22 (approved Feb18). Strategic Board monitoring the budget; regular reporting through Cabinet. Quarterly financial digest. Budget managers review cost centre reports.	2	4	8		Developing corporate & sector budget dashboard to facilitate reporting.	Apr-18	Financially Fit
2	Andrew Grant	Strategic Board	Organisational culture does not enable the strategy (Connected Vision, Connected Knowledge & commercial targets). Behaviour framework and Values are not embedded. Lack of clarity on AVDC "Brand" and what a "Commercial Culture" means.	Failure to achieve strategy, lack of staff commitment to implement change, poor morale & performance.	4	3	12	Moderate	Behavioural Framework used for candidate selection. REACH performance development becoming embedded. Employee Relations - Collaboration and healthy challenge with trade union and staff representatives and challenges addressed in partnership. Wellbeing - Outplacement scheme implemented. Coaching programme in place.	3	3	9		1.Regular staff comms from Directors to be re-established to engage on corporate vision and direction (first Feb18). 2.People & Culture Strategy in development - due Mar18. 3.REACH topic tasters running through Jan/Feb. 4.Connected Working Strategy development is progressing and reflecting feedback from staff. Workstreams are being identified and then priority will be determined. 5.Procuring new HR system which will address user and reporting issues (go live Oct18).	Mar 18 Feb 18 Feb 18 Jul 18	Commercially Minded
3	Andrew Grant	Maryvonne Hassall	Failure to deliver the Connected Knowledge Strategy and achieve the Council's Digital objectives. Lack of alignment to wider strategic objectives.	Operational - new systems lack robust business processes and controls; poor integration between systems; failure to comply with GDPR and other legislative requirements exposing the Council to potential breaches; Data sharing of personal & sensitive information, cyber risk. Financial - VFM & unbudgeted costs Reputational - damage to reputation and standing as a "Digital Council", relationship with suppliers, disengage community through lack of access to	3	4	12	Moderate	CK Strategic Board set up to ensure alignment and oversight (Sept 17). Funding agreed for 2018/19 Programme governance arrangements, steering group, regular reporting to CAVDC Board	2	4	8				Customer & Innovation
4	Andrew Grant	Strategic Board	Portfolio of commercial (profit generating/cost recovery) activities and opportunities fails to produce the return on investment needed to support a sustainable Council.	Failure to meet statutory obligations and business objectives; Pressure on budgets increase; Inefficient and ineffective use of resources; Poor publicity and reputation damage; Inability to meet the demands of the future and ensure continuous improvement of services.	4	3	12	Moderate	"Commercial Oversight" group established to monitor activity and income. Income and costs included in budget and monitored.	2	3	6	New	SEED business plan for 18/19 and strategy in development. Similar approach to be followed for other commercial activities.	Mar-18	Financially Fit
5	Andrew Small	Teresa Lane	Fail to deliver the Commercial Property Investment strategy and achieve planned return on investment.		4	4	16	Limited	Property Investment Strategy approved by Cabinet Sept 17			TBA	New	Work has started to develop processes to deliver the strategy. Assessment will be updated as the team and processes develop.		Commercially Minded
6	Andrew Small	Andy Barton	Council owned or partly owned companies (VC, AVE & AVB) fail to achieve the Council's objectives. Inadequate governance arrangements over Companies.	Inability to achieve expected distribution from the partnerships and grow AVDC's investments; security of loans. Satisfaction/relationship with existing customers/community deteriorates; Reputational damage to Council and Members if high profile ventures fail; negative impact of "commercial" decisions on Council's wider strategic & community objectives.	4	4	16	Moderate	Information to be included in Qly Digest to reflect all investments & performance. AVDC role of Corporate Commercial Strategy Manager appointed to ensure oversight/coordination of commercial activities. AVE - AVE 18/19 business plan went to Scrutiny & Cabinet Jan18. Robust challenge and stretch targets to deliver. Held Risk Workshop with AVE (Jan17) and developed risk register. Independent legal advice taken on Members' Agreement. Partnership Agreement in place, business plan process in place and plan subject to scrutiny and cabinet approval. AVDC representatives on AVE abreast of issues. On-going monitoring and monthly meetings taking place. Asset Managers have been directly advised of performance concerns. AVB - Governance Audit Mar 17 and agreed actions.	2	3	6		AVB - sale of AVB business completed 30.12.17. Internal audit in progress in accordance with Council motion (6.12.17). Terms of reference has been agreed with Group Leaders and full report to Audit Committee. VC - Jan18 Cabinet approved Board recommendation to place Company into dormancy and transfer operational activities to AVDC. Activity will be absorbed into SEED and reported with standard budget processes. AVE - Cabinet approved business plan Jan18. Internal audit review in 2018/19 during which any lessons learned from AVB review will be considered.	April 18 by Mar 19	Financially Fit
7	Tracey Aldworth	Isabel Edgar Briancon	Waste Transformation Project fails to deliver commercial, customer, H&S, Environmental objectives.	Inability to deliver services to public; death or injury to public or staff; regulatory fines; criminal prosecution or civil litigation; reputational damage; financial cost.	5	4	20	Moderate	Programme of works to March 2019 mapped out. Dedicated programme manager. Monthly Programme Board oversight; quarterly updates to Strategic Board	2	4	8		Operations H&S officer appointed and due to start February.	Feb-18	Customer & Innovation
8	Andrew Small	Teresa Lane / Isabel Edgar Briancon	Fail to manage and deliver major capital projects on budget and to time - The Exchange & Pembroke Road redevelopment	Costs exceed budget; damage relationships with future/existing tenants; Reputation damage	3	3	9	Substantial	Major Capital Projects Member group – Highlight reports, challenge from legal, finance and risk; Project teams with external contractors in place with established governance processes for Exchange Phase 1 & Pembroke Rd.	2	3	6		Review governance arrangements if and when Exchange Phase 2 starts to ensure still adequate	Feb-18	Commercially Minded
9	Strategic Board	Jeff Membery/Teresa Lane/Isabel Edgar Briancon	Fail to recruit Technical Professional Specialists (Planning, IT, Property). Reliance on use of consultants / agency and not effectively managed.	Impact on service delivery; Increase in staff stress levels; financial cost of agency staff.	5	3	15	Moderate	Active recruitment ongoing with a range of strategies. Use of contractors to cover permanent vacancies. Contractor costs are monitored.	3	3	9		Currently have 7 technical vacancies that we haven't been able to recruit, 5 of which are Planning. Range of actions being taken: Recruitment, Graduate Fairs, review of reward packages. Exit strategies for consultants. P&C involvement in consultancy contract extensions. IR35 review group established to monitor ongoing compliance.	Ongoing April 18	Financially Fit
10	Tracey Aldworth	Will Rysdale	Fail to deliver a sound Vale of Aylesbury Local Plan; Strategic partner objections	Opportunistic planning applications; Loss of local control; Government send in own planning team; Loss of New Homes Bonus.	3	3	9	Moderate	VALP approved by Council 18 October. Project manager in place. Weekly action plans and progress monitoring. Regular engagement and communication with CLG to discuss timeframes. Early engagement of QC. Support from the Planning Officers Society; Advice from Planning Inspectorate; Working with the Bucks Planning Officers Group.	2	3	6		Submission planned for Feb 18. On target subject to Inspection	Feb-18	Community Focused



Ref	Risk Owner	Delegated Manager	Risk	Potential Consequences	Inherent Risk Rating			Capacity to Manage Risk	Existing Controls	Residual Risk Rating			DoT (up = increasing risk)	Proposed Actions/Comment	Completion Date	Connected Vision
					Likelihood	Impact	Overall Risk Rating			Likelihood	Impact	Overall Risk Rating				
11	Andrew Small	Isabel Edgar Briancon	Health & Safety - Non compliance with Fire and Health and Safety legislation.	Death or injury to public or staff; criminal prosecution or civil litigation; Service stopped; Loss of public trust; Action by Health and Safety Executive or Bucks Fire and rescue, e.g. fine up to £4m, corporate manslaughter charges; Insurance claims/ financial loss	2	4	8	Moderate	Revised H&S policy & strategy approved Sept 17. Permanent Corporate H&S Manager appointed. Operations H&S Officer appointed at Pembroke Road (Feb17). Fire Risk Assessments performed for all property (Apr17) and reviewed (Dec17). Strategic Health and Safety Board monitor risk and performance. H&S Committee meets every 3 mnths. Management of contractors procedure in place and training provided. Ongoing training planned throughout 2018	2	3	6	↓	1. Legionella and lone working assessment currently being undertaken 2. Sector Managers to receive IOSH Working Safely accreditation during 2018 to provide competency for carrying out their own risk assessments and risk profiling 3. New M&E service provider selected which will see a more uniformed and monitored approach to pre-planned maintenance and reactive work 4 Part-time H&S advisor appointed to start March18. This completes strengthened H&S Team.	Mar 18 Sep 18 Apr 18 Mar 18	Financially Fit
12	Andrew Small	Isabel Edgar Briancon (BC) / Will Rysdale (EP)	Fail to plan for a major or large scale incident (accident, natural hazard, riot or act of terrorism). Risk to safety of public & staff. Business interruption affecting the Council's resources and its ability to deliver critical services. Loss of IT due to failure or cyber attack.	Service delivery disruption and impact on the Council's ability to deliver critical services. Reputational damage to the council. Public safety.	2	4	8	Moderate	Community Safety Manager appointed (Apr17 ) with responsibility for Emergency Plan and Community Resilience. Manager responsible for BC coordination appointed (Aug17). Public Events Management steering group set up & Duty holders established. Increased use of cloud technology, less paper documents. Resilience workshop with Local Resilience Forum to focus on long term response planning. Thames Valley Local Resilience Plan in place, with AVDC representation at District level.	2	4	8	→	1. BC - workshop planned for key services to review documents on 6th Feb. Then draw together the corporate BCP that links all the services BCP's together. 2. Public Events Management steering group set up. Review and coordinate all events to assess risk/h&s issues. Events safety Management plan being developed. - 1st meeting 16th February. 3. EP & BC Steering Group to be established to ensure coordination. First mtg 7 Mar then every qtr	Mar 18	Community Focused
13	Andrew Small	Andy Barton	Information Governance - Non compliance with legislation, a significant data breach, inappropriate access, corruption or loss of data.	Exposure of confidential information or corruption of data; Prosecution or fine for statutory breach; Loss of public trust	3	4	12	Substantial	Data Governance Officer appointed May17 with responsibility for DP and info governance. IGG monitors specific risks and has its own action plan. Information Management Strategy has been revised in readiness for GDPR. IGG Workshop on GDPR to raise awareness. Mandatory training; Investigations into data breaches. Periodic data sweep. HB Law supporting GDPR.	2	4	8	→	GDPR readiness assessment undertaken (Oct 17) sets out the roadmap for compliance by May2018. Programme of work started Nov17. Information Asset Register, with identified Information Asset Owners - project has started (Jan18) Dual factor sign in roll-out commenced Oct17. Privacy Impact Assessments for all projects. Ensure due diligence for all suppliers who will be accessing/handling AVDC data	May-18	Financially Fit
14	Andrew Grant	Will Rysdale	Safeguarding – arrangements are not adequate to effectively address concerns about vulnerable adults & children who may be at risk of significant harm. Requirements of "Prevent" are not implemented and applied. Internal processes and controls are inadequate to effectively prevent dangerous individuals from gaining access to opportunities where that may place vulnerable adults and children at harm (e.g. Taxi licensing).	Failure to refer concerns to the appropriate agency for investigation; Damage to reputation; Harm to vulnerable adult or child as a result of failure to refer. Reputational damage to the council should perpetrator of terrorism be living or radicalised within the borough. A known sex offender is not prevented from having access to vulnerable adults and children.	2	4	8	Moderate	Use self reporting template/ RAG framework (S11); Meeting with Chair of Bucks safeguarding board – questions asked about current safeguarding arrangement and recommendations made; AVDC Chairs Community Safety Partnership (Prevent). Check applications for taxi licenses with disclosure Scotland. Mandatory training is in place for all staff. Whistleblowing policy in place and Managing volunteers policy in place. Members training on Prevent (WRAP) (Oct17)	2	3	6	↓	Internal audit of safeguarding complete and actions identified to improved internal controls and processes (May17). When these actions are implemented risk should reduce. Manager awareness session took place 20 Jun17 Internal AVDC safeguarding board re-established with wider membership across all sectors. Mandatory training being rolled out to all staff, with training sessions to be provided to elected members too.	Mar-18	Community Focused
15	Andrew Small	Isabel Edgar Briancon	Failure to manage a major partnership (e.g. LEAP, Enterprise Zones) or a significant council contractor.	Financial Loss; Damage to Reputation; Impact on service provision; Unable to achieve Commercial AVDC objectives.	4	3	12	Substantial	Proforma high and low value contracts T&Cs developed. Contracts register developed and risk assessment of portfolio completed. Contracts & Procurement Manager & 2 officers in post. Silverstone Park Enterprise Zone Infrastructure funding has business rates retention recovery plans in pace.	4	3	12	↑	Performance issues with Street Cleaning Contract - Escalated with Contractor, Improvement plan due end Feb, legal advice on contract position 1.Roll out of procurement criteria (includes finance, data, risk assessment etc.) 2.Develop contract management procedures - differentiated for key suppliers to ensure risks are managed. 3.Review of contract register/database (update and standardise) and assign contract owners	Mar-18	Financially Fit
16	Andrew Small	Andy Barton	Fraud, financial impropriety or improper business practices. Potential for fraud, corruption, malpractice or error, by internal or external threats.	Immediate financial loss; reputational harm; inquiry costs and penalties.	2	3	6	Substantial	Compliance team focus on CT liability, Housing Benefit, Tax Reduction entitlement, exemptions and discounts. New Fin Regs & Procedures update financial controls. Internal audit reviews and oversight of fraud action plan. Fraud Awareness session provided at Manager Training.	1	3	3	→	Fraud polices to be reviewed. Finance processes training to be reviewed	Jul-18	Financially Fit
17	Andrew Small	Andy Barton	Equalities - Decisions taken by the Council do not consider equalities resulting in Judicial Review and other litigation	Reputational risk to the authority and inability to progress with strategic objectives of the organisation; potential cost to the Council if decisions made against the authority.	2	3	6	Moderate	Equalities steering group. Equality Impact Assessments performed. Annual Equalities report to Cabinet Jan18Post restructure, AVDC profile has been reviewed and is broadly consistent.	1	2	2	→	P&C Manager coordinating and setting out action plan	TBC	Community Focused
18	Tracey Aldworth	Susan Kitchen	Failure to manage and deliver as a qualifying authority the requirements of the SLA for HS2.	Loss of local control, power of qualifying authority status removed or power reverts to HS2	3	3	9	Moderate	Ensuring adequate resources, Working with HS2 and other authorities on changes in managing process.	2	3	6	→	SLA not yet signed but agreed. Challenge in recruiting appropriate planning staff, recruitment in progress.		Community Focused
19	Strategic Board		Modernising Local Government agenda: i) fails to achieve an outcome that addresses community needs ii) disruption to service delivery due to resource detracton from day-job and ongoing uncertainty	Loss of key staff; inability to attract staff during time of uncertainty	4	4	16	Moderate	Two Unitary model submitted Jan 17 Ongoing comms to update members and staff. Prep work done to enable timely response to decision.	3	4	12	→	No further update on likely timing of decision.		Community Focused
20	Andrew Grant		Failure to effectively engage with members and the community around the Council's overall vision and strategy.	Poor decision making/decisions based on inadequate information; reputational risk; plans do not address needs.	4	3	12	Limited	Comms strategy, community survey	2	3	6	↓	Project starting around Member engagement (Nov17). "Connected Vision" will be live from 1 Apr. Communications strategy in development.	Apr-18	Community Focused
21	Tracey Aldworth	Jeff Membery	Failure to respond to new legislation on Homelessness Duty, enforceable from 1 April 2018. Inability to recruit and train staff in complex new legislation.	Legal challenge / breach; Reputational and political risk; Financial cost; inefficient use of resources.	5	3	15	Moderate	Budget ring-fenced for first 2 yrs. Staff recruitment programme ongoing with P&C support.	3	2	6	New	Recruitment ongoing. Then need for training for existing and new staff in revised duties NB - Universal Credit comes in Sept 2018	Mar-18	Community Focused

**Councillor Mrs Macpherson  
Cabinet Member for Communities**

## **NEW HOMES BONUS GRANT FUNDING APPLICATIONS**

### **1 Purpose**

- 1.1 To make decisions on the allocation of New Homes Bonus (NHB) grant funding for parish and town council projects, based on the recommendations of the Informal NHB Grants Panel.

### **2 Recommendation**

- 2.1 That the recommendations of the Informal NHB Grants Panel be approved, as set out in the schedules attached at Appendices A and B.

### **3 Background**

- 3.1 The Informal NHB Grants Panel met on Friday 26 January 2018 to consider applications for funding from parish and town councils under the NHB grant funding scheme. The Panel consisted of the Chairman of the Panel, Cllr Peter Strachan, Councillors Steven Lambert, Derek Town and parish council representatives John Gilbey and Nick Hierons (nominated by the Aylesbury Vale Association of Local Councils - AVALC). The Cabinet Member responsible, the Senior Communities Officer and the Grants Officer were also in attendance.
- 3.2 The New Homes Bonus (NHB) is a national initiative whereby funding from the national revenue grant for local authorities has been top sliced and allocated to local councils in proportion to the number of new homes in their area. For every new home built and occupied in Aylesbury Vale, and for every long-term unoccupied property that is brought back into use, the Government gives the council a NHB grant each year.
- 3.3 In December 2012 the council agreed to allocate a share of the NHB to parish and town councils, to help alleviate the impacts of housing growth on local communities. 20% of the Government allocation has been set aside for the funding scheme, which equates to £1,228,000 being available in 2017/18 round of funding.
- 3.4 A £284,686 underspend was carried over from the last round of funding making a total of £1,512,686. £80,000 was deducted from this total, representing the allocation of funds to the micro grant budget. This left a total of £1,432,686 available to allocate in this round.
- 3.5 In January 2013 Cabinet agreed the structure of an Informal Panel, to consider applications from parish and town councils and make recommendations to Cabinet on the allocation of the NHB funding. This Panel subsequently met to agree the detailed criteria and process for the grant scheme, based on the decisions of Cabinet.
- 3.6 The key criteria are:
- a. Applications should include a business case which as a minimum should demonstrate:
    - the impact of growth on their area, applications needn't necessarily be from the area directly taking growth in recognition of the fact that those most affected by growth are not always within the area taking that growth

- the need or community desire for the investment proposed
  - firm costings together with a funding and delivery plan
- b. Awards can be for up to 100% of the scheme cost and can support both capital and revenue projects (with a life of less than 6 years).
- 3.7 Prospective applicants were required to submit a preliminary 'Expression of Interest' (EOI) form to identify whether projects met the criteria, to discuss other possible funding sources (including Section 106), and avoid abortive work for potential applicants. The deadline for applications was 15 December 2017.
- 4. Applications for funding**
- 4.1 In total 10 EOI's or enquires were received and seven parish and town councils subsequently submitted applications for consideration by the Panel, to a total value of £333,448 (£1,432,686 of funding available).
- 4.2 The Panel also considered requests from both Wing and Aston Clinton Parish Councils to ring-fence NHB grant funding awarded in previous rounds because of unavoidable project delays.
- 4.3 In considering the applications the Panel members recommended funding for all seven projects with awards totalling £225,098.
- 4.4 The Panel also recommended ring-fencing the grants previously awarded to Wing (£208,000) and Aston Clinton (£500,000).
- 4.5 The level of funding recommended and the reasons for the recommendations are outlined at Appendix A and on the financial spreadsheet at Appendix B.
- 5. Next steps**
- 5.1 Once the level of funding is agreed, funding agreements with the successful applicants will be finalised, which will include timescales for the delivery of the various projects, to be monitored by the Grants Officer, and against which phased grant payments may be made.
- 5.2 Appropriate recognition of the support provided by the NHB funding scheme will also be sought through media publicity and appropriate plaques or signage will be required on the schemes that are funded
- 6. Options considered and reasons for recommendation**
- 6.1 The options considered by the Panel for each application were whether to fund, the level of funding and whether any conditions should be attached to the funding, (above those included in the standard funding agreement: that a plaque or equivalent acknowledgment of AVDC's New Homes Bonus is displayed in a prominent location, that there is recognition of New Homes Bonus support in all publicity and that funding will be released upon the production of invoices for work completed).
- 6.2 The reasons for the Panel's recommendations are included in the schedule attached at Appendix A.



## **7. Resource implications**

- 7.1 All funding for parish and town councils under the NHB grant funding scheme will be drawn from the 20% of the Government allocation set aside and ring fenced for the scheme in 2017/18, and the underspend carried forward from the 2016/17 round.
- 7.2 If the Panel's recommendations are approved a total of £225,098 will have been committed in this round of funding, representing just under 16% of the budget available. £1,207,588 would be carried forward and made available to support future applications.

## **8. Response to Key Aims and Objectives**

- 8.1 The allocation of New Homes Bonus funding to parish and town councils helps support the council's corporate priorities of protecting and improving the living experience in the Vale and improving our interaction with Parish Councils.

Contact Officer  
Background Documents

Jan Roffe, 01296 585186  
Previous Cabinet and Council reports relating to the New Homes Bonus.  
Notes of the Informal Panel meeting 26 January 2018

### New Homes Bonus Project Grant Funding Scheme

#### Recommendations of the Informal Grants Panel made on 26 January 2018

##### 1. New Applications

The Panel considered seven applications requesting a total of **£333,448**.

**£1,432,686** was available to be allocated.

The Panel also considered two requests from Aston Clinton and Wing Parish Councils to ring-fence the awards made in previous rounds due to project delays.

##### i. Halton Parish Council – new windows and radiators for the Village Hall

The Panel unanimously supported this application to fund the replacement of old and drafty windows on the proviso that they are in keeping with the Rothchild owned building and any associated caveats. The funding is also to replace old, rusting and inefficient radiators.

**Link to growth:** Although Halton itself has taken very little growth, there has been considerable growth of 300 new homes on the Princess Mary RAF Halton Hospital Site (Princes mary Gate) immediately adjacent, but which comes under Wendover Ward. Under the VALP Halton is expected to accommodate 1,000 new homes.

**Recommendation to Cabinet:** The Panel unanimously recommended funding the project up to the amount requested, **£7,393**

**Reasons for recommendation:** The Village Hall is a Victorian building, central to the Halton community and widely used by residents living in Halton, Wendover and Weston Turville. The new windows and radiators would be of significant benefit to those using the hall.

Panel members agreed that funding the project would also help to demonstrate the council's interest in, and support for, Halton Village in light of the impending closure of RAF Halton in 2022.

**Condition of funding:** Recognition of NHB support in all publicity and a NHB plaque to be prominently displayed either on the exterior of the building or inside the entrance hall. Funding to be released upon the production of invoices for work completed.

##### ii. Ivinghoe Parish Council – New fencing around Ivinghoe Lawn

The Panel unanimously supported this application to fund the replacement of very old and broken railings and entrance gates at Ivinghoe Lawn, the poor condition of which was evidenced by photographs submitted with the application.

**Link to growth:** Although growth in the village of Ivinghoe itself is minimal, the village has been affected by growth in Pitstone, which is immediately adjacent. Pitstone has taken over 40 new homes with commitments to build another 182.

**Recommendation to Cabinet:** The Panel unanimously recommended funding the project up to the amount requested, **£21,997**.

**Reasons for recommendation:** The Lawn is a feature of the village, located in the centre within a designated Conservation Area. The company chosen to supply the railings will supply traditional quality ironwork in keeping with the area. The Panel agreed that the new railings will make a visible difference highlighting the difference that NHB funding has made to the area.

**Conditions of funding:** Recognition of NHB support in all publicity and a NHB plaque to be prominently displayed on the railings at one of the entrance gates to the Lawn. Funding to be released upon the production of invoices for work completed.

### iii. Drayton Parslow Parish Council – Comprehensive Traffic Calming Measures

The Panel discussed the NHB scheme criteria and appreciated that the criteria include the clause; “The scheme would not **normally** fund initiatives that are the responsibility of another statutory body”. However, the Panel agreed that the New Homes Bonus is designed to assist communities where there is demonstrable need in parishes affected by growth, and that where there is no other funding available the only people that suffer are the people living in those parishes. The Panel also noted that a traffic calming scheme in Turweston had previously been awarded partial funding.

**Link to growth:** When considering the application the Panel acknowledged that although growth in Drayton Parslow itself is minimal, the application was made on the basis of housing growth in neighbouring Newton Leys, Wing, Milton Keynes, Winslow and Aylesbury as well as the growing town of Bletchley less than two miles to the north. This growth has contributed to an increase in the volume of traffic and HGVs using the village as a cut through, endangering the safety of residents and particularly of school children in the vicinity of the school.

The proposed traffic calming scheme includes a full range of traffic management measures designed for pedestrian safety, to control traffic, and to protect the character and structural integrity of the village from continued damage to stone kerbing and grass verges when HGVs mount the kerbs to pass each other. The Panel considered that partial funding for the implementation of some of the main measures proposed.

**Recommendation to Cabinet:** The Panel unanimously agreed to recommend funding the project up to the level of **£80,000** (requested amount - £188,350)

**Reasons for the recommendation:** The Panel agreed to recommend funding only those elements of the scheme which would be the most immediately effective and go some way to alleviating the traffic problems, as highlighted by the feasibility study compiled by Ringway Jacobs. These measures are designed to change driver awareness and reduce traffic speed upon entering the village. In addition, there would be safety measures around the area of the school, including flashing amber warning signs and a footway.

In recommending funding, the Panel highlighted that every application is considered on its own merit and within the budget available and that no grant award sets a precedent for future applications.

**Conditions of funding:** Recognition of NHB support in all publicity and a NHB plaque to be prominently displayed on the new village gates at each end of Main Road. Funding to be released upon the production of invoices for work completed.

#### iv. Buckingham Town Council – Fully accessible ramp at Cotton End

Cllr Mordue gave the Panel a brief overview of the background to the project to install a fully accessible slope at Cotton End, explaining that steps were installed instead of a slope as the gradient of the slope would have been too steep to meet the disability criteria for wheelchairs.

The application was first considered outside the prescribed timescales of the NHB grant funding process in September 2016 at the request of Buckingham Town Council. Under the original Principles and Process for the scheme, this is permitted under exceptional circumstances or where a community and its residents may be disadvantaged if a decision has to wait until the prescribed timescales.

At that time, the Panel recommended funding the project up to the requested amount. AVDC Cabinet declined to approve funding pending the following information, in order for the application to be considered again in the January 2018 round of funding:

- (i) The appropriate consents in writing from the Landowner(s) and assurances that there are no restrictive covenants on the strip of land concerned. (Received from Matthew Ogley, Technical Coordinator, Barratts and Diana Davis, Chandler Ray Solicitors)
- (ii) Written confirmation from BCC that the Highway Authority would adopt the land and be responsible for its future maintenance. (Received from Graham Smith, BCC Highways Development Manager).
- (iii) Assurances that the residents of Cotton End immediately affected by the installation of a slope have been fully informed about the schematics and the loss of hedgerow, which currently acts as a visual barrier to the A413. (All residents were written to in December 2017 and responses included in the information to the Panel).
- (iv) That the appropriate AVDC Planning approval is in place. (An application for a non-material amendment has recently been submitted to AVDC Planning).

**Link to growth:** Buckingham has taken 886 housing completions in Buckingham since March 2013 with housing commitments of a further 984 dwellings – 578 identified in the Buckingham Neighbourhood Plan.

**Recommendation to Cabinet:** The Panel voted four in favour and one against funding the project. The recommendation is therefore to fund the project up to the full amount requested **£25,946.**

**Reasons for the recommendation:** From the supplementary paperwork submitted, the Panel was satisfied that Cabinet's concerns, i) to iv) listed above, had been addressed.

**Conditions of funding:** AVDC Planning approval of the non-material amendment. Recognition of the NHB in all publicity and that a plaque acknowledging NHB funding is displayed in a prominent position at the top of the new ramp on the A413. Funding to be released upon the production of invoices for work completed.

### **v. Wingrave with Rowsham Parish Council – New netball court (open to the community)**

Funding is requested towards a new dedicated netball court (as part of a wider project to improve existing facilities in the parish). The netball club currently has to practice at the Cottesloe School in Wing. A new court would bring the club back into Wingrave.

For the past 7 years the netball club has also been using a “temporary” court on Wingrave car park on Saturdays to accommodate demand in the junior section. When wet, the surface is not suitable for play and a new court would release the section of the car park used.

The court would not be locked and would be open 24/7 to the community outside of any bookings. The club already runs “pay and play” netball initiatives open to members the community, including Back to Netball for those aged 35 and over and Walking Netball for the over 50’s.

The Panel noted that Wingrave is a village known to have expertise in netball. Sport England have announced that netball is the fastest growing sport. The game is also contributing to the increase in the number of women participating in sport.

**Link to growth:** Wingrave with Rowsham parish has taken minimal growth, but has 108 housing commitments. The parish is bordered by Wing, Bierton and Oakfield, which have taken considerable growth. This has contributed to the increase in membership of the club, which now has over 100 members drawn from Wingrave and the surrounding areas and the club runs 5 league teams in the Aylesbury Netball League.

**Recommendation to Cabinet:** The Panel was unanimous in recommending funding the project up to the level requested **£45,718**

**Reasons for the recommendation:** The Panel was confident that the new facilities would be available to the community outside of private bookings and that supporting the project would be a good use of funds. The Panel also noted that providing opportunities to participate in sporting activities contributes to the health and wellbeing of residents.

**Conditions of funding:** Recognition of NHB support in all publicity and a NHB plaque to be prominently displayed at the entrance to the court. Funding to be released upon the production of invoices for work completed.

### **vi Haddenham Parish Council - Youth and Community Centre kitchen refurbishment**

The Panel was supportive of this application to extensively refurbish the existing kitchen area of the Haddenham Youth and Community Centre. The current facilities have been in place since the 1970’s and are no longer fit for purpose and do not meet current disability access regulations.

The building is leased from BCC on a 25 year full repairing lease with 20 years still to run – HYCC is therefore responsible for all maintenance and for keeping the building in a good state of repair.

**Link to growth:** Haddenham has had 192 completions since March 2013 and there is a commitment to build 648 further dwellings. The centre serves the growing community of Haddenham and other surrounding villages.

**Recommendation to Cabinet:** The Panel was unanimous in recommending funding the project up to the level requested, **£16,575**.

**Reasons for the recommendation:** The Panel was advised by Cllr Lambert that BCC does not have an asset disposal strategy for this kind of asset and that the responsibility for youth and community centres has been devolved to towns and parish councils to manage.

The centre has many regular community user groups, including the Youth Club and Youth Café, as well as ad hoc users. All users would benefit from the improved facilities.

**Conditions of funding:** Recognition of NHB support in all publicity and a NHB plaque to be prominently displayed at the entrance to the kitchen. Funding to be released upon the production of invoices for work completed.

### **vii. Buckingham Town Council – New roof Slade Recreation Club (home of Slade Bowls Club)**

Buckingham is served by the open-air West End Bowls Club and in the winter those wishing to play bowls migrate to the indoor Slade Recreation Club, which is home to Slade Bowls Club and Buckingham Snooker Club.

When considering this application the Panel was particularly mindful of the criteria that an application from a sports club has to demonstrate that the facilities and opportunities to play are open to the community.

The Panel acknowledged that in the interests of security there have to be constraints around keeping the building unlocked, but the club is open to the community every morning for roll-up practise between 10am and 12pm. The Bowls Club has a resident coach, so even if you have never played before you can get some coaching. The only times that the green is not available is when league matches are being played. The Snooker Club also operates a “pay and play” policy.

The building is leased by AVE on a full repairing lease. The new lease was granted in 2015 and has 19 years left to run.

The Panel questioned that, given the applicant’s status as a Ltd Company, it operates on a not-for-profit and not a commercial basis. The Grants Officer has since re-visited the Memorandum and Articles of Association and can confirm that the Bowls Club is a non profit entity and a “Company Limited by Guarantee and not having Share Capital”. The Memorandum also states that the liability of its Members in the event of closure is limited to a maximum of £1.00.

**Link to growth:** Buckingham has taken 886 housing completions in Buckingham since March 2013 with housing commitments of a further 984 dwellings – 578 identified in the Buckingham Neighbourhood Plan.

**Recommendation to Cabinet:** The Panel voted three in favour, one against and one abstention due to Declaration of Interest. The recommendation is to fund the project up to the level requested, **£27,469**.

**Reasons for the recommendation:** The Panel was divided but agreed that the Recreation Club is a valuable community asset and that without funding it would most likely have to close whilst other funding is sought and the refurbishment work already undertaken would be in danger of further damage.

NHB funding would enable essential repairs to the roof to avoid further damage to the building and the possible loss of the leisure facilities the Recreation Club provides for Buckingham and the North of Aylesbury Vale as this is the only provision of this nature for 20 miles.

The roofing panels are now exposed to the elements and water seepage has penetrated into the building creating damage in the main hall and to the suspended ceiling in the snooker room. New heating and lighting systems and a new bowling carpet have been installed during the past 12 months. The total cost of the refurbishment was £64,000, £42,400 of which was funded by members and from club reserves, leaving insufficient funds for the roof repairs.

**Conditions of funding:** Recognition of the NHB in all publicity and that a plaque acknowledging NHB funding is displayed in a prominent position on the exterior of the building or inside the entrance. Funding to be released upon the production of invoices for work completed.

## **2. Request by Wing and Aston Clinton Parish Council's to ringfence funds already awarded**

### **(i) Wing Parish Council – Redevelopment of Wing Recreation Ground**

The Panel was very supportive of the original application submitted in the last round for the installation of a Portakabin pavilion with changing rooms and the re-surfacing of the football pitch, as part of a larger project to redevelop Wing Recreation Ground. Following objections from residents about the installation of a Portakabin, an AVDC Conservation and Heritage Officer has visited the site and has told the parish that a Portakabin “neither retains nor enhances the setting of the Conservation Area”. Wing has therefore been advised to refurbish and extend the current football pavilion instead.

**Recommendation to Cabinet:** The Panel unanimously recommended ring-fencing the £208,000 awarded pending a revised application in the next round. Any request to increase the level of funding to be considered alongside all other applications competing for funds, within the budget available.

**Reasons for the recommendation:** The original application gave a clear demonstration of growth in Wing. The Panel recognised that the pavilion and resurfacing of the football pitch were key elements of a wider project to redevelop Wing Recreation Ground. Supporting the project would provide pump priming funding which is in line with the intentions of the NHB scheme. The pavilion would be used by a large number of local sports and leisure groups, benefitting the whole community.

#### **Conditions of funding:**

- Accurate plans and associated costings with the revised plans
- Approval of the new plans by the AVDC Conservation and Heritage Officer responsible
- Proof of community support for the revised plans.
- The project to commence within one year of any new decision.

Recognition of NHB support in all publicity and a plaque to be prominently displayed on the exterior or inside the entrance to the building. Funding to be released upon the production of invoices for work completed.

### **(ii) Aston Clinton Parish Council – New community hub/pavilion at Aston Park**

The Panel was very supportive of the original £2 million project to demolish the dilapidated and outdated community centre at Aston Park in order to build a multi-use pavilion to serve the current and rapidly increasing population of the village and the wider community to meet social, health, fitness and leisure needs.

Unfortunately, the plans have proved too ambitious and Aston Clinton Parish Council has been unable to secure the hoped for funding from Sport England to make the project viable. The project is therefore being downscaled and plans and costings revised.

**Recommendation to Cabinet:** The Panel unanimously recommended ring-fencing the £500,000 grant funding previously awarded for a maximum of one year from any new decision.. Any request for an increase in the level of the funding to be considered alongside all other applications competing for funds within the budget available in the next round.

The Panel also agreed that as funds have already been ring-fenced for two years, that there would be no guarantee of any funding if the project has not commenced within one year.



<b>New Homes Bonus grant allocations 2017/18</b>				
<b>BUDGET ALLOCATION 2017/18</b>				
Budget available 2017/18		<b>£1,228,000</b>		
Underspend 2016/17		<b>£284,686</b>		
Total		<b>£1,512,686</b>		
Microgrant allocation 2016/17		<b>-£80,000</b>		
<b>TOTAL BUDGET AVAILABLE 2017/18</b>		<b><u>£1,432,686</u></b>		
<b>Town/Parish Council applying</b>	<b>Project Title</b>	<b>Total project cost</b>	<b>Grant requested</b>	<b>Grants Panel's funding recommendation</b>
Halton Parish Council	New windows - Village Hall	£7,393.33	£7,393.00	£7,393.00
Ivinghoe Parish Council	New perimeter fencing - village lawn	£21,997.20	£21,997.20	£21,997.00
Drayton Parslow Parish Council	Traffic calming measures	£194,112.00	£188,350.00	£80,000.00
Buckingham Town Council	Cotton End Steps	£25,946.00	£25,946.00	£25,946.00
Wingrave with Rowsham	Community netball court	£135,718.00	£45,718.00	£45,718.00
Haddenham Parish Council (on behalf of the Youth and Community Centre)	Refurbishment of kitchen in Youth/Community Centre	£16,825.00	£16,575.00	£16,575.00
Buckingham Town Council (on behalf of Slade Bowls Club)	New roof	£30,210.00	£27,469.00	£27,469.00
<b>Totals</b>		<b>£432,201.53</b>	<b><u>£333,448.20</u></b>	<b><u>£225,098.00</u></b>
<b>Total budget available</b>			<b>£1,432,686.00</b>	<b>£1,432,686.00</b>
<b>Total unallocated funds</b>			<b>£1,099,237.80</b>	<b>£1,207,588.00</b>

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Cabinet  
6 March 2018

**CROWD FUNDING**  
**Councillor Mrs Ward**  
**Cabinet Member for Civic Amenities**

**1 Purpose**

- 1.1 To gain agreement to establish an Aylesbury Vale crowdfunding platform to enable local groups to secure capital funding for their local projects.

**2 Recommendations**

- |  |
|--|
| 2.1 To agree to appoint Spacehive Ltd. to provide and operate a local crowdfunding platform on behalf of Aylesbury Vale District Council for an initial period of up to three years. |
|--|

**3 Executive summary**

- 3.1 Crowdfunding is a relatively well-established and recognised method of raising funds for large projects. Funding is achieved by raising relatively small contributions from a large number of people to reach an overall set target. Spacehive Ltd. were established in 2012 and have developed significant experience in assisting local authorities with crowdfunding initiatives.
- 3.2 Spacehive provides a single portal where people with project ideas can build support from their community, ensure their plans are viable, pitch for funding from residents and partners at the same time, and share the impact created.
- 3.3 Spacehive will provide training for council staff and local good causes, provide marketing support and help leverage funding from external organisations for crowdfunding projects.
- 3.4 According to a recent report from Future Cities Catapult, 10% of councils across the UK are now using civic crowdfunding to shape their civic spaces.
- 3.5 As budget pressures continue to grow on all aspects of the council's work the development of a local crowdfunding platform will allow further activity for the council in an enabling role and complement the Vale Lottery scheme.
- 3.6 Crowdfunding is not just about money, it is much more than that. Crowdfunding helps build more cohesive, resilient and sustainable communities with tools to actively shape their local area.
- 3.7 It is proposed that the platform is funded from the Vale Lottery's community fund.

**4 Reasons for recommendation**

- 4.1 AVDC continues to explore opportunities that can achieve savings and efficiencies, ultimately ensuring public services achieve good outcomes for local communities. Following the success of the Vale Lottery scheme the development of a crowdfunding platform will create a mechanism which sits alongside the lottery and allow groups to raise funds for community projects which are distinct and largely capital-based. It will help the community to help themselves through support from the local authority.
- 4.2 A crowdfunding offer helps to develop a citizen-led culture which strengthens the role of individuals and community groups in creating, funding and developing civic projects which improve Aylesbury Vale. Essentially this is an opportunity to help make more use of AVDC resources by attracting and leveraging external funding.

- 4.3 Complementing the Vale Lottery, a Vale crowdfunding platform will
- focus on civic projects only in Aylesbury Vale, although funding can be attracted from national sources such as businesses with a particular interest to donate e.g. environmental projects;
  - maximise benefits to the community – projects will be lead by the community with support from Spacehive and the council;
  - minimise costs – buying into a specialised platform provider will require minimal time and resource from the council;
  - facilitate a wider benefit – a locally-promoted platform will enable local projects to come to fruition, providing training and support to secure funding and project delivery; and
  - help to shift residents' perceptions of what AVDC can do - therefore falling in line with the council's commercial approach taking the authority from provider to enabler.
- 4.4 To take a formal approach to crowdfunding to enable the building of more resilient communities and enable council funds to contribute to community led projects. There has been no specific formal consultation with regards to this project, although there has been engagement with service areas across the council including Community Spaces team and the Communities Team.

## **5 How crowdfunding works**

- 5.1 When a project is identified and applies to the platform, a 'Project Delivery Manager' is identified and the project is assessed for suitability by Spacehive's partners, Locality. They check that any necessary permissions are in place and the project has the ability to be delivered if funds are achieved.
- 5.2 When a project has been verified and added to the Spacehive platform the Project Delivery Manager enters into a legal contract, meaning that if they hit their fundraising target they are required by law to deliver the project. If a project is not delivered after money has been paid then this money will be refunded on a pro-rata basis to funders. The project belongs to the individual or group and they take legal responsibility in delivering it. AVDC will not be held responsible by association or otherwise if the project is not delivered.
- 5.3 Crowdfunding for a project normally lasts up to 70 days and can typically expect to lever 3.5 times an initial investment.
- 5.4 Funds are pledged to projects through one of two secure payment platforms; PayPal or GoCardless. When pledges are made, pre-approved payments are set up with PayPal or GoCardless and once the campaign target has been reached the payments are processed, sending the payment directly to the Project Delivery Manager. Spacehive does not hold any of the money that the Project Delivery Manager collects.
- 5.5 Pledges can be as little as £2.
- 5.6 Spacehive earn what is an industry standard 5% thus a project costing £10,000 would have to set and meet a target of £10,500 before pledges are called in.
- 5.7 The UK market for crowdfunding platforms is quite small and there are very few providers that specialise in community or civic projects (as opposed to crowdfunding for commercial businesses). The council has explored only two

appropriate providers – Spacehive and Crowdfunder – to assess their suitability for delivering a council crowdfunding platform.

5.8 Following discussion with both platforms, it is concluded that Spacehive is uniquely positioned to meet the council's requirements for the following reasons:

- Spacehive is the only crowdfunding platform solely dedicated to civic projects with 400 successful projects.
- Local authorities have a fundraising success rate average of 82% for supported projects.
- Spacehive has extensive experience of working with local government having helped 30 councils with their crowdfunding efforts including Manchester City Council and Lewisham .
- Because of its relationships with other organisations, Spacehive offers strong potential to leverage additional funds, including Veolia, BT and Barclays. There is currently £600,000 available from external organisations for various project specifications.
- Spacehive is unique in the extent of 'activation' with communities and its ability to target key populations within the district.
- Spacehive provides reporting tools supporting impact measurement.
- Similarly to our lottery partner they are offering an upselling deal arrangement which the commercial team can offer professional services around once the model is proven in Aylesbury Vale.

## **6. The Spacehive model**

6.1 Spacehive will provide a dedicated and branded Aylesbury Vale webpage to host projects with access to administer the funding, along with consultancy expertise and other support to promote the success and raise awareness of the project. Spacehive's support to Aylesbury Vale will include:

- awareness-raising to create initial excitement around the initiative;
- showcasing early-stage success of publically driven campaigns to encourage others;
- capacity building for community and voluntary sector groups to run crowdfunding campaigns;
- stimulating interest from relevant stakeholders to create a sustainable initiative which has both buy-in and ownership from the wider community; and
- building resources from interested organisations to amplify the impact of the initiative.

6.2 All projects are reviewed and vetted by Spacehive's partner, Locality, to carry out due diligence and ensure that projects are viable and that those receiving funding are eligible. Launched in 2015, Locality are a national network of over 500 community-led organisations, working together to help neighbourhoods thrive.

6.3 Locality members are diverse, united by an ambition to see local neighbourhoods thrive and its experienced team specialise in providing support tailored to the unique needs of community organisations.

6.4 The verification process takes on average two-five days. Verifying projects helps to protect potential funders, makes it more likely projects will succeed, and maintains confidence in the system.

## **7. Delivery timeline**

7.1 Following agreement by Cabinet key milestones in the delivery of the lottery are set out below:

- March 6 – Cabinet Decision
- March 14 – Raise awareness at the Funding Fair
- Late March / Early April – First training meeting delivered by Spacehive
- May – Public launch
- June - First workshop

## **8. Options considered**

8.1 Do nothing.

The council could choose not to adopt a formal crowdfunding approach and accept that crowdfunding will happen organically through alternative crowdfunding initiatives such as happened with the David Bowie statue in Aylesbury.

This leaves the development of civic projects to an organic approach and therefore risks the council to be seen as not actively supporting the community.

8.2 Develop a crowdfunding platform directly.

This is not core business of the council and would require significant time and investment as well as ongoing management for the technology. It also moves away from the council as the enabler role.

8.3 Develop a crowdfunding platform with Spacehive Ltd.

Investment in a proven and replicable business model specifically aimed at civic spaces carries few risks and current statistics from Spacehive demonstrate 82% success rate for projects.

8.4 Develop a crowdfunding platform with an alternative supplier.

Whilst there are a number of other platform providers it has been concluded that Spacehive would provide the best solution for the reason set out at 5.8 above.

## **9. Risk management**

9.1 Poor take-up by community. This will be mitigated by connecting Spacehive to key local stakeholders to increase engagement and create awareness. Specific events will be held to engage the community in identifying their projects and aspirations.

9.2 Managing expectations and demand for limited funding. The current projects within the council would be the priority for council funding and enable funds to go further if the community leads projects on the platform.

9.3 Disproportionality in geography of projects. Those likely to engage with crowdfunding are likely to be more skilled and experienced at fundraising. Through the Spacehive model we will ensure targeting of groups in areas with lower community engagement and poorer outcomes as well as more engaged areas to ensure that the projects hosted on the platform represent a range of interests and needs across the district.

- 9.4 Digital-only nature of scheme excluding involvement. Clearly people who engage with crowdfunding platforms tend to be those who are online and engaged with public services and who understand how crowdfunding works. However, this will be mitigated by ensuring awareness is built not just through digital channels but through other, accessible means, for example, through holding events and pushing information through non-digital channels.
- 9.5 Limited staff resource. It is anticipated that the council will provide a signposting role rather than a handholding role. Resource will be intensive at the beginning with teams form across the council involved in delivery of civic projects. The ongoing management will sit within existing resource in the Community Fulfilment sector where they will continue producing guidance and empowering successful community groups to act as 'champions' to ensure future schemes and success for the platform.
- 9.6 To take a formal approach to crowdfunding to enable the building of more resilient communities and enable council funds to contribute to community led projects. There has been no specific formal consultation with regards to this project, although there has been engagement with service areas across the council including Community Spaces team and the Communities Team.
- 9.7 An Equalities Impact Assessment has been completed for this project which has found no negative differential impact on any of the protected characteristics and that there will be a positive overall impact.

## **10. Resource implications**

- 10.1 The contract with Spacehive costs £30,000 in year one, reducing to £26,000 in year two and £19,500 in each year after.

It is proposed that funding will be used from the new income raised through the lottery and be topped up as necessary from existing communities budgets. Staff costs will be met within existing resources.

Contact Officer  
Background Documents

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N/a

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