



# CHEL TENHAM

## BOROUGH COUNCIL

### Notice of a meeting of Council

**Monday, 15 October 2018**

**2.30 pm**

**Council Chamber, Municipal Offices**

<b>Membership</b>	
<b>Councillors:</b>	Bernard Fisher (Chair), Roger Whyborn (Vice-Chair), Victoria Atherstone, Matt Babbage, Paul Baker, Garth Barnes, Dilys Barrell, Angie Boyes, Nigel Britter, Jonny Brownsteen, Flo Clucas, Chris Coleman, Mike Collins, Stephen Cooke, Iain Dobie, Wendy Flynn, Tim Harman, Steve Harvey, Rowena Hay, Alex Hegenbarth, Karl Hobley, Sandra Holliday, Martin Horwood, Peter Jeffries, Steve Jordan, Chris Mason, Paul McCloskey, Andrew McKinlay, Tony Oliver, Dennis Parsons, John Payne, Louis Savage, Diggory Seacome, Malcolm Stennett, Jo Stafford, Klara Sudbury, Simon Wheeler, Max Wilkinson, Suzanne Williams and David Willingham

### Agenda

<b>1.</b>	<b>APOLOGIES</b> Councillor Willingham	
<b>2.</b>	<b>DECLARATIONS OF INTEREST</b>	
<b>3.</b>	<b>MINUTES OF THE LAST MEETING</b> Minutes of the meeting held on 23 July 2018 and the extraordinary meeting held on 11 September 2018.	(Pages 3 - 34)
<b>4.</b>	<b>COMMUNICATIONS BY THE MAYOR</b>	
<b>5.</b>	<b>COMMUNICATIONS BY THE LEADER OF THE COUNCIL</b>	
<b>6.</b>	<b>TO RECEIVE PETITIONS</b>	
<b>7.</b>	<b>PUBLIC QUESTIONS</b> These must be received no later than 12 noon on Tuesday 9 October 2018.	
<b>8.</b>	<b>MEMBER QUESTIONS</b> These must be received no later than 12 noon on Tuesday 9 October 2018.	
<b>9.</b>	<b>COMMUNITY INFRASTRUCTURE LEVY (CIL) FORMAL</b>	(Pages

	<b>ADOPTION OF CHARGING SCHEDULE AND SUPPORTING POLICIES, APPROVAL OF REGULATION 123 LIST FOR PUBLICATION AND SETTING A COMMENCEMENT DATE FOR CHARGING</b> Report of the Leader	35 - 88)
10.	<b>JOINT CORE STRATEGY REVIEW ISSUES &amp; OPTIONS CONSULTATION APPROVAL</b> Report of the Leader	(Pages 89 - 122)
11.	<b>HOUSING INVESTMENT PLAN</b> Report of the Cabinet Member Housing	(Pages 123 - 138)
12.	<b>OVERVIEW AND SCRUTINY ANNUAL REPORT</b> Report of the Chair of Overview and Scrutiny	(Pages 139 - 158)
13.	<b>NOTICES OF MOTION</b>	
14.	<b>ANY OTHER ITEM THE MAYOR DETERMINES AS URGENT AND WHICH REQUIRES A DECISION</b>	
15.	<b>LOCAL GOVERNMENT ACT 1972 -EXEMPT INFORMATION</b> <b>The committee is recommended to approve the following resolution:-</b>  “That in accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 3, Part (1) Schedule (12A) Local Government Act 1972, namely:  Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)	
16.	<b>EXEMPT MINUTES</b> Exempt minutes of the meeting held on 23 July and 11 September 2018.	(Pages 159 - 168)

**Contact Officer:** Rosalind Reeves, Democratic Services Manager, 01242 774937  
**Email:** [democratic.services@cheltenham.gov.uk](mailto:democratic.services@cheltenham.gov.uk)

**Pat Pratley**  
**Chief Executive**

### Council

**Monday, 23rd July, 2018  
2.30 - 6.45 pm**

<b>Attendees</b>	
<b>Councillors:</b>	Bernard Fisher (Chair), Roger Whyborn (Vice-Chair), Victoria Atherstone, Matt Babbage, Paul Baker, Dilys Barrell, Angie Boyes, Nigel Britter, Jonny Brownstein, Flo Clucas, Mike Collins, Stephen Cooke, Iain Dobie, Wendy Flynn, Tim Harman, Rowena Hay, Alex Hegenbarth, Karl Hopley, Sandra Holliday, Martin Horwood, Peter Jeffries, Steve Jordan, Andrew McKinlay, Dennis Parsons, John Payne, Louis Savage, Diggory Seacome, Malcolm Stennett, Jo Stafford, Simon Wheeler, Max Wilkinson, Suzanne Williams and David Willingham

### Minutes

**1. APOLOGIES**

Apologies were received from Councillor Barnes, Coleman, Harvey, Mason, McCloskey, Oliver and Sudbury.

**2. DECLARATIONS OF INTEREST**

Councillor Steve Jordan declared a personal interest in agenda item 9 as a Member of the Cheltenham Business Improvement District.

**3. MINUTES OF THE LAST MEETING**

The minutes of the meetings held on 14 May 2018 were approved and signed as a correct record.

**4. COMMUNICATIONS BY THE MAYOR**

The Mayor updated Members on his recent engagements.

**5. COMMUNICATIONS BY THE LEADER OF THE COUNCIL**

The Leader informed Members that the Community Pride Fund was now open for applications for match funding, up to the value of £5,000, to support community pride projects across Cheltenham with the closing date being 14 September. A report would be brought to Cabinet in October detailing how the funding had been allocated.

**6. TO RECEIVE PETITIONS**

There were none.

**7. PUBLIC QUESTIONS**

<b>1.</b>	<b>Question from Mr Peter Sayers to the Cabinet Member Development and Safety, Councillor Andrew McKinlay</b>
	The Independent newspaper headline (30th June 2018) states 'Air

	<p>Pollution causes 15,000 new diabetes cases a year'. In light of this new evidence redirecting over 75 thousand vehicles a week into residential streets, by closing Boots Corner, is perhaps dangerous to ratepayers' health. On the website justifying the closure, it states 'reducing pollution' as a justification for this closure. Will the Council please amend this statement, with immediate effect, in light of the risk to residents?</p>
	<p><b>Response from Cabinet Member</b></p>
	<p>I am not sure that a newspaper headline should be read as evidence. The Cheltenham Air Quality Management Area has an associated action plan which has relied on the wider Cheltenham Transport Plan to help deliver some key targets especially the modal shift away from private vehicles in a town that is conducive to walking and cycling. Our ambition remains to reduce air pollution overall.</p> <p>In a supplementary question Mr Sayers asked whether the council could amend the statement on the website which stated that reducing pollution was justification for the closure of Boots Corner when 75 000 vehicles a week were being redirected into residential streets and there was evidence that air pollution contributed to 3.2 million new diabetes cases globally in 2016.</p> <p>In response the Cabinet Member Development and Safety stated that he would not amend the statement and that any level of pollution presented an automatic risk. He informed that the Government had set a safe level of 40 µg/m<sup>3</sup> and none of the road routes that the traffic would be redirected to away from the town centre exceeded this level.</p>
<b>2.</b>	<p><b>Question from Mr Peter Sayers to the Cabinet Member Development and Safety, Councillor Andrew McKinlay</b></p>
	<p>The closure of Boots Corner is a risk to ratepayers (and their children's) health and wellbeing. Is this justified by the gains to Council income by the intended leasing of the Municipal Offices?</p>
	<p><b>Response from Cabinet Member</b></p>
	<p>I do not accept that a trial to restrict access to Boots Corner is a risk to ratepayers (and their children's) health and well-being.</p> <p>In a supplementary question Mr Sayers asked how the council intended to evidence that there was no risk when air quality monitors were not in place at key pinch points in the traffic network before and after the trial.</p> <p>In response the Cabinet Member Development and Safety confirmed that there were air quality monitors installed in a number of strategic sites to measure the ambient level of pollution before the scheme and these sites would be monitored to measure any changes so they would be clearly evidenced. There was therefore no reason to suggest that there would be any issues.</p>

**8. MEMBER QUESTIONS**

<b>1.</b>	<p><b>Question from Councillor Clucas to Cabinet Member Clean and Green Environment, Councillor Coleman</b></p>
-----------	---



	<p>What effect the proposed new incinerator is likely to have on Cheltenham's recycling collections?</p> <p>Though a County Council project, does the Cabinet member know what the likely cost will be to Cheltenham residents?</p> <p>Is the Cabinet member aware of the system for incineration that is being proposed and potential hazards?</p> <p>Further, the Cabinet member is requested to refer the issue to Overview and Scrutiny Committee, so that an in depth report can be prepared, which will look at a range of issues including those above, with a request that the County Cabinet member with responsibility for the scheme, be asked to attend to clarify issues raised.</p>
	<p><b>Response from Cabinet Member</b></p>
	<p>As you will know, I have always been and remain opposed to the County Council's incinerator. It is bad news for the environment and bad news for the tax payer.</p> <p>Undoubtedly there will be a cost to Cheltenham residents but in recent weeks a change in the County Council's plan has worsened the position. The County Council and the Joint Waste Team have consistently said that they would support the delivery of a Waste Transfer Station for Cheltenham Borough Council and Tewkesbury Borough Council. This would allow both Authorities to collect waste from residents homes and take it to the Waste Transfer Station located in a convenient area to 'tip'. The County Council would then arrange for the waste to be transported down to their Incinerator.</p> <p>However they recently announced that they were considering Direct Delivery - forcing both Cheltenham Borough Council and Tewkesbury Borough Council to take residents waste from their homes down the M5 to the Incinerator. Had I not been a County Councillor, the first that I would have heard of this plan would have been from the Echo.</p> <p>If they force us to direct deliver waste, we will need to almost double the vehicle fleet and find extra drivers. There will also have to be round changes. We estimate that the cost will run into millions of pounds - and that is before you add in the environmental damage caused by huge numbers of additional vehicle movements.</p> <p>Direct Delivery is a typically bonkers County Council idea. I am extremely angry that it is being considered because the Joint Waste Team, who appear to be advising the County Council on direct delivery, advised us during the recent service redesign that direct delivery was not an option. We designed our rounds and purchased our vehicles on the advice of the Joint Waste Team.</p> <p>I moved a motion opposing direct delivery at the recent Joint Waste Committee meeting and I'm pleased to say that all District Council representatives from across the County supported my motion. Ubico also provided professional advice explaining in detail that direct delivery is completely impractical. Regrettably, but unsurprisingly, the County</p>

	<p>Council representative voted against. I very much hope however that the County Council will see sense and follow the majority decision of the Joint Waste Committee.</p> <p>As a Cabinet Member, I do not think it is for me to refer matters to the Overview and Scrutiny Committee. It is however my firm view that it would be beneficial for the Committee to review the County Council's Incinerator plans as well as the Joint Waste Teams' conflicted advice on the issue, as well as that given by all of the other professionals involved, and particularly around direct delivery.</p> <p>I have visited an incinerator to see how they work in practice. It was absolutely heartbreaking to see vehicles tip materials that could have easily been recycled into the fire. For the record, it is my view that we need to make it as easy as possible for Cheltenham residents to reduce, reuse and recycle so together we can keep what ends up in the County Council's wretched bonfire to an absolute minimum.</p>
<b>2.</b>	<b>Question from Councillor Boyes to Leader, Councillor Jordan</b>
	<p>According to the Government's own assessments, Brexit will leave the UK economy worse off in every scenario. Are there any measures that the Council can take to investigate the consequences of Brexit for Cheltenham's economy and jobs?</p>
	<b>Response from Cabinet Member</b>
	<p>Clearly the impact of Brexit is a concern for Cheltenham as for everywhere else in the UK. Since the referendum we have consulted local businesses about Brexit to understand both their view of the opportunities and concerns. Their main issue has always been to understand the 'deal' for the UK leaving the EU in good time to plan ahead. The rising concern is that 2 years after the referendum details of the 'deal' are still not clear with the chance of the worst case scenario of a 'no deal' Brexit seemingly increasing as deadlines for decisions get closer.</p> <p>The uncertainty is a major concern for companies such as Airbus with complex supply chains that include many jobs based in our area. We are working with the County Council and LEP to understand the implications for the wider area including consequences of current EU funding programmes ceasing after 2020. For instance we have recently received over £600k EU funding which is contributing towards the environmental improvement in the High Street and we need to know whether such funding will exist in the future and how any replacement scheme will work. These issues are being reported to and discussed by the Gloucestershire Economic Growth Joint Committee.</p>
<b>3.</b>	<b>Question from Councillor Mason to Leader, Councillor Jordan</b>
	<p>Given the increasing numbers of empty shops. What proactive support is the Borough Council giving to the town's struggling retailers?</p>
	<b>Response from Cabinet Member</b>
	<p>The main aim of the Council is to ensure that Cheltenham is an attractive place to shop and so support local retailers by ensuring a buoyant local economy.</p>

	<p>CBC was instrumental in the formation of the BID, and has regular direct access with levy payers, many of whom are retailers. Whilst we fully recognise the challenges facing town centre retailers, the work of the BID and other bodies such as the Task Force has encouraged new entrants – John Lewis, Oliver Bonas, Urban Outfitters and India Jane. Equally we take a pro-active stance where threats are imminent and I have recently been in correspondence with House of Fraser over how this Council may be able to assist in the future plans for Cavendish House.</p> <p>Beyond that CBC has taken the lead, working with GCC, on significant public realm improvements on the High Street and are also jointly trialling the restrictions at Boots Corner, supported by many retailers.</p> <p>The BID is leading the development of a new web page to support individuals and retailers seeking to operate in the town.</p> <p>Additionally Cheltenham has been singled out as one of the region's retail success stories by real estate advisor Colliers International at the launch of the Colliers International Midsummer Retail Report for the South West - a review of the UK shopping scene.</p> <p>Hal Clarke, senior surveyor, retail agency (south), said: "Polarisation between the 'best and the rest' retail locations is becoming increasingly apparent throughout the UK and this is no different for the South West.</p> <p>"The dominant centres in the region, such as Bristol, Bath, Cheltenham, Exeter and Plymouth, continue to benefit from good levels of demand and relatively low levels of vacancy.</p> <p>"An example is Cheltenham, where rents remain unchanged from 2017 and the town will welcome a new 115,000 sq ft John Lewis department store in October of this year."</p> <p>The report follows the publication of Knight Frank's Top 200 Retail Ranking last year, which had Cheltenham ninth in the UK outside London as best High Streets to invest in.</p> <p>That report said: "Affluent market towns' such as Guildford, Chichester, Winchester and Cheltenham generally have strong fundamentals that transcend wealth alone."</p> <p>In addition the Council provides support though Business Rate discounts for new and expanding businesses.</p>
<p><b>4.</b></p>	<p><b>Question from Councillor Harman to Cabinet Member Development and Safety , Councillor McKinlay</b></p>
	<p>Has the Cabinet met or is he planning to meet Town Centre Businesses who are being disadvantaged by the closure of Boots Corner?</p>
	<p><b>Response from Cabinet Member</b></p>
	<p>The BID and their ambassadors are pro-actively engaging with BID members across the town, many of whom are strong supporters of the</p>

	<p>trial. Equally they are reporting back on issues being raised and referring these through to either CBC or in most cases GCC.</p> <p>As the trial is in its infancy it is premature to assess impacts so we have encouraged all issues be reported back to GCC as part of the wider monitoring process.</p> <p><a href="https://gloucestershire-consult.objective.co.uk/public/trp/phase4/phase4">https://gloucestershire-consult.objective.co.uk/public/trp/phase4/phase4</a></p>
<b>5.</b>	<b>Question from Councillor Harman to Cabinet Member Development and Safety , Councillor McKinlay</b>
	<p>Has the Cabinet Member met or is he planning to meet persons with disabilities or mobility issues who feel disadvantaged by the closure of Boots Corner?</p>
	<b>Response from Cabinet Member</b>
	<p>GCC has consulted with a disability forum enabled via CBC at every stage of the Cheltenham Transport Plan implementation. For this stage those conversations resulted in the retention of the Pelican crossing at Boots Corner and the provision of extra blue badge parking bays in the town centre.</p> <p>As the trial is in its infancy it is premature to assess impacts so we have encouraged all issues be reported back to GCC as part of the wider monitoring process.</p> <p><a href="https://gloucestershire-consult.objective.co.uk/public/trp/phase4/phase4">https://gloucestershire-consult.objective.co.uk/public/trp/phase4/phase4</a></p> <p>In a supplementary question to questions 4 and 5 Councillor Harman asked if the Cabinet Member was aware that a number of businesses in Clarence Street and Clarence Parade had been adversely affected since the scheme had started and that Marks and Spencer had experienced a 6 % reduction in visitor numbers since the scheme had started. He reported that M&amp;S had offered blue badge holders the use of the loading bay but only on Sundays.</p> <p>In response the Cabinet Member informed the Member that a process for feedback on the trial was in place via the County Council website. It was important that feedback was given in order to analyse the impact. Specific issues were currently being discussed with businesses.</p>
<b>6.</b>	<b>Question from Councillor Harman to Cabinet Member Development and Safety , Councillor McKinlay</b>
	<p>What criteria will be used to judge whether the Boots corner reconfiguration has been successful?</p>
	<b>Response from Cabinet Member</b>
	<p>GCC have advised that the scheme will be assessed through consideration of the following:</p> <ul style="list-style-type: none"> <li>• Traffic data on flows and speeds gathered before and during the experiment at around 25 sites across Cheltenham</li> <li>• Journey time data on key routes. This will be undertaken at intervals throughout the trial period</li> </ul>

	<ul style="list-style-type: none"> <li>• Town Centre footfall including a count of pedestrians, cyclists, wheelchairs and the use of seating and bike stands</li> <li>• A survey of public and business perceptions</li> <li>• Data from air quality monitoring sites across Cheltenham</li> <li>• The numbers of passengers using public transport</li> <li>• Comments received regarding the scheme.</li> <li>• Observations and thoughts of GCC and Amey officers.</li> </ul> <p>Bear in mind that some of the measures are subject to random factors (for example, air quality monitoring can be heavily influenced by the season and the weather) so we will need to review several months of data once initial disruption has settled down before reaching valid conclusions.</p> <p>In a supplementary question Councillor Harman asked whether road safety aspects, particularly relating to shared space, would be taken into account when assessing the scheme. In response the Cabinet Member confirmed that road safety was indeed a key issue and some changes in signage were being made due to this.</p>
<b>7.</b>	<b>Question from Councillor Willingham to Cabinet Member Development and Safety , Councillor McKinlay</b>
	<p>Recognising that the primary responsibility for traffic signal sequencing is with Gloucestershire County Council, could at Cabinet Member give me an assurance that pressure will be put onto the County Council to review the timing and sequencing of the traffic signals on the B4633 Gloucester Road, to ensure that these signals are optimised to deal with traffic displaced following the closure of Boots Corner?</p>
	<b>Response from Cabinet Member</b>
	<p>GCC have collected data pre-trial from c25 sites across the town as a benchmark and are currently collecting data post-trial implementation, but would wish initial disruption to settle before reaching any valid conclusions.</p> <p>That data will inform any interventions or mitigation deemed necessary including the timing and sequencing of traffic lights.</p> <p>In a supplementary question Councillor Willingham that there was queuing traffic from the St George’s Street junction with the A4019 through St Pauls and in to St Peters which consequently blocked buses going to the Lower High Street. He requested that this issue be raised in discussions with the County Council.</p> <p>In response the Cabinet Member confirmed that all impacts of the trial would be considered but to date there was no initial data available from the County Council. He undertook to raise the specific issue referred to.</p>
<b>8.</b>	<b>Question from Councillor Willingham to Cabinet Member Development and Safety , Councillor McKinlay</b>
	<p>Recognising that the primary responsibility for communications about Traffic Regulation Orders is with Gloucestershire County Council, could the Cabinet Member give me an assurance that pressure will be put onto the County Council to ensure that the closure of Boots Corner is updated to the providers of vehicle SatNav services, such as Google and TomTom</p>

	so that drivers are less likely to be routed through the closure by GPS technology?
	<b>Response from Cabinet Member</b>
	<p>We have informed Google Maps about the restrictions introduced by the trial but we do not know when they will update their mapping. The national body that communicates map changes to SatNav companies (GeoPlace) does not pick up on any temporary or experimental closures. They will only do this if the closure becomes permanent at some point in the future.</p> <p>We strongly recommend that road users do not rely on their digital devices alone and instead observe and take note of the road signs in place, in line with the highway code.</p> <p>In a supplementary question Councillor Willingham asked that, bearing in mind the trial lasted for 18 months, SatNavs were adjusted accordingly. In response the Cabinet Member confirmed that SatNav companies had been advised but these things took time and it was out of the council's hands.</p>
<b>9.</b>	<b>Question from Councillor Willingham to Cabinet Member Development and Safety , Councillor McKinlay</b>
	Recognising that the primary responsibility for signage and road markings is with Gloucestershire County Council, could the Cabinet Member give me an assurance that pressure will be put onto the County Council to enhance the signage about the closure of Boots Corner for example with the addition of large "no motor vehicles" signs painted on the road?
	<b>Response from Cabinet Member</b>
	<p>For enforcement to be effective, all signs must accord with Dept for Transport regulations and as the trial restricts what traffic may still enter Boots Corner care has to be taken to ensure that messages are transparent.</p> <p>CBC and GCC have recognised that some motorists are not complying with the new restrictions so GCC have advised that they will be implementing further "advisory" signage imminently prior to enforcement action being implemented.</p> <p>In a supplementary question Councillor Willingham asked whether the issues with inadequate signage added to the localism argument to bring highways back to CBC so that local decisions could be made locally for Cheltenham.</p> <p>In response the Cabinet Member agreed with Councillor Willingham but in the meantime the aim was to work with partners as well as possible.</p>
<b>10.</b>	<b>Question from Councillor Willingham to Cabinet Member Healthy Lifestyles, Councillor Clucas</b>
	I recently visited the Local Government Association Conference in Birmingham, and attended a presentation given by "The Silver Line", which is a free, confidential, 24-hour helpline providing information, friendship and advice to older people. Would the Cabinet Member be willing to investigate if this Council can promote those services in Cheltenham?
	<b>Response from Cabinet Member</b>

	<p>In thanking Cllr Willingham for his question, I am mindful that the organisation of which he writes, has recently spoken of its reliance on Lottery funding, which is currently not secured. Given that concern, I do know of the organisation and would be happy to look at how we might look at working with it, once its future funding is agreed.</p> <p>In a supplementary question Councillor Willingham asked if the Council could work with partners to promote the availability of Silver Line and the service it provided in order to tackle loneliness and other issues among the elderly community.</p> <p>In response the Cabinet Member Healthy Lifestyles confirmed that the council would do all it could to assist those older people in isolation by talking to partners in a more robust way.</p>
<b>11.</b>	<b>Question from Councillor Willingham to Leader, Councillor Jordan</b>
	<p>Earlier in July the Police launched a murder investigation following a very serious incident in St Peter's ward and I am sure that the Leader of the Council would join me in expressing our condolences to the family and friends of the victim. This level of serious crime is fortunately very rare in Cheltenham, but as well as the devastating consequences for the victim and their family, it is very unsettling for the wider community, could I get an assurance that this council will work with the Police, and other agencies to provide reassurance to the local community that policing and other community cohesion work will be targetted at this area?</p>
	<b>Response from Cabinet Member</b>
	<p>I would indeed join Councillor Willingham in expressing our condolences to the family and friends of the victim in this incident.</p> <p>Through project Solace, the Council is working much more closely with the police than ever before and indeed, we are sharing office accommodation within the Municipal Offices.</p> <p>Work is also being done to collate a shared data picture of crime and anti-social behaviour, to inform our priorities for targeting resources to best effect.</p> <p>In a supplementary question Councillor Willingham asked what system the Police had to keep ward councillors informed of serious incidences occurring in their neighbourhoods.</p> <p>In response the Leader undertook to ascertain what alerts ward councillors received on a regular basis.</p>
<b>12.</b>	<b>Question from Councillor Willingham to Leader, Councillor Jordan</b>
	<p>Recognising that the primary political responsibility for Policing is now with the Police and Crime Commissioner, does the Leader of the Council know how many Police that should have otherwise been on the streets of Cheltenham were diverted to London and other parts of the UK to cover the US presidential visit and the significant protests against it?</p>
	<b>Response from Cabinet Member</b>
	<p>No I currently don't have that information but will update Cllr Willingham if/when I do.</p> <p>In a supplementary question Councillor Willingham asked that the Leader</p>



	<p>when discussing with the Police and Crime Commissioner raised concerns with regard to the impact of police cuts on the increase in crime levels.</p> <p>In response the Leader expressed his willingness to raise such issues and added that the police focussed very much on community policing.</p>
<b>13.</b>	<b>Question from Councillor Cooke to Cabinet Member Development and Safety, Councillor McKinlay</b>
	<p>The closure of Boots corner is likely to disperse traffic into neighbouring residential areas. Have the air quality levels in these areas been established prior to the closure of Boots Corner and by what methodology?</p>
	<b>Response from Cabinet Member</b>
	<p>Air quality is measured for nitrogen dioxide (NO<sub>2</sub>) levels. The CBC interactive map can be found on the CBC website under air quality.</p> <p>Some sites were discontinued at the end of 2015 to save money, where results were consistently below legal limits. Monitoring locations at 7 sites around the town are being started to assess compliance with legal limits, including at 3 previously used sites.</p> <p>The main collection tool is diffusion tubes and data is measured long term in accordance with Environment Agency advice.</p> <p>Additionally I note that you attended the recent members seminar established to provide additional information and understanding on this complex matter</p> <p>In a supplementary question Councillor Cooke asked what the baseline period was for measuring pollution.</p> <p>In response the Cabinet Member explained that the County Council dictated the appropriate monitoring and locations were outside the Brewery complex, Swindon Road and Clarence Square. The council would receive a baseline reading from all sites. Further data could be requested from the County Council.</p>
<b>14.</b>	<b>Question from Councillor Cooke to Cabinet Member Development and Safety, Councillor McKinlay</b>
	<p>Given that assessing air quality using diffusion tubes yields only an average measurement over time (including at night), how will you reassure residents in the affected areas that there has been no significant increase in levels of particulates and oxides of nitrogen in the air to which residents are exposed during peak periods, in the rush hour and when children are walking to school?</p>
	<b>Response from Cabinet Member</b>
	<p>Yes, diffusion tubes measure long term, average levels. Research has shown there is a correlation between short term, peak levels and long-term levels as follows: Where long term (annual) levels do not rise above 60ug/m<sup>3</sup>, the short term (1hour) level is very unlikely to breach the 200ug/m<sup>3</sup> limit. The highest annual level monitored in Cheltenham is 48.5 ug/m<sup>3</sup>, so there is very unlikely to be breach of the 1-hour limit at this location. Initial results using new monitoring equipment at this</p>



	<p>location have confirmed this.</p> <p>In a supplementary question Councillor Cooke asked what measurements were taken of other air pollutants in high pollution areas, not only NO2?</p> <p>In response the Cabinet Member explained that only nitrogen dioxide was measured and this was in line with Defra guidance. There was a calculation you could do which, based on NO2, indicated levels for the other 6 pollutants.</p>
<b>15.</b>	<b>Question from Councillor Savage to Cabinet Member Development and Safety, Councillor McKinlay</b>
	<p>I have been contacted by residents concerned that the closure of Boots Corner will disadvantage elderly and disabled people, reducing their ability to access town centre retailers.</p> <p>Can the Cabinet Member assure us that any adverse impact on people with mobility difficulties has been fully considered, and that appropriate mitigating steps have been taken?</p>
	<b>Response from Cabinet Member</b>
	<p>GCC received and responded to issues raised by the CBC led disability forum - see Q5. In addition to more blue badge parking bays for private motor vehicles consideration has been given to alternatives for those with accessibility challenges. Every Stagecoach bus deployed in the town has low floor capability and earlier this year CBC made a commitment to ensure that over time there will be a greater number of disabled friendly taxis operating in the town.</p>
<b>16.</b>	<b>Question from Councillor Seacome to Cabinet Member Development and Safety, Councillor McKinlay</b>
	<p>Boots corner and residents' delivery.</p> <p>The Boots Corner development has thrown up a problem for residents (there are about 28 of them) who live within the new one way system that is Boots Corner.</p> <p>Delivery companies are unable to guarantee delivery before 10.00 and after 18.00, because they can't work to that narrow timetable, which includes most of the working day, and they don't want to leave the area by the only route, i.e. via the penalty-ridden Boots Corner. The two solutions offered to me by officers are impractical and unworkable:</p> <ul style="list-style-type: none"> <li>- (Viz, park by Yates and walk down Post Office Lane, for a residential block next door to Kath Kidston. In the rain, and with anything bigger than a small parcel?? Ludicrous!! How will the Sat Nav correlate to the two destinations required?</li> <li>- And secondly, stick to the timetable, unworkable, as stated.</li> </ul> <p>What is the administration going to do, to sort out this anomaly? (Apart from revoking the Boots Corner experiment.)</p>
	<b>Response from Cabinet Member</b>
	<p>I understand that advice was provided to you and a concerned resident by email on 09/07/18 and that subsequently the resident was advising both their delivery driver of options and their landlord over maintenance.</p> <p>As the trial is in its infancy it is premature to access full impacts so we have encouraged that all issues be reported back to GCC as part of the wider monitoring process.</p>

	<p><a href="https://gloucestershire-consult.objective.co.uk/public/trp/phase4/phase4">https://gloucestershire-consult.objective.co.uk/public/trp/phase4/phase4</a></p> <p>In a supplementary question Councillor Seacome asked whether any plans had been made to introduce another entry on Post Office Lane. In response the Cabinet Member agreed that Post Office Lane was the last 'escape route'. He highlighted that the trial was in its infancy and as only baseline data was available at this stage no changes would be made. He believed there were problems with deliveries in certain areas but this was mainly a communication problem.</p>
<b>17.</b>	<p><b>Question from Councillor Payne to Cabinet Member Development and Safety, Councillor Andrew McKinlay</b></p> <p>On 14th June following a member's request the location of the 26 traffic monitoring locations was published. Could I please request that the data associated with these survey points be published? In addition could you please confirm the details of the survey, i.e., times and method of recording?</p> <p>I make this request in order that Members can better assess the impact of Boots Corner closure on traffic flow within Cheltenham.</p>
	<p><b>Response from Cabinet Member</b></p> <p>I will gladly request this from colleagues at GCC but my current understanding is that the majority of the data collecting sites collect data 24/7.</p> <p>In a supplementary question Councillor Payne referred to the 220 cars an hour travelling along Oriel Road at peak times and asked what action would be taken to reduce this safety hazard.</p> <p>In response the Cabinet Member referred to the Saturn modelling and acknowledged that the existing level of traffic flow was quite high but explained that the long term plan was to have that area pedestrianised as part of the final section of the High Street improvement works. This would minimise the traffic but not eradicate completely.</p>
<b>18.</b>	<p><b>Question from Councillor Wilkinson to Cabinet Member Housing, Councillor Jeffries</b></p> <p>Cheltenham has been identified as an area with challenges of housing affordability. Can the Cabinet Member for housing detail current activities around council investment in homes in the town. Could he also comment on any potential bids for funding to deliver new housing within Cheltenham - for example via the Housing Revenue Account Additional Borrowing programme to fund new council houses?</p>
	<p><b>Response from Cabinet Member</b></p> <p>Set out in our recently approved Housing &amp; Homelessness Strategy are our plans to launch a £100m investment programme to provide around 500 homes, with the needs of families and young people especially in mind. This will not only enable a step change in the delivery of social and affordable housing, it will also create opportunities for the council, in partnership with Cheltenham Borough Homes (CBH), to provide excellent quality private rented homes to young people and families which can be let on a long term let basis, thereby providing much valued security of tenure.</p>

	<p>Currently CBH has plans to supply 25 affordable homes within the HRA during 2018/19 with schemes already on site at two former garage areas. Hester's Way Road will generate 4 new homes and Newton Road will create 6 new flats. These were due to complete December 2018 but will complete 2 months ahead of programme to provide new homes by Autumn 2018.</p> <p>Looking strategically at CBC and HRA landholdings, and assessing their housing suitability, there is the potential for some larger sites to come forward – however undoubtedly the larger the site, the longer the lead-in time. In the shorter term there are number of smaller sites which are being appraised and progressed: a further 6 garage sites, 2 non-garage sites and the development of the Monkscroft Villas site. It is hoped that the first of these schemes will be on site by March 2019 and together these sites will deliver more than 50 new homes. Funding is already identified, using HRA reserves and utilising Right To Buy receipts. The pipeline also identifies a further 12 garage sites which should also produce more than 50 homes.</p> <p>In addition, Homes England have recently announced an opportunity for a number of councils, including Cheltenham, to bid for a share of £1billion extra borrowing to build these much-needed homes. I can confirm that we will be putting in a bid for a share of this funding. We will also bid for grant funding for more social rented homes to be provided as part of our new build aspirations.</p> <p>All of this will complement our existing new supply programme and runs alongside our current activities in considering potential regeneration opportunities to the west of Cheltenham.</p> <p>In a supplementary question the Cabinet Member was asked whether housing would remain a big priority for the council over the years to come as Cheltenham had a particular affordability problem. In response the Cabinet Member confirmed that housing was a key priority for the town and the council would do all it could to address the issues.</p>
<b>19.</b>	<b>Question from Councillor Wilkinson to Cabinet Member Development and Safety, Councillor McKinlay</b>
	<p>Will the Cabinet Member for development and safety take advantage of the new air quality monitoring technology to, in due course, publish live, real-time air quality data as part of a public awareness campaign on the harm to air quality caused by car journeys?</p>
	<b>Response from Cabinet Member</b>
	<p>Yes. This is currently being considered by CBC Environmental Health as part of a range of wider initiatives. In particular we are working with a major local employer to provide data for their staff relating to air quality immediately outside their premises. We are also working towards linking data from new equipment in the town centre to real-time information on the CBC website. More information will be provided as this project develops.</p> <p>In a supplementary question Councillor Wilkinson asked whether the council would look at a public awareness campaign regarding air quality around primary schools. In response the Cabinet Member agreed that</p>

	this would be looked at going forward in order to reassure the public that this was not an issue.
<b>20.</b>	<b>Question from Councillor Wilkinson to Cabinet Member Development and Safety, Councillor McKinlay</b>
	In light of the 2050 big conversation, which rightly highlights the flight of younger people from the county, can the Cabinet Member for development and safety provide details on the average age of participants in some recent example council consultations? How does this compare to the average age of a Cheltenham resident?
	<b>Response from Cabinet Member</b>
	While CBC doesn't routinely capture the age of participants in consultations, there is an on-going effort to make sure the views of younger people are included. For instance the Wilson Collective in Cheltenham have been actively involved in the 2050 process. However, it is interesting to note that the organisers of the 2050 consultation have been disappointed with the overall level of response from young people so it is clear there is still work to be done on this. In a supplementary question Councillor Wilkinson asked that given we know that people are leaving the county could more of an effort be made in capturing data to know that this was actually young people. In response the Cabinet Member said that there were no specific questions relating to age but as the age profile of the county was known a demographic response was obtained.
<b>21.</b>	<b>Question from Councillor Mason to Cabinet Member Development and Safety, Councillor McKinlay</b>
	Is there any form of compensation for a business that can show drop in profit due to the closure of Boots corner? If so how do they make a claim? If businesses are entitled to compensation has a sum to cover it been included in the project's budget?
	<b>Response from Cabinet Member</b>
	No funding has been identified for such a compensation scheme. This scheme is a trial and consequently no decision over implementation will be made for many months.

**9. FINANCIAL OUTTURN 2017/18 AND BUDGET MONITORING TO JUNE 2018**

The Cabinet Member Finance introduced the report which highlighted the Council's financial performance for the previous year which set out the General Fund and Housing Revenue Account (HRA) revenue and capital outturn position for 2017/18. The information contained within the report had been used to prepare the Council's Statement of Accounts for 2017/18.

She explained that 2017/18 had been another challenging year due to continued changes to Government funding arrangements together with the economic climate, which raised ongoing concerns for the council's budgets.

The Cabinet Member reported that an underspend of £403k had been achieved due to the hard work and sound financial management by officers and partners via savings, reducing costs and generating income where possible. This would be transferred to the budget strategy support reserve pending decisions for its use in 2018/19 and future years.

Significant variances to the original budget included the following :

- Waste and Recycling-exceptional, one-off expenditure had been incurred due to the implementation of the new regime which is why a contract variation of an additional £200,000 be considered by council for approval in 2018/19 to reflect the true anticipated cost of the Ubico contract.
- Shortfall in car parking income of £30k in the first quarter of the year. The implementation of the car parking strategy is expected to result in this shortfall being recovered in the remainder of the year, with the expected outturn being in line with budget.
- Cemetery and Crematorium-there had been a loss of income due to capacity issues with the current facility but the new build remained on track and within budget.

The Cabinet Member then highlighted the following:

- There was a proposal to support the Christmas lights with match funding from the Business Improvement District
- One carry forward request supported by Cabinet and for Council approval was £7k to allow for identity cards and software to be integrated in the new sound system.
- Treasury management had reported a surplus of over £70k for its net loan and investment interest for the financial year. This was mainly due to diversifying some of our investments into a Pooled Property Fund of £3m which provided returns over 4%. In light of the strong returns the authority has since added further investment into two other funds (CCLA Diversified & Schroders Maximiser Fund) after seeking advice from our advisers Arlingclose. As interest rates still remained low the returns of these funds would provide extra revenue to support the council's Medium term financial strategy going forward.
- The outturn on investment income was £431k or 0.80% return on an average portfolio of £23.5m.
- The outturn for debt interest paid was £2.434m on an average debt portfolio of £66.4m which equated to 3.67% .
- The business rates pool had delivered a positive variance of £23,700 which has been transferred to the Business rates retention equalization reserve which would support economic and business growth.
- She welcomed the work CBH and CBC were undertaking beyond its remit including the investment in benefits advice, employment initiatives and services for older and disabled people.
- There was a 98% collection rate for business rates and council tax as outlined at appendices 10 and 11.

Finally, the Cabinet Member wished to put on record her thanks to every council employee without whom the delivery of services within budget and the under-spend would not have been achieved.

The following points were raised by Members and responses given:

- It was noted that only a modest amount was spent on air quality monitoring, should this be increased to match public expectation? The

Cabinet Member undertook to take this issue to the Budget Scrutiny Working Group as part of the budget setting process.

- The Cabinet was requested to look into the annual grant which CBC had previously paid to Cleeve Common.
- Section 106 funding for play equipment- the detail for allocating funds for play space provision was detailed in the 5 year play space investment plan
- It was noted that there was an increased reliance on business rates and the council should ensure that the different data sources of businesses liable for nndr should be used. The Cabinet Member Finance stated that the Revenues and Benefits service was thorough and had high collection rates.
- Concern was expressed regarding the use of reserves and using windfalls and underspends to support the general fund. The Cabinet Member Finance acknowledged that this was not sustainable but highlighted that whilst there was continued uncertainty with business rates this could not be avoided.
- Presentation of data in appendix 3-it was noted that in a few cases the current budget was significantly larger than the original and to that end the quality of the data used was questioned. In response the Cabinet Member stated that in the instance quoted this was due to corporate management shifts and in some instances changes could not be predicted so budgets had to be adjusted accordingly.
- What was the background behind the overspend at The Wilson by £50k and the underspend at Leisure@ by £70k in utility costs. The Cabinet Member Healthy Lifestyles explained that there was ongoing work at Leisure@ and the figures regarding savings on utilities and at the Wilson would be made available.
- Monitoring of car parking income at Regent Arcade - the Cabinet Member Development and Safety acknowledged the issues at Regent Arcade and said the current car parking system was being replaced
- Enhanced investment property portfolio-concern was expressed that where investment was not an organisation's core activity it fared badly. In response the Cabinet Member stressed that diversification of investment was very important and whilst the risks were acknowledged they were deemed to be worth taking in terms of the potential benefits.

### **RESOLVED (unanimously) THAT**

1. the financial outturn performance position for the General Fund, summarised at Appendix 2, and notes that services have been delivered within the revised budget for 2017/18 resulting in a saving (after carry forward requests) of £403,179.
2. £7,000 of carry forward requests (requiring member approval) at Appendix 5 be approved.
3. the use of the budget saving of £403,179 as detailed in Section 3 be approved.
4. a further allocation of £15k towards Contactless Donation Points, funded via a contribution from the Homelessness earmarked reserve, as

detailed in para 8.2 be approved.

5. a 2018/19 contract fee adjustment of £200,000 to Ubico Ltd, funded from General Balances, as detailed in para 13.5 be approved.
6. the annual treasury management report at Appendix 7 be noted and the actual 2017/18 prudential and treasury indicators be approved.
7. the capital programme outturn position as detailed in Appendix 8 be noted and the carry forward of unspent budgets into 2018/19 (section 7) be approved.
8. the position in respect of Section 106 agreements and partnership funding agreements at Appendix 9 (section 9) be noted.
9. the outturn position in respect of collection rates for council tax and non-domestic rates for 2017/18 in Appendix 10 (section 10) be approved.
10. the outturn position in respect of collection rates for sundry debts for 2017/18 in Appendix 11 (section 11) be noted.
11. the financial outturn performance position for the Housing Revenue Account for 2017/18 in Appendices 12 to 13 be received and the carry forward of unspent budgets into 2018/19 (section 12) be approved.
12. the budget monitoring position to the end of June 2018 (section 13) be noted.

### **10. CONSULTATION ON LOCAL COUNCIL TAX SUPPORT SCHEME FOR 2019/20**

The Cabinet Member Finance introduced the report and explained that since April 2013, councils became responsible for designing their own local council tax support scheme for working age people on low incomes. The Council was required to undertake public consultation on any proposed changes to its scheme which had remained largely unchanged since 2013. Council approval was being sought to consult on proposals for a revised scheme for 2019/20 based on income bands with some changes to how entitlement was calculated was sought.

The period of consultation proposed would run for a 6 week period from 25th July to 7th September 2018. Once the results of the consultation had been analysed a report would be brought to council in October with recommendations for a revised scheme for 2019/20.

Members raised the following comments and responses given :

- Taper relief-a Member asked if there could be some kind of transition period if it was dropped significantly.
- Compliance with equality duty-the council should be satisfied that equality was genuinely considered. The Cabinet Member undertook to liaise with officers but highlighted that this was at consultation stage at this point.

- The cost of working age council tax relief. The Cabinet Member confirmed that the Cheltenham share of council tax was £451k.
- Consultation over the school holiday period-the Cabinet Member replied that the consultation had been extended into the second week of September. It was available on the council's website and would be sent to Members electronically in order to make residents aware. The delay in the start to consultation was due to elections and timings associated with meeting the deadlines for council meetings in order to form part of the budget setting process.
- Universal Credit- the council tax support grant was not included within universal credit as this was deemed to be too administratively complicated.
- Members highlighted that whilst it appeared to concern only relatively small financial amounts of support they were extremely important to those on low incomes. The Cabinet Member responded by saying it was regrettable this had to be done and that consultation was really important.
- Members requested that Job Centre Plus be encouraged to make claimants aware of the consultation.
- Participation levels in council consultations-the Cabinet Member confirmed that there was no benchmark but would consider this point further although this decision was needed for the budget setting process.

### **RESOLVED (unanimously) THAT**

The proposed public consultation in Appendix 2 be undertaken between 23<sup>rd</sup> July and 7<sup>th</sup> September 2018.

#### **11. PROTOCOL FOR MEMBER / OFFICER RELATIONS**

The Chair of the Standards Committee, Councillor Wilkinson introduced the report on the revised protocol for Member/Officer relations. The protocol which was adopted by the Council in 2010 had been reviewed and amended by a Member working group and approved by the Standards Committee for adoption by the Council. The draft revised Protocol for Member / Officer Relations was attached at Appendix 1 and reflected changes to legislation and the Code of Members' Conduct which had taken place since 2010 together with amendments arising from consultation with Members and Officers.

He thanked Members and the Chief Executive who had inputted to the review and to Councillor Harman who had suggested consultation with the trade unions which had been carried out. He highlighted there had been some debate during the course of the review about the public interest test but the general conclusion that there was not a great need for change to the protocol.

A Member asked for reassurance that a member of staff reporting an issue to another member of staff would receive the same level of protection as a potential whistleblower. Councillor Wilkinson referred Members to section 13 of the report which set out the procedure for dealing with any complaints.



A Member raised an issue about Members access to information. It was largely up to the sender of information to take a decision on confidentiality and this led to over classification. The risk was that if sensitivity is over used there was a risk that it would be ignored. He had discussed the issue with the Chief Executive and was happy with the solution she had proposed to address this point. Another Member supported the presumption of transparency unless there were good reasons why not.

A Member requested that in future the Executive Summary included a summary of the modifications so that Members knew what they should be scrutinising.

Councillor Wilkinson advised that there had been some discussion at the working group about confidentiality and public interest. It had been highlighted that if a Member questioned whether a document could be released to the public and was advised it was confidential, they would then be a prime suspect if it was subsequently leaked. There was always a question about who guards the guards.

**Upon a vote the recommendations were approved with 1 abstention.**

**RESOLVED THAT**

**The revised Member-Officer Protocol be adopted for inclusion as Part 5C of the Constitution.**

**12. NOMINATIONS TO OUTSIDE BODIES**

The Chief Executive introduced the report and explained that following each Selection Council, and at other times when vacancies arose, the Leader/Cabinet took the opportunity to nominate and, in limited cases, appoint persons to various roles within bodies external to the Council. Also the opportunity was taken to nominate persons to other bodies such as Joint Committees and other bodies/groups.

Cabinet met on 10 July 2018 and nominated Members to outside bodies. There remained one appointment, namely the Cleeve Common Trust where there were 5 nominations for 3 places and agreement could not be reached between the Group Leaders and therefore this had been referred to Council.

A voting list had been circulated at the start of the meeting for Members to indicate up to 3 people they wished to support as nominations to the Cleeve Common Trust. Councillor Babbage advised that he was happy to withdraw from the nomination process and the votes for the remaining candidates were as follows:

Councillor Payne - 15, Councillor Simon Wheeler – 28, Councillor Willingham 26 and Pat Thornton 16.

A Member asked for confirmation that this type of ballot was consistent with the constitution and questioned whether it should have been a secret ballot. The Head of Law informed that the normal way for resolving contested places would be a vote in open session. In discussions prior to this meeting it was agreed that the voting sheet would be a more appropriate way from a practical point of view. The request for a secret ballot could be noted for the future.

**RESOLVED THAT**

- 1. Pat Thornton, Councillor Simon Wheeler and Councillor David Willingham, be nominated to the Cleeve Common Trust :**

**13. GLOUCESTERSHIRE 2050**

The Leader introduced the report and explained that a range of partners had come together to start a conversation, called Gloucestershire 2050, to identify key challenges and explore ambitions and ideas that could shape the county's long-term future. The consultation on this was open until the end of July 2018. Given the potential significance to Cheltenham's future, and the fact that Council agreed a place vision for Cheltenham in March, Council was being asked to consider submitting a formal response to the consultation following agreement by the council's political group leaders.

The Leader went on to say that it was important young people were included in the process and they had limited involvement to date. The projected net loss of young people from the county represented a risk and this risk should be assessed in any projects coming forward. Two reports were expected beyond 31 July, namely feedback from the consultation and the proposed delivery options. He believed it was essential that Gloucestershire 2050 partners spend more time on developing strategic outcomes prior to focussing on delivery vehicles.

He added that two Member seminars had taken place at CBC and partners around the town were being encouraged to feed in their thoughts to the process, including the Wilson Collective. He very much welcomed the debate but believed that the ambitions should be turned into a wider vision for the county and then key projects should be identified with links to communities, not just infrastructure.

In terms of the specific proposals the Leader made the following comments :

- Cyberpark- it was important that Cheltenham Borough Council helped make this happen
- Supercity-this was a confusing name, what exactly was it? Rather than creating the idea of urban sprawl the idea of a green corridor separating the two urban areas should be pursued preserving the unique identities of communities within them albeit connected by transport and digital infrastructure facilitated by collaborative working.
- Views of young people- affordable housing, fulfilling jobs and an exciting cultural offer. The Joint Core Strategy aimed to tackle affordable housing and jobs up until 2031 but improved transport infrastructure to include ideas such as light rail and better links to Bristol, London and Oxford as well as green corridors were also necessary
- Cotswold international airport-a new airport was not really achievable and better linkages to the regional airports of Birmingham and Bristol should be investigated; Gloucestershire Airport should continue to be supported

Finally, the Leader explained that the aim was to achieve a broad consensus on how to take this forward and the intention was to agree the final wording of the draft with Group Leaders by the deadline of 31 July.

Members made the following points :

- Young People- should be listened to as they may not say what is expected; concern over retaining them should not be so strong as living in a mobile society provides them with life experience which they could bring back to the area
- Supercity- rather than merging the urban centres the focus should be on greater connectivity between them in terms of better public transport. A light rail/tram system, would be supported and would connect the vast majority of people. Improving transport connections and links with other destinations such as Bristol, Birmingham and Oxford should also be promoted. The example of the Rotterdam-Den Haag model was highlighted with the relevant municipalities cooperating together on strategic issues. Transport provision should not be focussed on only one industry. Cycling provision was also key in terms of sustainable transport.
- Cyberpark-this development had the capability of attracting inward investment and it was important to look wider than Gloucestershire as there was potential for an M5 corridor for cybersecurity.
- Cotswold International Airport-reservations were expressed on this particularly bearing in mind the national strategy to expand regional airport capacity
- Education-emphasis should be placed on working with educational institutions as the current disconnect between further education, higher education and business should be addressed in terms of offering courses relevant to the town. This should assist in retaining young people, ensuring economic development and small business growth. Engaging with schools, both primary and secondary was also recognised.
- Culture was also recognised as an important economic driver.
- Strategic alignment- project ideas should respect the agreed Joint Core Strategy development framework up to 2031;

In responding to comments the Leader agreed that the link between further education and higher education was key to ensuring that young people had the necessary skills for the jobs available. He made reference to the Gloucestershire Employment and Skills Board whose role was to give employers and education experts the opportunity to come together and shape skills across Gloucestershire.

Maximising the use of Gloucestershire Airport was recognised, particularly in relation to the Cyberpark whilst recognising its limited runway justifying better transport links to existing regional airports e.g. Bristol and Birmingham.

Recognising that urban sprawl to Gloucester was undesirable the Leader supported a significant development of a multi purpose crossing at Lydney

Sharpness for both homes and employment which would take some pressure off Cheltenham.

It was an important aim to prevent the projected net loss of young people from the county and equally important that any suggested projects be measured against the actual likelihood of achieving that.

**RESOLVED (unanimously) THAT**

1. the Gloucestershire 2050 consultation be welcomed
2. it be agreed that a response to the Gloucestershire 2050 consultation be submitted using the draft consultation response attached at appendix 3 as the starting point for the response.
3. **the Leader, in consultation with the two other political group leaders, be requested to agree the final wording of the response and to submit this response by 31 July 2018.**

**14. NOTICES OF MOTION**

There were none.

**15. ANY OTHER ITEM THE MAYOR DETERMINES AS URGENT AND WHICH REQUIRES A DECISION**

None.

**16. LOCAL GOVERNMENT ACT 1972 EXEMPT BUSINESS  
RESOLVED THAT**

**“In accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda item as it was likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present there would be disclosed to them exempt information as defined in paragraphs 3, Part (1) Schedule (12A) Local Government Act 1972, namely:**

**Paragraph 3 : Information relating to the financial or business affairs of any particular person (including the authority holding that information)**

**17. A PROPERTY MATTER**

The Cabinet Member Development and Safety introduced the report on a property matter. Members had the opportunity to ask questions and after debate considered the recommendations in the report.

Bernard Fisher  
Chairman

**Council**

**Tuesday, 11th September, 2018  
6.30 - 9.25 pm**

<b>Attendees</b>	
<b>Councillors:</b>	Bernard Fisher (Chair), Roger Whyborn (Vice-Chair), Victoria Atherstone, Matt Babbage, Paul Baker, Garth Barnes, Dilys Barrell, Angie Boyes, Nigel Britter, Jonny Brownstein, Flo Clucas, Chris Coleman, Stephen Cooke, Iain Dobie, Wendy Flynn, Tim Harman, Steve Harvey, Rowena Hay, Alex Hegenbarth, Karl Hobley, Martin Horwood, Peter Jeffries, Steve Jordan, Chris Mason, Paul McCloskey, Andrew McKinlay, Tony Oliver, Dennis Parsons, John Payne, Louis Savage, Diggory Seacome, Malcolm Stennett, Jo Stafford, Klara Sudbury, Simon Wheeler, Max Wilkinson, Suzanne Williams and David Willingham

**Minutes**

**1. APOLOGIES**

Councillor Collins, Flynn and Holliday.

**2. DECLARATIONS OF INTEREST**

Councillor Willingham declared a personal interest in agenda item 11 which did not preclude him from voting.

**3. COMMUNICATIONS BY THE MAYOR**

The mayor wanted to remind Members that the Battle of Britain event was taking place this Sunday and requested that Members respond to Jennie Ingram if they are able to attend.

**4. COMMUNICATIONS BY THE LEADER OF THE COUNCIL**

The Leader reported that the 2050 consultation had concluded at the end of July and they were currently waiting on the reports and delivery options. He advised Members that they were proposing to hold a Members Seminar, although a date was yet to be confirmed.

**5. TO RECEIVE PETITIONS**

None received.

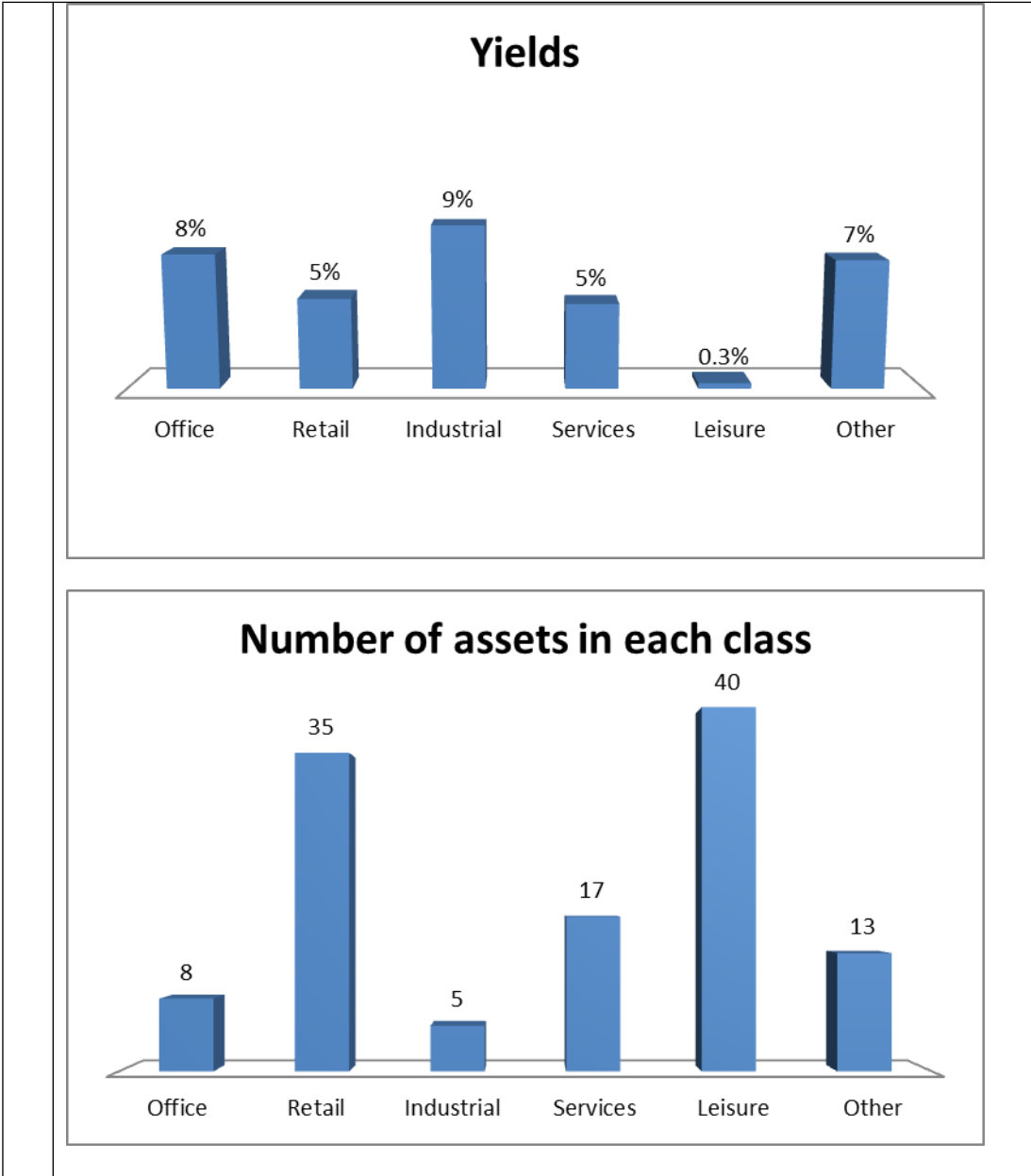
**6. PUBLIC QUESTIONS**

There were none.

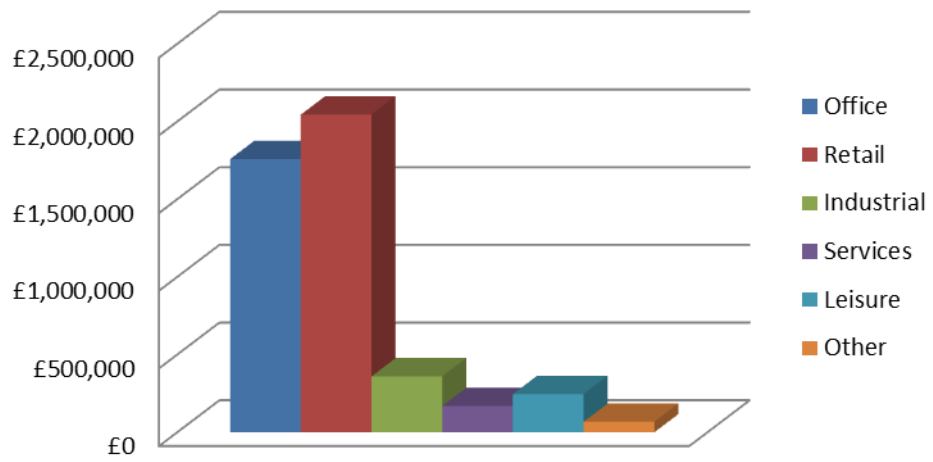
**7. MEMBER QUESTIONS**

<b>1.</b>	<b>Question from Councillor Babbage to Cabinet Member Finance, Councillor Rowena Hay</b>
	Please provide a summary position of the council's investment property and

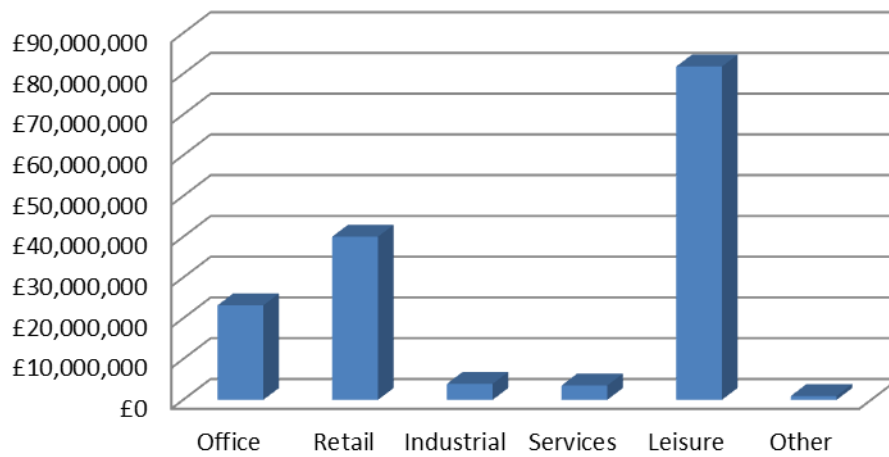
	<p>other income generating property, including valuations, income generated, location and overview of tenants.</p>
<p><b>Response from Cabinet Member</b></p>	
	<p>I thank Cllr Babbage for his question which proved to be an interesting and informative exercise and I would also like to thank the significant amount of work and detail that officers have given in responding.</p> <p>The main categories of a commercial property investment portfolio are:</p> <ul style="list-style-type: none"> <li>• Office</li> <li>• Retail</li> <li>• Industrial</li> </ul> <p>The Council have a number of properties which are used primarily for service provision within these groups but are also capable of generating an income. Examples would include: Municipal Offices (office), Depot (industrial) and to a smaller extent Cafes in the Park (retail). Service providing properties would not normally be considered pure investment properties but actually what the statics show is that all these Asset Groups are performing well.</p> <p>The Council's income generating portfolio has been summarised by the attached graphs by showing the numbers of assets held in each category, the income generated from each category and the yields being generated from that asset group.</p> <p>A further three asset groups have been added to capture the entire property income generating elements of the Councils property portfolio. These have been split between:</p> <ul style="list-style-type: none"> <li>• Services – WC's, Retirement and care accommodation</li> <li>• Leisure</li> <li>• Other – Primarily Land</li> </ul> <p>It was a pleasing discovery on formulating this information that those Assets primarily held for service delivery were actually performing well. A yield of around 5% or above is what a traditional commercial fund would aspire to achieve.</p> <p>The Council are now focusing on diversifying the more traditional individual asset groups within the portfolio, to spread the risk. Again there is a large amount of historic assets that are <u>not</u> under performing as such, but they are very similar in nature due to the way in which Councils operate historically and have matured. An example would be the retail stock. This asset group is made up of a number of small individual units, either stand alone or forming part of a small parade of shops. There is traditionally no primary retail (town centre), but a number of units in secondary (town centre edges) and tertiary (within housing estates) locations. The purchase of Café Nero and future acquisitions look to diversify the historic portfolio balance.</p>



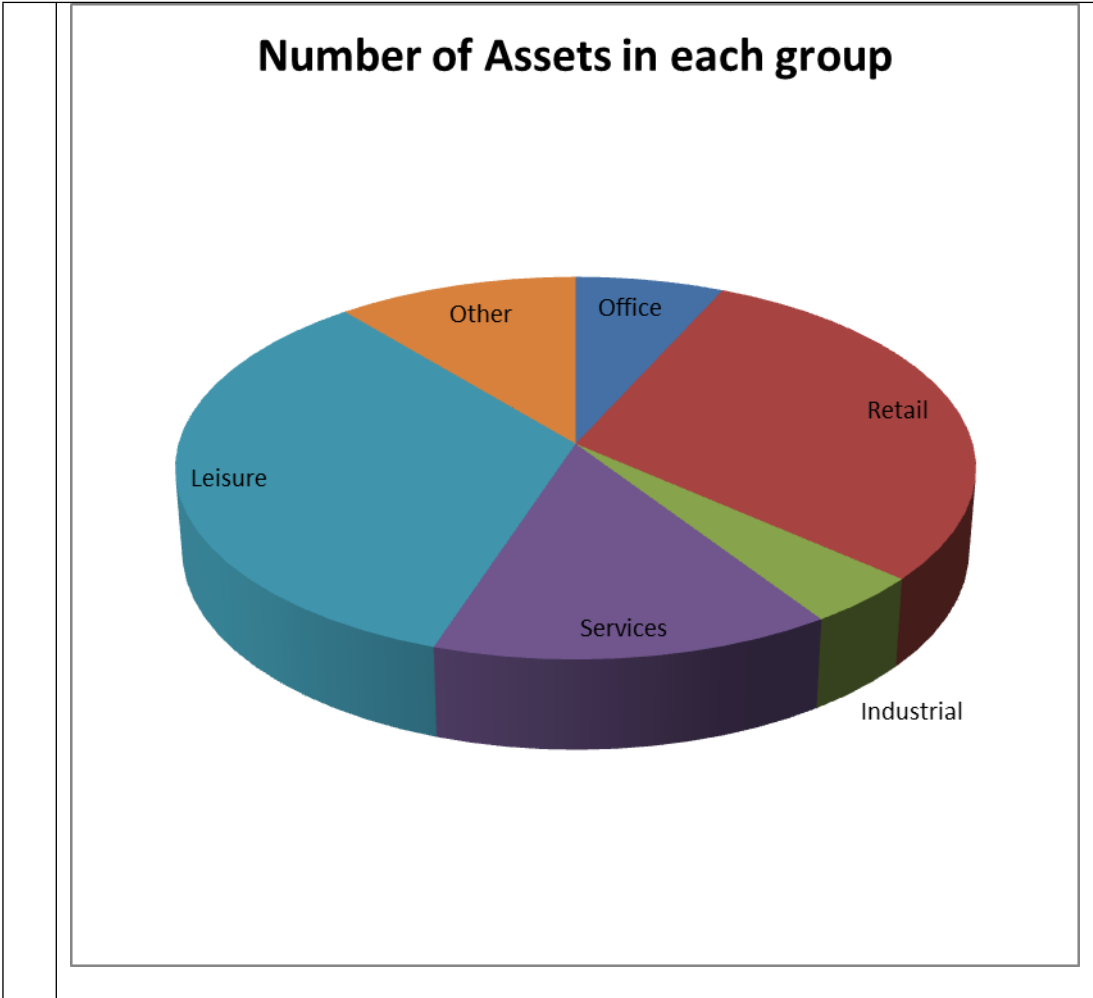
### Income 2018

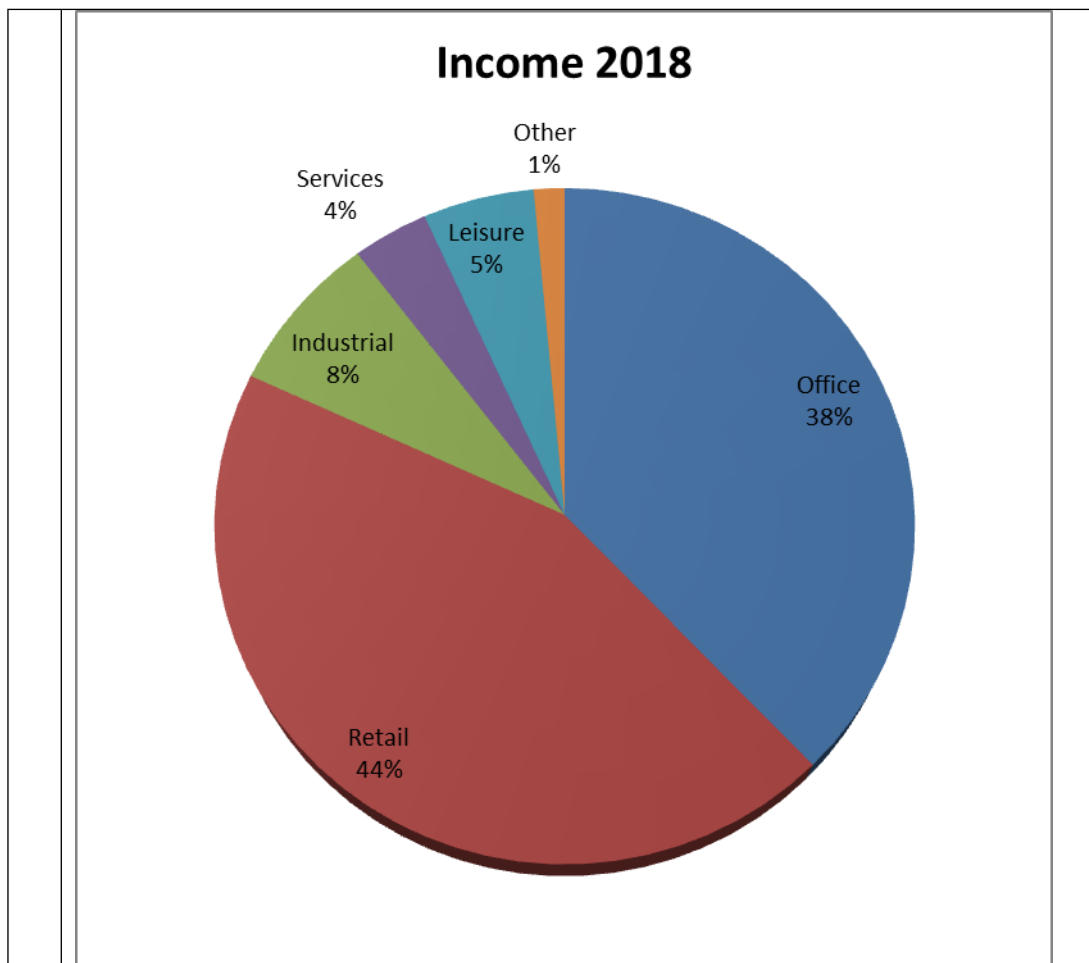


### Value 2018









In a supplementary question Councillor Babbage requested that this information be a standing item on the Asset Management Working Group and the Budget Scrutiny Working Group during the budget setting process. In response the Cabinet Member confirmed that this was the intention and she was conscious of the importance of a diversified portfolio.

## 8. NOTICES OF MOTION

Proposed by: Councillor Max Wilkinson and Seconded by: Cllr Flo Clucas

*This Council notes:*

- *The recent warnings from multinational businesses based in the south west, including Airbus and Honda, that exiting the EU customs union will be a catastrophe for trade and may lead them to relocate their manufacturing outside of the UK.*
- *The number of Cheltenham citizens working for businesses that rely on free movement of trade within the European Union.*
- *That, according to the Government's own figures, under all Brexit scenarios the UK will be considerably worse off, not only in terms of international reputation but also the negative social, environmental and economic impact it will have on the people of Cheltenham.*

*This Council therefore agrees that there should be a 'people's vote' on the final Brexit deal, which should include an option for the United Kingdom to remain a full member of the European Union.*

In proposing the motion, Councillor Wilkinson wished to thank those in the public gallery who were in attendance supporting the motion for a people's vote on the final Brexit deal, a cause which he had been campaigning hard for. He raised concerns about the incompetence of the government over Brexit talks and the fact that many leave voters had made their decision based on inaccuracies. He feared that the most likely outcome was appearing to be a no deal Brexit supported by the far right. He cited food shortages, the cancelling of leisure and business trips and lengthy traffic jams as his key concerns, as well as the detrimental effect of immigration on public services, having stated that 4000 EU nurses and midwives had already left the NHS. He further advised that 69% of voters felt that Brexit negotiations were going badly and felt they should be given a second vote now the facts were known.

In the debate that followed, many Members confirmed that they supported the motion. Noting their key concerns as the number of key industries in Cheltenham who depend upon the skills of non EU citizens and the free movement of knowledge between countries, Erasmus programmes which benefitted many students, and the fact that the NHS was severely understaffed and relied upon EU workers. Concerns were also raised over security given the current climate and the detrimental impact on the hospitality industry, in particular Cheltenham racecourse which welcomed many visitors and riders each year, particularly from Ireland. Many Members shared Councillor Wilkinson's sentiment that leave voters had made their decision based on deceit and inaccuracies and felt that democracy was about giving people the chance to vote on real facts. They reiterated the fact that the vote on the referendum in 2016 had been extremely narrow and that Cheltenham had voted to remain. Members felt strongly that young people should be given the chance to vote considering that the impacts of Brexit would affect them the most.

Other Members, however, stated that they would not support the motion. They discussed the uncertainty surrounding Brexit and felt that a second referendum would increase this uncertainty, they also felt that a second referendum could undermine peoples faith in future referendums. They felt that despite the fact the outcome was not the favoured one for some parties, they could not keep holding referendums until a favoured outcome for one particular opinion was achieved.

In seconding the motion Councillor Clucas felt strongly that no government had the right to take away a persons citizenship. She felt that as it was an advisory referendum the government were not bound by the outcome, particularly considering the Conservatives had lost the general election. She stated that the key issue was the Irish border and the current proposals could not fix that. The Chequers agreement had omitted to mention services which represented the bulk of the UK's earning potential. She also highlighted the plight of the NHS in the face of Brexit in terms of filling vacancies.

In summing up Councillor Wilkinson referred to the multimillion pound businesses which were being ignored in the Brexit debate. Cheltenham had in 2016 voted to remain in the EU and even more than ever this should not be

ignored. With the lack of certainty he strongly believed that any deal should go before Parliament.

A recorded vote having been requested and supported by Members the motion was put to the vote. The motion was approved with 30 for and 7 against.

Voting for : Cllrs Atherstone, Baker, Barnes, Barrell, Boyes, Britter, Brownstein, Clucas, Coleman, Dobie, Fisher, Harvey, Hay, Hegenbarth, Hobley, Horwood, Jeffries, Jordan, McCloskey, McKinlay, Oliver, Parsons, Payne, Stafford, Sudbury, Wheeler, Whyborn, Wilkinson, Williams, Willingham

Voting against: Cllrs Babbage, Cooke, Harman, Mason, Savage, Seacome, Stennett

Council adjourned from 8.05-8.10 pm

**9. ANY OTHER ITEM THE MAYOR DETERMINES AS URGENT AND WHICH REQUIRES A DECISION**

None.

**10. LOCAL GOVERNMENT ACT 1972 -EXEMPT INFORMATION RESOLVED THAT**

**In accordance with Section 100A(4) Local Government Act 1972 the public be excluded from the meeting for the remaining agenda items as it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public are present there will be disclosed to them exempt information as defined in paragraph 3, Part (1) Schedule (12A) Local Government Act 1972, namely:**

**Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)**

**11. PROPERTY ACQUISITION**

The Cabinet Member Finance introduced the exempt report and explained that in response to enormous cuts in central government funding the council had already embraced radical changes to the way its services were organised and delivered. Adopting a commercial focus and growing the investment portfolio had been necessary as part of the drive towards financial sustainability. It represented a vital way forward for the authority given the continuing uncertainty around the fairer funding review outcome.

She reminded Members that the original basis of an Investment Property Portfolio Strategy was to establish a £10 million fund mainly financed through borrowing to purchase investment properties with the aim of generating a net yield in excess of 5 %. However, this particular acquisition fell outside the parameters previously set by Council and would require a further budget allocation to fund the acquisition and associated costs.

The Cabinet Member explained that this proposed acquisition combined with other recent approved purchases of investment property, had resulted in the need to review the limits, to ensure that external debt fell within the approved boundaries. She therefore sought Council's approval to increase the 2018/19 authorised limit to £185 million and the estimated 2019/20 limit to £185 million. Council's approval was also sought to increase the 2018/19 operational limit to £175million and the estimated 2019/20 operational limit to £175 million. This reflected the assessment of the expected capital borrowing need, whilst allowing for a further £50 million to be borrowed by 31 March next year, in the event that further capital acquisitions came forward to full council for approval with a detailed business case. These limits would continue to be reviewed by the Treasury Management Panel annually, for approval by Council at its February meeting.

The Cabinet Member went on to explain that the purchase of commercial property was to provide additional income for the council, fulfil the intentions as set out in the report regarding the Investment Property Portfolio, and work towards meeting the challenges identified in the Medium Term Financial Strategy. In adhering to the revised guidance, the acquisition of commercial property was focused, to ensure that the asset made a contribution towards service delivery and or place-making, for example economic benefit, business rates growth and retention, or responding to market failure. This purchase before Members would make a direct contribution towards service delivery, whilst also having a direct impact of the safeguarding of much needed office accommodation within the town centre. It would also enhance revenue returns for the Council to meet the challenges set out in the Medium Term Financial Strategy.

She provided Members with more details of the property under discussion.

The Cabinet Member highlighted that Cheltenham was uniquely placed to grow and sustaining and growing the town's economic and cultural vitality was one of the key outcomes as set out in the Cheltenham Vision and the council's corporate strategy. The property investment strategy aimed to support this by focusing on acquisition opportunities within or in close proximity to the borough which would help secure existing or increase business rates income.

The Cabinet Member then invited the Head of Property and Asset Management to provide his presentation to Members. Following the presentation Members were given the opportunity to ask questions of the Head of Property and Asset Management and the Cabinet Member Finance.

In the debate that followed Members made a number of points. The Head of Property and Asset Management and the Cabinet Member Finance spoke in response to the points made.

**Upon a vote the recommendations were CARRIED and the budget allocation was agreed by Council.**

Bernard Fisher  
**Chairman**

**Cheltenham Borough Council  
Council – 15<sup>th</sup> October 2018**

**Community Infrastructure Levy (CIL) Formal Adoption of Charging Schedule and Supporting Policies, Approval of Regulation 123 List for Publication and Setting a Commencement Date for Charging**

<b>Accountable member</b>	Cllr Jordan
<b>Accountable officer</b>	Tracey Crews, Director of Planning
<b>Ward(s) affected</b>	All
<b>Key/Significant Decision</b>	Yes
<b>Executive summary</b>	This report seeks Council adoption of a Community Infrastructure Levy (CIL) Charging Schedule and supporting policies, alongside approval of a list of infrastructure that may be funded from CIL (Regulation 123 list) for publication and to set a commencement date for charging of 1st January 2019.
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. <b>Adopt the Cheltenham Borough Council Community Infrastructure Levy Charging Schedule, as modified in line with the recommendations of the Independent Examiner.</b></li> <li>2. <b>Adopt the following supporting policies:</b> <ol style="list-style-type: none"> <li>a. <b>Payment by instalments (Regulation 69b)</b></li> <li>b. <b>Request for Review and Appeals (Part 10)</b></li> </ol> </li> <li>3. <b>Approve the Regulation 123 list for Cheltenham Borough Council for publication.</b></li> <li>4. <b>Set a commencement date for charging of the 1st January 2019, in line with JCS partner authorities.</b></li> </ol>

<p><b>Financial implications</b></p>	<p>This report includes the consideration of resource implications and is supported by estimates of income from CIL and the expenditure associated with the implementation of a service for 'Charging and Collection of the Levy'.</p> <p>The indicative running costs for all three JCS authorities managing CIL over the first 3 years are:</p> <p>Year 1 – £116,646</p> <p>Year 2 – £125,274</p> <p>Year 3 – £127,185</p> <p>These costs will be funded from the 5% admin allowed from the CIL income and any shortfall will be funded from the JCS funds held by Tewkesbury Borough Council.</p> <p>Funding for the two members of staff who will carry out the Charging Authority functions for all three authorities in the first year of operation has already been agreed and is funded through the pooled JCS Budget.</p> <p>These staff costs, along with other set-up costs incurred prior to commencement, will be recouped from the maximum 5% of CIL Income that Regulation 61 allows Charging Authorities to retain for administrative costs (and in the first three years also set-up costs).</p> <p>Any surplus from the, 5% allowed for administrative costs must be retained in the re-investment fund for use on the provision of infrastructure.</p> <p>Set-up costs for the three JCS authorities combined total £229,149, and in the further report to Cabinet on Governance, recommendations will be made on how these should be funded along with the ongoing costs.</p> <p>Income projections for the first three years, based on planned development in the JCS and three District Level Plans is estimated to be approximately £15 million*.</p> <p>Resource implications will also include the participation of front line, support and development management staff, member and committee services staff, finance staff, community engagement staff and the support required of One Legal.</p> <p><i>*This figure does not include income generated from windfall applications and as such is a cautious estimate which relies on development commencing in line with our projections.</i></p> <p><b>Contact officer: Andrew Knott, Business Partner Accountant (Deputy Section 151 Officer) <a href="mailto:andrew.knott@cheltenham.gov.uk">andrew.knott@cheltenham.gov.uk</a></b></p>
--------------------------------------	---



<b>Legal implications</b>	<p>The power to charge CIL is contained within Part 11 (Section 205-225) of the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (as amended). CIL is defined as the imposition of a charge; the overall purpose of which is to ensure that costs incurred in supporting the development of an area can be funded (wholly or partly) by owners or developers of land in a way that does not make development of the area economically unviable (Section 205(1) and (2) of the Act).</p> <p>The recommendations are in conformity with the requirements of the 2010 CIL Regulations (as amended).</p> <p><b>Contact officer: Cheryl Lester, Solicitor, One Legal</b>  <a href="mailto:Cheryl.lester@teWKesbury.gov.uk">Cheryl.lester@teWKesbury.gov.uk</a></p>
<b>HR implications (including learning and organisational development)</b>	<p>New staff requirements identified as financial implications, above.</p> <p><b>Contact officer: Clare Jones, HR Business Partner, Publica</b>  <a href="mailto:clare.jones@publicagroup.uk">clare.jones@publicagroup.uk</a></p>
<b>Key risks</b>	<p>Whilst there is no requirement on local authorities to adopt or implement CIL, and Section 106 contributions can continue to be sought, the delivery of infrastructure has been heavily constrained since April 2015 when Section 106 pooling limitations came into force, which risk undermining the ability to deliver the level of economic development planned.</p> <p>Once adopted the charging, collection, distributing, spending, monitoring and reporting of the charge becomes a statutory obligation. Should the measures being put in place to collect, spend and monitor CIL prove to be inadequate, and as a consequence collection is delayed or ineffective, spending poorly targeted or a lack of monitoring results in reduced receipts, this will be monitored by a governance structure which will be recommended to Cabinet to receive reports on performance.</p> <p>Should experience prove the CIL rates to have been set too high, and as a consequence development is unviable and does not happen or other policy requirements such as affordable housing are placed at risk then future planned periodic reviews will allow rates to be reviewed in light of not only current economic conditions but also that experience. However this is highly unlikely based on the Examination of the viability evidence and opinion of the Independent Examiner.</p>
<b>Corporate and community plan Implications</b>	<p>Potential positive implications are anticipated as a result of this new income stream for the Borough Council in infrastructure delivery outcomes.</p>

<b>Environmental and climate change implications</b>	<p>In choosing to adopt the CIL the JCS councils are promoting all 3 dimensions of sustainable development set out in the National Planning Policy Framework (NPPF):</p> <ul style="list-style-type: none"><li>• Economic – contributing to building a strong, responsive and competitive economy.</li><li>• Social – supporting strong, vibrant and healthy communities.</li><li>• <i>Environmental – contributing to protecting and enhancing our natural, built and historic environment.</i></li></ul>
<b>Property/Asset Implications</b>	<p>Not relevant for this report.</p> <p><b>Contact officer:</b> <a href="mailto:Dominic.stead@cheltenham.gov.uk">Dominic.stead@cheltenham.gov.uk</a></p>

## 1. Background

- 1.1 The district authorities of Gloucester City Council, Cheltenham Borough Council, and Tewkesbury Borough Council have together developed and adopted a Joint Core Strategy (JCS) which forms the upper, strategic level of their Local Plans to 2031. Alongside this each of the three 'JCS authorities' are also developing their own district level plans which will sit underneath the JCS and, along with any Neighbourhood Development Plans made in the three areas, complete their Local Plans.
- 1.2 To support the delivery of development identified in the JCS and the district level plans the three 'partner' authorities have prepared an Infrastructure Delivery Plan (IDP) this formed part of the examination of the JCS and is being kept under review to guide delivery of strategic infrastructure. In addition, the three councils are developing individual IDPs to support their emerging district level plans.
- 1.3 Following the adoption of the Joint Core Strategy (JCS) in December 2017 and the work progressing the Cheltenham Plan, the challenge is now to deliver the development and critical infrastructure required. The introduction of a Community Infrastructure Levy (CIL) to part-fund new infrastructure would be a key step towards this. This report sets out the detail of the preparation of a Cheltenham CIL and seeks adoption of the charging schedule and related policies.
- 1.4 Whilst Cheltenham has worked closely with Gloucester City and Tewkesbury Borough in developing CIL, each authority, as defined by the CIL regulations is a statutory 'Charging Authority' in their own right and are therefore being asked to adopt their own Charging Schedule, Supporting Policies and approve their Regulation 123 list for publication.

1.5 This report provides the background and information to support the recommendation for adoption.

### 1.6 WHAT IS THE COMMUNITY INFRASTRUCTURE LEVY

- 1.6.1 The Community Infrastructure Levy (CIL) is a charge levied on new buildings and extensions to buildings according to their floor area. In this way money is raised from development to help pay for strategic and community infrastructure. This could include schools, leisure centres, older peoples care accommodation, roads and other facilities to ensure the demands arising from the JCS are accommodated sustainably.
- 1.6.2 CIL replaces only the section 106 "tariff" approaches which have previously been used for this purpose. Section 106 must continue to be used for affordable housing and will be used for site specific infrastructure needed to make a specific development site acceptable in planning terms.
- 1.6.3 CIL is calculated on the net increase in gross internal floor area (GIA) provided any existing floor area is in lawful use. That is, a credit is allowed for any existing GIA which is demolished.
- 1.6.4 Whilst CIL may be levied on most buildings that people 'normally go into' there is a national definition of liable development and a number of mandatory and discretionary exemptions:

#### Definition of Liable Development

- More than 100sqm of new floorspace

- Less than 100sqm of new floorspace if one or more new dwellings are created
- Conversion of a building no longer in lawful use

**1.6.5** CIL income is not subject to the pooling restrictions imposed upon Section 106 agreements in April 2015 and can therefore provide contributions towards infrastructure that arises as a result of development but is not directly related and therefore cannot be attributed to any one development site.

### **1.7 HOW MUCH FUNDING COULD THE CIL GENERATE FOR CHELTENHAM**

**1.7.1** CIL will provide a new way for the Borough Council, JCS partner authorities and Parish Councils to fund infrastructure needs arising from development in their areas. Regulations require 15% of CIL from developments in a Parish to be paid to the Parish Council, subject to a cap of £100 per existing property, rising to 25% if they have adopted a Neighbourhood Development Plan. Where no Parish Council exists, in Cheltenham's Wards, the Borough Council must spend the 15% 'Neighbourhood Fund' in their area not covered by a Parish Council, in consultation with the community to support the development occurring in the Wards.

**1.7.2** Whilst the exact amount of CIL Income to be raised in Cheltenham, and when this will be received, is difficult to forecast accurately, based on the Council's forecast of housing growth over the period of the JCS, to 2031 £28.7m could be received. It should be noted that this income is not 'new money' in that this would have been investment negotiated via Section 106 Agreements in the past, with the exception of some smaller sites.

**1.7.3** CIL income generated is anticipated to accrue gradually over the course of the first year of the scheme. For this reason, the governance arrangements to be put in place in relation to the expenditure of CIL income, retained by the Charging Authorities, will be considered by the JCS partners over the course of the first 6 months of the programme. These arrangements will be presented to Cabinet for decision.

### **1.8 THE RELATIONSHIP WITH PLANNING OBLIGATIONS**

**1.8.1** Section 106 contributions can continue to be sought, however, the delivery of strategic infrastructure in particular has been heavily constrained since April 2015 when Section 106 pooling limitations came into force allowing only contributions from up to five developments to be pooled to fund an individual infrastructure project.

**1.8.2** Because CIL income is not subject to these pooling restrictions it can provide contributions towards infrastructure whose need arises as a result of the cumulative impact of many developments but is not 'directly related' to any one.

**1.8.3** Section 106 must continue to be used for affordable housing and will be used for anything required just for a specific development site to make it acceptable in planning terms.

### **1.9 HOW THE LEVY WAS SET**

**1.9.1** Expert Evidence of the viability of CIL commissioned by the JCS authorities from the District Valuer Services (DVS) in 2014 and 2015, Peter Brett Associates (PBA) in 2016 and Porter Planning Economics (PPE) in 2017.

- 1.9.2** Expert Evidence of the need for infrastructure to deliver the growth proposed in the JCS, professional cost estimates and the identification of sources of funding and the gap, or shortfall in funding, which CIL will help to address was prepared by Arup in August 2014 and updated in an addendum to the IDP in December 2017.
- 1.9.3** On the basis of the above evidence a Preliminary Draft Charging Schedule was prepared for statutory consultation.
- 1.9.4** Formal Public Consultation: The CIL Charging Schedule has been developed through the Preliminary Draft Charging Schedule, the Draft Charging Schedule and the modifications stages, which were published for consultation between: May and June 2015; May and June 2016; and July and September 2017, respectively.
- 1.9.5** Formal Public Examination: The Draft Charging Schedule was submitted to the Planning Inspectorate for Independent Examination on the 26th July 2016. Hearings were held from the 15th to the 17th May 2018.
- 1.9.6** The Planning Inspectorate Examiner's Report was received by the Council on 31st July 2018 (attached to this report as Appendix C). The report concludes that the Draft Charging Schedule passes all of the statutory tests and recommends approval subject to certain modifications related to:
- Adding another category of residential development, namely 450 dwellings and over; charged at £35 per square metre in Cheltenham and Tewkesbury and nil rated in Gloucester;
  - Restricting the 11 plus dwelling category to between 11 and 449 dwellings;
  - Reducing the out of centre retail rate from £100 per square metre to nil pending the outcome of the JCS review of retail and the gathering of further evidence; and
  - Adding West Cheltenham to the Tewkesbury charging schedule.
- 1.9.7** The modified Charging Schedule (attached to this report as Appendix A), incorporating the Examiner's recommendations (Appendix C) is now being brought before Council to seek adoption in line with recommendation 1 of this report.

### **1.10 CIL IMPLEMENTATION AND PAYMENT**

- 1.10.1** It is recommended that an implementation (commencement) date for the Charging Schedule to take effect is set for 1st January 2019. This will mean that all relevant planning applications granted permission on or after this date will be liable to pay the relevant charge. Applications for Reserved Matters determined from that date will also be liable for CIL except where they relate to Outline Permissions that were determined prior to the 1st January 2019.
- 1.10.2** Two officers have been jointly employed on two year fixed term contracts since early in 2018 by the three JCS partner authorities to work with each of the three Planning Authorities to ensure they are ready to implement CIL. Members and Officers are being briefed and engagement with development industry representatives and parish councils is planned. IT software has been purchased and is now being put in place and the two officers are preparing to initially undertake the CIL Charging Authority functions of the three JCS partner councils jointly.

**1.10.3** Additional resources will be required in due course to operate the Charging Authority functions for the JCS partner councils and these will be funded, as permitted by the regulations, from the 5% of CIL income allowed for this purpose.

### **1.11 EXEMPTIONS AND RELIEF**

**1.11.1** The CIL Regulations allow for a number of exemptions from CIL that may be claimed, some are mandatory and set nationally whilst some are discretionary and can be set locally by the Council as CIL Charging Authority.

**1.11.2** The CIL Regulations also allow for other policies, on 'exceptional relief' and 'requests to accept land and infrastructure in-kind', to be implemented at the discretion of the Local Authority. Whilst these policies were discussed at the Examination Hearings they were not included in the Examiner's recommendations. It is therefore proposed that periodic reviews of CIL and relief policies, which take account of economic conditions, property values and development costs are carried out. This would also provide an opportunity to review whether the Council considers any of the discretionary policies are necessary.

### **1.12 THE CHARGING SCHEDULE**

**1.12.1** Following recommendations made by the Independent Examiner, Cheltenham Borough Council's Charging Schedule comprises residential CIL rates differentiated by scale, type and geographical location which is set out in Appendix A to this report.

### **1.13 THE REGULATION 123 LIST**

**1.13.1** Local authorities adopting CIL are required to publish a list of the specific infrastructure or types of infrastructure to be funded by CIL and those which will continue to be funded by Section 106 agreements. This is known as the Regulation 123 list. A draft of this list was published with the Draft Charging Schedule and considered at the Examination Hearings as part of the process. During the Examination Hearings changes were made to address the Examiner's concern that the list was not explicit enough to ensure 'double dipping' or paying for the same infrastructure projects from both CIL and Section 106 would not occur, as the regulations specifically prohibit this. Following the hearings and receipt of the Examiners report, in consultation with the County Council, further modifications have been made to ensure clarification on the uses to which CIL will be put and those to which Section 106 agreements will be required. The resulting Regulation 123 list is attached to this report as Appendix F. It is recommended that the Regulation 123 list is approved for publication by Council.

### **1.14 LOCAL POLICIES FOR ADOPTION**

**1.14.1** Instalment Policy: Whilst the CIL regulations require payment in full within 60 days of commencement of development and receipt of the demand notice they also allow the authorities to introduce an instalment policy. An instalment policy will assist the viability and delivery of developments by allowing phased payments to take account of the likely rate of development. The instalment policy, attached as Appendix D, is recommended to be introduced at the same time as CIL comes into effect on 1st January 2019.

**1.14.2** Request for Review and Appeals Policy: Regulation 113 allows the request for a review of the chargeable amount. Regulations 114, to 119 allow appeals against the chargeable amount, apportionment of liability, a decision on charitable relief, a decision on exemptions for residential

extensions and self-build housing, a surcharge, the deemed commencement date and the issue of a CIL stop notice. The Request for Review and Appeals Policy, attached as Appendix E, is recommended to be introduced at the same time as CIL comes into effect on 1st January 2019.

### **1.15 NEXT STEPS**

#### **1.15.1 Commencement:**

- A commencement date must be set on adoption and therefore the recommendation is that a commencement date is set, in line with our JCS partners, for the 1st January 2019.
- Configuration, user training and deployment of the CIL IT management system.
- Publication of statutory notices and notification of individual applicants and the wider development industry the change being introduced.
- Completion of legal agreements negotiated under the former system of securing developer contributions.

**1.15.2** It is proposed to submit to Cabinet, in due course, recommendations as to an appropriate mechanism for prioritising spending on qualifying infrastructure projects through the establishment of a Governance Structure that ensures delivery of infrastructure identified as critical in the JCS Infrastructure Delivery Plan (IDP) and efficient administrative arrangements for the charging and collection of the levy across the three JCS authorities.

## **2. Reasons for recommendations**

- 2.1** Adoption of the CIL Charging Schedule(s) enables each JCS Council to ensure that new development contributes proportionately to infrastructure provision, supporting the delivery of new development and economic growth identified in the adopted JCS (2011 to 2031) and the emerging district level plans, whilst taking into account the need to strike an appropriate balance which does not threaten viability.
- 2.2** Adoption of optional supporting policies ensures that larger developments are able to commence their developments before full and final settlement of their CIL obligation in line with the regulations.
- 2.3** Publication of the Regulation 123 list is a legal requirement which sets out the infrastructure on which CIL may be spent.
- 2.4** Setting a commencement date in line with JCS partner authorities provides certainty and coherence to applicants, provides a short period of notification of the change being introduced and allows the completion of legal agreements negotiated under the former system of securing developer contributions.
- 2.5** Council should bear in mind that CIL accruing from development in Cheltenham will not generate the total of funding required to deliver all of the Borough's infrastructure needs. For this reason it is important that the Council continues to work in partnership with the other JCS authorities, ensuring that the necessary infrastructure that will serve Cheltenham's existing and new communities is funded through the new CIL arrangement.
- 2.6** Members should also be aware that the total CIL income to be generated is unlikely to be

sufficient to fund all of the area’s infrastructure needs. It is, however, a mechanism to part fund that infrastructure, and efforts will need to continue to secure external and additional funding.

**3. Alternative options considered**

**3.1** The Council could choose to not adopt CIL and, instead, continue to rely only on income from Section 106 agreements. However, the restrictions put in place which limit the ability to pool receipts from Section 106 agreements, in April 2015, are likely to result in a loss of resources to fund, in particular, strategic infrastructure needs identified through the process of preparing the JCS. The use of CIL would address this loss of resources towards the funding gap for future infrastructure.

**4. Consultation and feedback**

**4.1** During the preparation of CIL a number of rounds of informal and statutory consultation began:

- The principles of CIL were considered by the Planning and Liaison Member Working Group in Summer 2014, a Developer Workshop in Autumn 2014, Preliminary Draft Charging Schedule from May to July 2015, Draft Charging Schedule from May to June 2016 and the Statement of Modifications from July to September 2017. Members have been regularly updated via the Planning and Liaison Member Working Group, engagement on final steps for the drafting of this report with Cabinet on 18th September 2018 and workshop with all Members invited 1st October 2018.

**5. Performance management –monitoring and review**

**5.1** Once CIL is implemented the council must publish an annual report setting out CIL receipts and expenditure.

**5.2** In order to be able to demonstrate that ‘double dipping’ has not occurred, that is spending CIL receipts on infrastructure projects that have also been funded through Section 106 contributions, which is explicitly prohibited by Regulation 123, new monitoring arrangements will need to be put in place for the Council’s own Section 106 agreements. Work will also need to be undertaken with the County Council, who currently enter into their own Section 106 (and Section 278 of the Highways Act 1980) agreements, to provide detailed monitoring information.

**5.3** The evidence base for the CIL will be kept under review and updated as required.

<b>Report author</b>	<b>Contact officer: Paul Hardiman, CIL Manager</b> <a href="mailto:paul.hardiman@cheltenham.gov.uk">paul.hardiman@cheltenham.gov.uk</a>
----------------------	--



<b>Appendices</b>	A. Cheltenham Borough Council Charging Schedule B. Policy Maps C. Examiner's Report (31 <sup>st</sup> July 2018) D. Supporting Policies: Payment by Instalments E. Supporting Policies: Request for Review and Appeals F. Cheltenham Borough Council Regulation 123 List G. Risk Assessment
<b>Background information</b>	1. None

This page is intentionally left blank

# Cheltenham Borough Council

Community Infrastructure Levy

## Charging Schedule

## 1. Introduction

- 1.1. Cheltenham Borough Council have adopted this Community Infrastructure Levy (CIL) Charging Schedule (CS) as the Charging Authority under powers provided by Section 206 of the Planning Act 2008.
- 1.2. Cheltenham Borough Council, along with Gloucester and Cheltenham have adopted a Joint Core Strategy (JCS). The JCS has a common evidence base including testing viability and infrastructure needs.
- 1.3. Viability and infrastructure evidence was prepared on a joint basis to support the plan and to allow the three JCS authorities to prepare their three CS on a co-ordinated basis in order to appropriately address cross boundary infrastructure issues.
- 1.4. Although this joint evidence base has informed the CS preparation, each of the JCS councils are CIL Charging Authorities in their own right and are required to prepare separate CIL Charging Schedules.
- 1.5. The Council submitted their Draft Charging Schedule to the Planning Inspectorate for Independent Examination on the 26<sup>th</sup> July 2016, hearings were held from the 15<sup>th</sup> to the 17<sup>th</sup> May 2018 and the Examiner recommended approval of this document, with recommended modifications on the 31<sup>st</sup> July 2018.
- 1.6. All relevant evidence can be accessed via the JCS website <http://jointcorestrategy.org>.
- 1.7. CIL sits alongside the current Section 106 regime rather than directly replacing it with regulations in place to ensure that there is a distinction between the two systems and that they do not overlap.
- 1.8. Specific infrastructure projects will therefore still be funded through Section 106 planning agreements, where these are directly related to a proposed development and are needed to make individual planning applications acceptable in planning terms.
- 1.9. The statutory tests for S106 agreements as set out in the Community Infrastructure Levy Regulations 2010 (as amended) and as policy tests in Paragraph 56 of the National Planning Policy Framework (2018) will still need to be applied. These tests being that they are:
  - necessary to make the development acceptable in planning terms,
  - directly related to the development, and
  - fairly and reasonably related in scale and kind.

## 2. Chargeable development

2.1. CIL is levied on the development of virtually all buildings that people 'normally go into'. The national definition of chargeable development identifies the following development types as liable for CIL:

- Developments of more than 100m<sup>2</sup> of new floorspace;
- Development of less than 100m<sup>2</sup> of new floorspace which results in the creation of at least one or more new dwellings;
- The conversion of a building that is no longer in lawful use.

### **3. Calculating the CIL Chargeable Amount**

3.1. CIL charges will be calculated in accordance with Regulation 40 of the Community Infrastructure Levy Regulations 2010 (as amended).

3.2. The Community Infrastructure Levy is generally chargeable on the net increase in gross internal floor space of all new development, except:

- Minor development: that is buildings or extensions where the gross internal area of new build is less than 100m<sup>2</sup>, other than where the development will comprise one or more new dwellings (in which case the new dwellings will constitute 'Chargeable Development', irrespective of their size);
- Where the CIL chargeable amount is calculated to be less than £50;
- Where the development is of buildings into which people do not normally go, or which they go only intermittently for the purpose of inspecting or maintaining fixed plant or machinery; or
- Where the development is exempt under Part 6 of the CIL Regulations (as amended).

3.3. In accordance with the CIL Regulation 40, all CIL liability will be index linked to the Royal Institute of Chartered Surveyors (RICS) Building Cost Information Service (BCIS) All-in Tender Price Index though it is acknowledged that the use of other price indexes is also permitted.

3.4. As set out in the Community Infrastructure Levy Regulations 2010 (as amended), the calculation of the chargeable amount is based on gross internal area (GIA). The definition of gross internal area is not specified in the regulations; however, the generally accepted method of calculation is the RICS Code of Measuring Practice (6th edition, 2007).

### **4. Exemptions**

4.1. The Community Infrastructure Levy Regulations 2010 (as amended) provide for certain types of development to be exempt from CIL, which include:

- Development by registered charities for the delivery of their charitable purposes;

- Those parts of a development which are to be used as social (affordable) housing;
- The conversion of any building previously used as a dwelling house to two or more dwellings;
- Development of less than 100m<sup>2</sup> of new build floorspace, provided that it does not result in the creation of a new dwelling;
- The conversion of, or works to, a building in lawful use that affects only the interior of the building;
- Development of buildings and structures into which people do not normally go (e.g. pylons, wind turbines and electricity sub stations);
- Residential annexes and extensions (where the person who would normally be liable for the charge owns a material interest in the main dwelling and occupies the main dwelling as the sole or main residence);
- Self-build housing where a dwelling is built by the person who would normally be liable for the charge (including where built following a commission by that person) and occupied by that person as their sole or main residence.

4.2. Exemptions to chargeable development, whether mandatory or discretionary cannot automatically be given and applicants must therefore 'claim' the exemption using the appropriate forms available from the Borough Council website or the on-line Planning Portal.

## 5. CIL rates

5.1. The following rates are expressed in £ per square metre value.

5.2. For residential sites in Cheltenham Borough Council's administrative area CIL rates are given in table 1.1 below.

5.3. Table 1.1 also sets out the CIL rates for strategic sites that are located within Cheltenham Borough Council's administrative area.

*Table 1.1: Residential CIL rates*

		Community Infrastructure Levy (£ per m <sup>2</sup> )	Affordable Housing Requirement
<b>Generic sites</b>	Cheltenham 10 dwellings and under	£148	0%
	Cheltenham 11 dwellings and over	£200	40%

	Cheltenham 450 dwellings and over	£35	35%
<b>Strategic sites</b>	A5 Northwest Cheltenham	£35	35%
	B1 West Cheltenham	£35	35%

## 6. Other forms of development

6.1. Table 1.2 below sets out the CIL rates for older people’s homes.

**Table 1.2: Older persons residential CIL rates**

<b>Community Infrastructure Levy (£ per m<sup>2</sup>)</b>	
<b>Retirement Homes</b>	<b>£200</b>
<b>Extra Care Homes</b>	<b>£100</b>

6.2. Through the Examination process it was established that further work is needed to test other non-residential CIL rates. In respect of retail, further viability assessment will be undertaken as part of the immediate review of the JCS after which the CIL charging rates will be reviewed on the basis of the updated evidence.

## 7. Spending of CIL

7.1. Under Regulation 123 of the Community Infrastructure Levy Regulations 2010 (as amended) the charging authority will publish on its website their intention for how revenues raised from the levy will be spent. This will make clear what items will in future fall under the CIL rather than S106, but also show contributors and other interested parties what types of infrastructure the CIL could be spent on. In formulating the Regulation 123 list the Council will continue to work closely with other bodies to address strategic infrastructure and that delivered by other public authorities, for example, Gloucestershire County Council.

7.2. The CIL regime allows authorities to respond to changing local circumstances, by spending revenue from the CIL on different projects from those identified during the rate setting process. Therefore the Regulation 123 list will be continually reviewed and updated accordingly. Changes to the Regulation 123 list will be updated via the council website.

## 8. Duty to pass CIL to local councils

8.1. CIL regulations outline provision for receipts to be redistributed to local parish councils, or to be spent on behalf of designated neighbourhood forums. The proportion allocated to the local council, or spent on behalf, is dependent on the adoption of a neighbourhood plan. Where a neighbourhood plan is in place, 25% of the CIL is passed to the local council. Where a neighbourhood plan is not adopted, 15% is passed to local councils, subject to a cap equivalent to £100 for every existing dwelling in that area.

## 9. Optional exemptions

9.1. The CIL Regulations allow Local Authorities to make certain choices about how to implement the CIL including allowing:

### 9.1.1. Payment by instalments (Regulation 69b)

Payment of a CIL charge is due from the date at which a chargeable development commences. The Council can offer the payment of CIL by instalments to provide flexibility and support for more complicated and phased developments. **An 'instalment policy' stating the parameters of this process was adopted alongside Cheltenham Borough Council's Charging Schedule.**

### 9.1.2. Social housing relief (Regulation 49)

The Council can allow, at its discretion, relief from liability to pay a CIL charge to new market houses that are to be sold at no more than 80 per cent of their market value. **The authority have not currently adopted this form of relief.**

### 9.1.3. Land and infrastructure in-kind (Regulations 73&73A)

The Council can allow, at its discretion, the value of land transferred to the Council and infrastructure provided or constructed by a developer to be offset against the CIL charge. This enables developers to provide infrastructure that is needed to support new development, but is not directly related to a specific development, the opportunity to provide it directly rather than contributing towards it indirectly through the CIL. The value of land and infrastructure in kind would be determined by 'a suitably qualified independent person' (for example the Valuation Office Agency). **The authority have not currently adopted this form of relief.**

### 9.1.4. Relief for exceptional circumstances (Regulation 55)

Liability to pay a CIL charge on chargeable development is a statutory obligation and is non-negotiable. The Council can, however, in exceptional circumstances offer discretionary relief from liability to pay a CIL charge. Offering this relief provides the Council with some flexibility to deal with complex sites which are proved to have exceptional costs or other requirements which make them unviable. **The authority have not currently adopted this form of relief.**

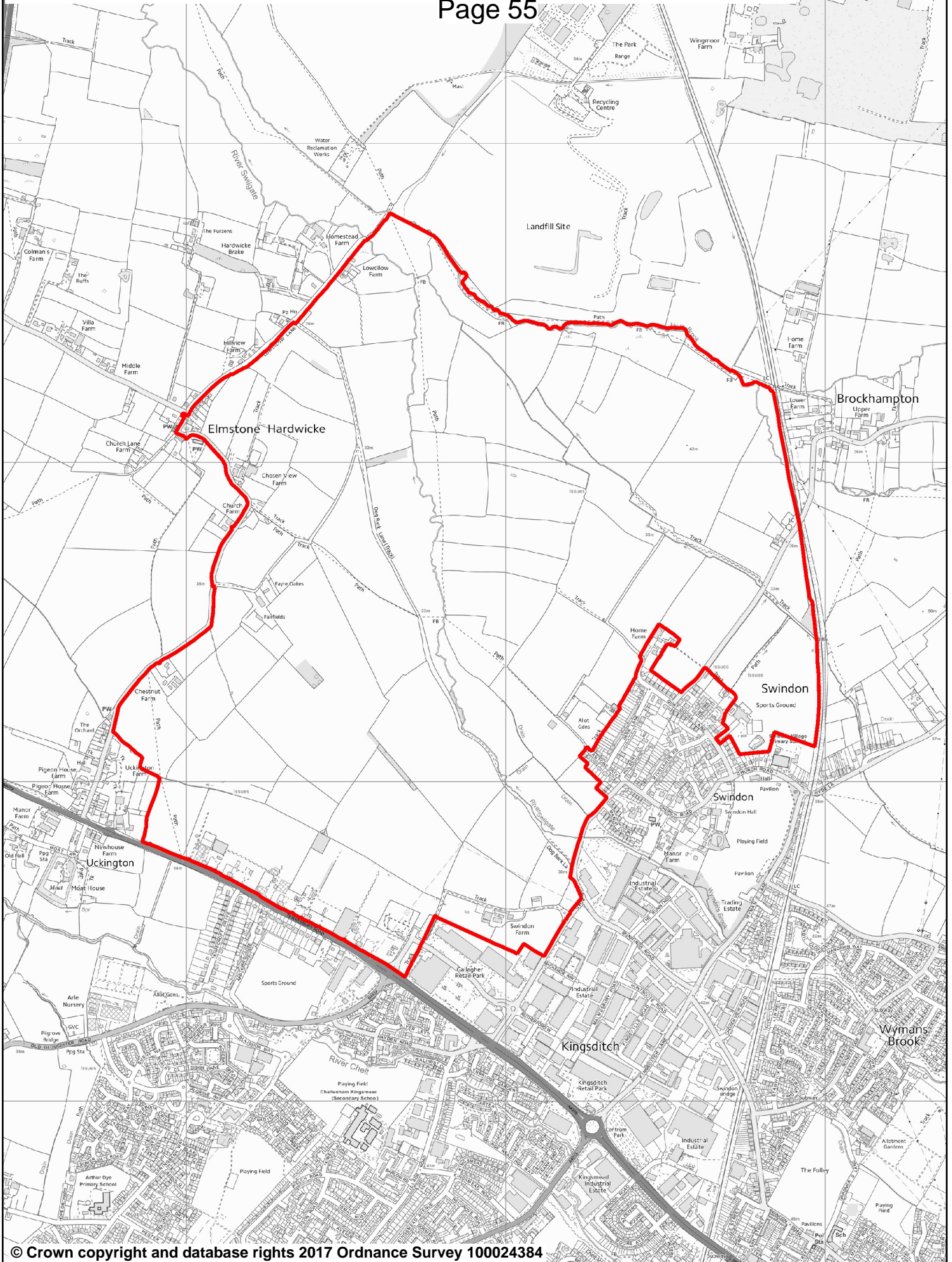
### 9.1.5. Relief for charitable investment activities (Regulation 44)



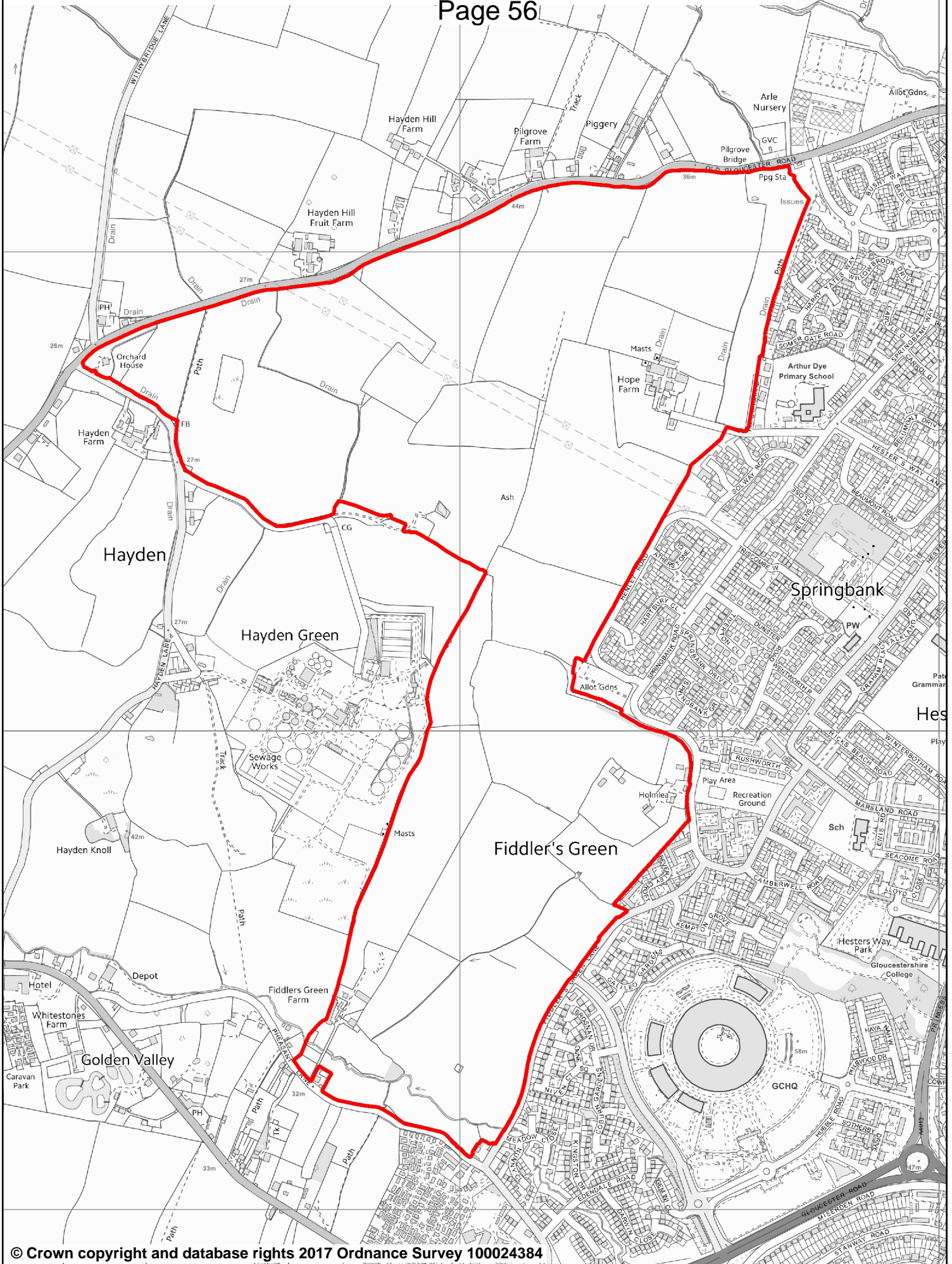
The Council can allow, at its discretion, relief from CIL liability to charity landowners where the greater part of a development is held as an investment from which the profits are applied for charitable purposes. **The authority have not currently adopted this form of relief.**

END

This page is intentionally left blank







---

# **Report to Gloucester City, Cheltenham Borough and Tewkesbury Borough Councils**

**by Elizabeth C Ord LLB(Hons) LLM MA DipTUS**

**an Examiner appointed by the Councils**

**Date: 31 July 2018**

---

PLANNING ACT 2008 (AS AMENDED)

SECTION 212(2)

## **REPORT ON THE EXAMINATION OF THE DRAFT GLOUCESTER, CHELTENHAM and TEWKESBURY COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULES**

Charging Schedule submitted for examination on 28 July 2016

Examination hearings held between 15 May 2018 and 17 May 2018

File Ref: PINS/B1605/429/1

## Non Technical Summary

This report concludes that, subject to modifications, the Gloucester, Cheltenham and Tewkesbury Community Infrastructure Levy charging schedules provide an appropriate basis for the collection of the levy in the three Council areas, as set out in the Gloucester, Cheltenham and Tewkesbury Joint Core Strategy, adopted in 2017.

The modifications to the schedules that are needed to meet the statutory requirements are summarised as follows:

- Adding another category of residential development, namely 450 dwellings and over; charged at £35 per square metre in Cheltenham and Tewkesbury and nil rated in Gloucester;
- Restricting the 11 plus dwelling category to between 11 and 449 dwellings;
- Reducing the out of centre retail rate from £100 per square metre to nil;
- Adding West Cheltenham to the Tewkesbury charging schedule.

Subject to these modifications, the Councils have sufficient evidence to support the schedules and can show that the levies are set at a level that will not put the overall development of the areas at risk.

The specified modifications recommended in this report are based on matters discussed during the public hearing sessions and do not substantially alter the basis of the Councils' overall approach or the appropriate balance achieved.

## Introduction

1. This report contains my assessment of the Community Infrastructure Levy (CIL) Charging Schedules for Gloucester City Council, Cheltenham Borough Council and Tewkesbury Borough Council as required by Section 212 of the Planning Act 2008. It considers whether the schedules are compliant in legal terms and whether they are economically viable as well as reasonable, realistic and consistent with national guidance.
2. The three Councils have a Joint Core Strategy (JCS) which includes strategic allocations (SAs), other strategic matters, and development management policies. The JCS was adopted by Gloucester City Council on 27 November 2017, by Cheltenham Borough Council on 11 December 2017 and by Tewkesbury Borough Council on 5 December 2018. Following on from the JCS, each Council is aiming to have its own district level plan, which will include non-strategic allocations.
3. The Councils worked jointly to prepare the draft CIL charging schedules, (DCSs) which were published for consultation between 13 May 2016 and 24 June 2016. These schedules were amended by way of Statements of

Modifications (SoMs) in order to align the DCSs with the emerging modified JCS. Additional Ordnance Survey maps were appended to the schedules to reflect the changes. Consultation on the SoMs was held from 28 July 2017 to 29 August 2017 and then extended to 5 September 2017. It is the submitted DCSs as amended by the SoMs which form the basis of my examination and to which I refer in this report as the "modified DCSs".

4. In response to my Matters, Issues and Questions and points raised in the hearing sessions, the Councils put forward further modifications to the "modified DCSs", which are set out in CILEXAM006. These modifications have not been formally consulted upon and consequently do not form part of the "modified DCSs". Nonetheless, I have taken them into account in writing my report.
5. To comply with the relevant legislation the local charging authorities must set CIL rates in a charging schedule which strike an appropriate balance. This is determined by considering, on the one hand, the desirability of CIL funding for infrastructure required to support the development of their areas and, on the other hand, the potential effects of the CIL on the economic viability of development across their areas.
6. In the modified DCSs the Councils propose residential CIL rates differentiated by scale and geographical location. The CIL, which is expressed as £s per square metre (psm), would be as follows:

#### Gloucester

- 10 dwellings and under £0 psm
- 11 dwellings and over £45 psm
- Winnycroft strategic site £0 psm

#### Cheltenham

- 10 dwellings and under £148 psm
- 11 dwellings and over £200 psm
- Northwest Cheltenham strategic site £35 psm
- West Cheltenham strategic site £35 psm

#### Tewkesbury

- 10 dwellings and under £104 psm
- 11 dwellings and over £200 psm
- Innsworth strategic site £35 psm
- South Churchdown strategic site £35 psm
- Brockworth strategic site £35 psm

- Northwest Cheltenham strategic site £35 psm
  - Twigworth strategic site £35 psm
7. Only the Cheltenham modified DCS proposes a CIL for older persons sheltered retirement and extra-care homes, which would be as follows:
- Retirement homes £200 psm
  - Extra Care homes £100 psm
8. For retail development the CIL in the modified DCSs is zoned so that retail development outside the city/town centres of Gloucester, Cheltenham and Tewkesbury is proposed at £100 psm and development within the town centres is nil rated. No other CIL charges are proposed and, therefore, all other non-residential uses are nil rated.
9. Other material published alongside the modified DCSs, such as the proposed Regulation 123 lists and instalments policy does not come within the scope of my examination. Although the draft Regulation 123 lists are a component of the submitted evidence, it is for the Councils to consider the representations made in relation to these matters, and the approach to be taken to exemptions relief. I note the Councils' suggested amendments to the Regulation 123 lists in CILEXAM006, which aim to clarify the relationship between CIL and Section 106/Section 278 contributions and avoid any perception of "double dipping".

**Are the charging schedules supported by background documents containing appropriate available evidence?**

***Infrastructure planning evidence***

10. The Gloucester, Cheltenham and Tewkesbury JCS sets out the main elements of growth that needs to be supported by infrastructure provision in the period to 2031. Further detail is provided in the Infrastructure Delivery Plan (IDP) of August 2014 [INF001], updated by the IDP Addendum of December 2017 [CILEXAM003] and the various IDPs for the Strategic Allocations, which take account of the JCS DS7 transport modelling mitigation schemes. Statements of Common Ground and Position Statements obtained for the SAs provide additional information on infrastructure requirements within the next five years to enable these sites to go forward.
11. The key categories of infrastructure to which the Councils propose to direct CIL revenue are transport, education, community and culture, flood risk management, healthcare, and green infrastructure. The 2017 IDP Addendum indicates that some transport infrastructure funding has been secured from Highways England and the Local Growth Fund and that other monies will be sought from ad-hoc government funding opportunities. Nonetheless, that leaves a significant funding gap.
12. The 2014 IDP estimated a total infrastructure cost within the JCS area of £813.6 million and a funding gap in excess of £741 million. However, the estimated funding gap has changed as applications for SAs have come forward



and bids for external funding have been successful. For instance the transport DS7 mitigation, estimated at around £500 million at the time of issuing DS7, may reduce by as much as half due to external funding.

13. The *Infrastructure Funding Gap Analysis* of September 2016 [INF004] draws together and refines the IDP information to determine key requirements. It explains that initial benchmark-based assessments and delivery routes in the 2014 IDP are in large part not critical to delivery of the Plan, at least in the short term. After consultation with key service providers, confirmed priorities have evolved, resulting in a critical estimated funding gap, which is significantly less than the overall gap for all projects (critical, essential and desirable) set out in the 2014 IDP.
14. An analysis was done in 2016 and 2017 on the critical infrastructure related to SAs, based on feedback from developers, infrastructure prioritisation, funding options assessment and management of routes and implementation risks. For the first five years from when each SA comes forward, the funding gap for their critical infrastructure is estimated at approximately £73 million, excluding the "missing link" highway project, which is no longer considered critical in the delivery of the JCS.
15. The estimated strategic road infrastructure costs for the JCS area are £251,500,000, and there is no known funding for this; for Gloucester City Council, estimated infrastructure costs are £94,284,885 and known funding amounts to £31,391,429, leaving a gap of £62,893,456; for Cheltenham Borough Council costs are £150,499,669 and funding is £41,000,000, leaving a gap of £109,499,669; for Tewkesbury costs are £176,446,071 with funding of £80,500,000, leaving a gap of £95,946,071. Consequently, the overall costs are estimated at £672,730,625 and the known funding is £152,891,429, leaving a total funding gap of £519, 839,196, which includes the £73 million stated above.
16. Based on the information before me, the following CIL receipts are anticipated, taking account of relevant reductions for affordable housing (which is not liable for CIL), 5% of receipts allocated for administration, and an average 20% of CIL receipts passed on to Parish and Town Councils.
  - Gloucester City Council           £4,706,910,
  - Cheltenham Borough Council   £21,499,003
  - Tewkesbury Borough Council   £14,266,344
17. The SAs currently without planning permission are estimated to contribute just over £9 million to these figures.
18. Although the expected CIL receipts are modest in comparison to the overall sizeable funding gap, they would nonetheless make an appreciable contribution towards infrastructure. I am satisfied that the figures are based on sound sources of evidence and that the introduction of a CIL regime is justified.

### ***Economic viability evidence***

19. The Councils commissioned a series of viability studies to support both the emerging JCS and the emerging DCSs. The most recent of these reports is the *Plan viability, Community Infrastructure Levy and affordable housing study*, of January 2016 [VIA009], which was supplemented by two reports for additional strategic sites [VIA007 & VIA008]. However, further updates to some of the assumptions underpinning these reports have been provided in the *GCT CIL MIQs Responses – Viability*, of December 2017 [CILEXAM002(a)], as has the note on *Residential Viability Assessment of Strategically Large Sites in the JCS Area* [CILEXAM007(b)]. For ease of reference, I refer to all of this body of evidence as the Viability Assessment (VA).
20. The VA follows a structured methodology, based on the Local Housing Delivery Group's 2012 report *Viability Testing Local Plans*, also known as "the Harman Report". This involves subtracting the costs of development (including profit and s106 costs but excluding land purchase) from the gross development value (GDV) to obtain a residual value for a site. A benchmark/threshold land value (the price at which a typical willing landowner would sell) is then subtracted from the residual value to determine whether there is any surplus remaining. If so, this "headroom" is the maximum amount theoretically available to pay CIL.

#### *Residential*

21. Testing for sales values was based on a large sample of 1,253 new build transactions to provide high level assurances that the assumptions upon which the proposed CIL levels are based would not undermine the delivery of the JCS targets, particularly with regard to affordable and general housing provision. Using the Councils' most recent Strategic Housing Land Availability Assessments, generic "typology" sites were created, which are hypothetical sites that reasonably represent the types and sizes of development that are likely to come forward in the JCS area over the Plan period.
22. For residential properties, eleven or twelve typologies were modelled for each of the three authority areas, including brownfield and greenfield sites ranging from 2 dwellings to 400 dwellings, and consisting of houses, flats and mixed developments. Modelling for larger generic sites was generally based on assumptions similar to those used for SAs (ranging from about 500 dwellings to over 4,000 dwellings) with some proportionate adjustments.
23. Assumptions were made on the amount of net developable area for each typology as residential land values are based on the net area that can be built upon. Similarly, density, type and size of unit were modelled as this informs estimates of revenue based on saleable floor space. Taken as a whole, I consider that the assessments are representative of the types of development that are likely to come forward in the JCS area.
24. GDV for residential development was derived from a range of sources. New build sales prices for the period between January 2015 and August 2017 were analysed from Land Registry data and websites such as RightMove. Direct research with developers and agents operating in the area was also undertaken. By analysing price differentials by postcode, eight value zones were established, (three in Gloucester, three in Cheltenham and two in Tewkesbury), each with its own sales value (psm) for houses and flats.

25. Viability thresholds were calculated by determining planning led benchmark land values, which reflect policy requirements, potential planning obligations and, where applicable, CIL. The approach took the existing use value (EUV) plus an uplift, based on evidence of sites on the market to provide an informed guide to existing values. This is in accordance with the advice in the PPG (as revised in July 2018), which explicitly supports the use of EUVs plus a premium as the basis for benchmark land values. A review of viability appraisals in support of planning applications, published data on land values and discussions with JCS authorities' officers and the local development industry was also undertaken to provide comparative evidence.
26. A range of benchmark land values have been used, adjusted according to location. For greenfield typologies, the benchmark land value was taken as the average agricultural price for the South West plus a premium. According to Government published advice, £21,000 per hectare was used, uplifted between 10 and 20 times depending on location and an analysis of land transactions. For brownfield land, transaction data from the District Valuer Service and COSTAR (a commercial property database) was used to obtain likely reuse values and an industry standard premium of about 25% was applied.
27. Although there is a margin of uncertainty in the assumptions used, the benchmark land values are consistent with the approach in the PPG and provide adequate high level approximations of what may be considered to be a reasonable return to a willing landowner.
28. The VA assumes that the JCS policy target for affordable housing will be met. For SAs, other than Winnycroft, for which the VA indicates no contribution for affordable housing could be supported, this amounts to a minimum requirement of 35%. Non-strategic sites of 11 dwellings or more or with a maximum combined floorspace greater than 1,000sqm have a minimum requirement of 20% in Gloucester and a minimum 40% requirement in Cheltenham and Tewkesbury. No affordable housing contribution is sought on sites with 10 dwellings or less.
29. Following the Rent Review in July 2016, transfer values are based on what is typically offered by three local Registered Providers. For affordable rented properties, values have been estimated at 55% of market housing, social rent at 45% of market housing and for intermediate properties, a figure of 65% has been used. The mix of affordable rented, social rent and intermediate properties tested varied with each local authority and whether in respect of a strategic allocation or otherwise. This seems reasonable.
30. Build costs are based on 2016 quarter three data from the Build Cost Information Service (BCIS), published by the Royal Institution of Chartered Surveyors, and rebased to JCS area prices using BCIS defined adjustments. Higher costs are estimated for small to medium sized developers who are unlikely to be able to achieve economies of scale, as is more common for volume and regional house builders. This is a reasonable approach that reflects appropriate industry costs and aligns well with the time period for updated sales values (January 2015 to August 2017).

31. Assumptions for opening up costs such as utilities, land preparation, sustainable drainage systems and spine roads, are scaled in progressive tiers according to the number of dwellings on site. This appropriately reflects proportionate growth in infrastructure costs which increase with the size of development.
32. For brownfield sites an allowance of £200K per hectare has been made for abnormal costs such as remediation and demolition. For any additional abnormal costs that might arise, it would be expected that they be taken off the benchmark land value as they would reflect a sub-standard site for delivering housing, which would reduce the sale price of the land accordingly.
33. With respect to section 106 infrastructure costs, it is assumed for the majority of generic sites that infrastructure requirements are likely to be met off site through CIL. Therefore, section 106/278 infrastructure costs would be significantly scaled back and in many cases would not apply. Where site specific obligations are required, the evidence suggests that generally there will be sufficient headroom to fund these costs at past average levels.
34. An average developer profit of 20% of GDV was assumed for all open market units, which is a commonly used figure in high level viability assessments of this nature. A reduced level of 6% was assumed for affordable homes to reflect the lower risk to the developer, and is in accordance with Homes England's recommendations.
35. Assumptions for other costs appear to reflect industry standards such as externals (eg garden space around dwellings and car parking and those elements that make up the gross internal area, including circulation space within apartment blocks) at 10% of build costs, professional fees at 10% of build costs plus externals, and a contingency at 4% of build costs plus externals.
36. Similarly land purchase costs relating to surveyors fees (1% of land value), legal fees (0.75% of land value) and development finance (6.5% of land value), and sales fees on open market housing (3% of GDV) all seem reasonable and in conformance with industry norms. Stamp duty land tax assumptions reflect the changes brought about in legislation from April 2016.
37. Bespoke assessments were undertaken for each of the SAs within the JCS. The threshold land values were based on professional judgement and the research that informed the generic site typology testing. Sales value analysis followed that for generic typologies except that a premium of 7.5% was applied to reflect the investment made in creating new places, and place making evidence which supported this uplift.
38. Estimates for SA opening up costs were derived from experience and site promoter consultation. The various levels assumed fall within the suggested range set out in the Harman Guidance, which puts strategic infrastructure costs typically at between £17,000 and £23,000 for larger scale schemes. Section 106/278 costs are assumed at £15,000 per dwelling based on discussions with the promoters of two SAs, consultation with the JCS authorities and experience elsewhere. This appears to fall at the upper end of obligation agreements already reached and hence makes reasonable provision.

### *Older persons housing*

39. The VA tested four areas for sheltered retirement and extra-care properties, namely the three urban areas of Gloucester, Cheltenham and Tewkesbury, and the rural area of Tewkesbury. Some assumptions are the same as for residential, although there are also differences in several key assumptions.
40. Many of the assumptions used were informed by the Retirement Housing Group (RHG) guidance. The RHG consists of developers and housing managers who provide strategic advice on best practice for policy decisions affecting the retirement housing sector and it is appropriate that their guidance be taken into account.
41. In setting threshold land values, there were only a few examples of land acquisitions that the VA could draw upon. Nonetheless, taking the information available, as for residential above, the existing use value plus a premium was appropriately established. It was assumed that older persons housing would be located within or close to the town centre and would be a brownfield alternative use site. Therefore, the threshold land value was based on an employment use plus at least 25% uplift for securing an alternative use. Land values tested in Gloucester were around £750,000 per hectare rising in Cheltenham to about £1,500,000 per hectare.
42. In accordance with RHG guidance, sales values for 1 bed and 2 bed sheltered properties were respectively taken at 75% and 100% of a 3 bed semi-detached dwelling. As a sense check, the resulting psm price was compared to retirement properties on the market and found to be comparable. Although there were no retirement properties on the open market in the JCS area at the time of compiling the VA, examples elsewhere with similar values were relied upon in accordance with RHG guidance. To calculate sales values for extra-care properties, again based on RHG guidance, a 25% uplift was applied to sheltered property values. Sizes and densities were established by analysing a number of existing schemes.
43. Costs were taken from BCIS data but reflect the "Gloucestershire wide" figure for 1-2 storey flats uplifted by 9% for sheltered retirement and 13% for extra-care. This takes account of an additional allowance made for demolition and remediation associated with brownfield land of £200K per net hectare within the town centre and £100K per net hectare elsewhere. Other assumptions reflect local market conditions or follow industry standards.

### *Commercial*

44. Whilst non-residential development was also tested, apart from retail development outside the city/town centres, CIL was generally found to render development unviable. Consequently, apart from out of town centre retail, the modified DCSs set a nil rate for these other types of development.
45. I was not satisfied with the robustness of the evidence for out of centre retail and, at the hearing sessions, the Councils therefore agreed that the proposed CIL charge for out of centre retail should be withdrawn in order to obtain more

supporting evidence and review retail CIL rates. This would be done in conjunction with the JCS retail review currently underway. I find this to be a pragmatic and sensible step to take and, consequently, I consider the evidence for non-residential CIL rates no further.

### **Conclusion**

46. The modified DCSs are underpinned by a comprehensive IDP. The VA is logical and overall, subject to my specific findings below, the methodology and assumptions used are reasonable. On this basis, the evidence which informed the modified DCSs is robust, proportionate and appropriate.

### **Are the charging rates informed by and consistent with the evidence?**

#### **Residential rates**

47. Some criticism was made of the value zones that were derived from house prices analysed by postcode. However, these value zones show that each local authority area itself provides an appropriate CIL charging zone since, in broad terms, the values differ significantly between each authority area. Although there is some information indicating differing land values within the identified value zones, these are not so marked as to justify amending the boundaries or introducing any further complexity to the schedules through additional CIL zones. This is in accordance with the Planning Practice Guidance (PPG) which advises that undue complexity should be avoided when setting differential rates.
48. Concerns were raised over any CIL charge that might be imposed on the MOD site at Ashchurch, which was initially proposed as a SA in the JCS and then withdrawn because of delivery issues. There are suggestions that at least part of the site might come forward during the Plan period and viability evidence indicates that this large brownfield site would be unviable with CIL at the generic sites rate for 11 dwellings and over. However, the Ashchurch area of the JCS is currently being reviewed and there are other brownfield and greenfield sites that are also under consideration in that area. Consequently, it would be premature to select parts of the MOD site now for special treatment when viability and CIL rates for the wider area will be revisited as part of the review.
49. In accordance with the PPG, the Councils have not set CIL rates at the margin of viability but have allowed for a buffer to respond to changing markets and to avoid the need for frequent updating. This provides a safeguard in the event that GDVs have been over-estimated or costs (including abnormal costs) underestimated, and to allow for variations in costs and values between sites. The Councils have assumed that the charges should be no more than two thirds of the overage/headroom, leaving a buffer of at least one third. However, for many generic typologies and strategic sites, the buffer is significantly larger, allowing for greater variation in the cost and value assumptions without compromising viability, and providing greater scope to absorb abnormal costs, should these arise.
50. The evidence for the SAs demonstrates that in Cheltenham and Tewkesbury a CIL rate of £35 psm as proposed is viable, although in Gloucester, charging CIL would not be so, and therefore £0 psm is appropriate for the Winnycroft SA. For generic typologies, the VA indicates differences in headroom according to site

size, with larger sites of 11 plus units having more headroom than smaller typologies. Therefore, the differential rates proposed for typologies of 11 dwellings or over, and for 10 dwellings or under, are justified.

51. However, large generic sites of a strategic size, namely those of 450 dwellings and over, are likely to be subject to significant site infrastructure costs, similar to those for SAs. Consequently, the test results for these larger generic sites indicate that they would not viably support the higher generic CIL rate. However, they would support a SA rate of CIL.
52. Therefore, the modified DCS should be amended to reflect a charging rate for sites of 450 dwellings or over of £35 psm in Cheltenham and Tewkesbury and £0 psm in Gloucester. Consequently, the 11 dwellings and over rate should be restricted to developments of between 11 and 449 dwellings. I therefore recommend **Modification 1**, which sets out these changes.
53. It was argued by developers that the infrastructure costs for some SAs have been underestimated to the extent that a contribution towards CIL would not be viable. However, that is not borne out by the evidence. In any event, the sizable buffer applied should generally absorb any variations.
54. Concerns were expressed over changes made to the DS7 transport infrastructure mitigation package, which feeds into the SA opening up costs and section 106 obligations. However, during the JCS examination it was made clear that DS7 was only one potential package of overall mitigation measures, which could change. Infrastructure provision is an iterative process and is expected to evolve. From the submitted evidence, I am satisfied that appropriate account has been taken of potential transport costs when setting the CIL rates.

### ***Older persons' housing rates***

55. Assuming a buffer of a third of the headroom, the testing indicates that only sheltered retirement and extra-care properties in Cheltenham would be viable. Older persons' housing in Gloucester and Tewkesbury have therefore appropriately been nil rated.
56. Within Cheltenham, the headrooms for sheltered retirement and extra-care properties are enough to withstand the proposed CIL charges of £200 psm and £100 psm respectively. They should also be broadly sufficient to absorb variations in the assumptions used.

### ***Commercial rates***

57. The nil rate proposed for all commercial uses apart from out of town centre retail is supported by the submitted evidence. Furthermore, as indicated above, the out of town centre retail rate in the modified DCS has been appropriately withdrawn by the Councils pending an immediate review. Consequently, I recommend **Modification 2**, which reduces the rate for out of town retail development from £100 psm to £0 psm.

### ***Conclusion***

58. Overall, subject to the modifications indicated, the proposed CIL rates are informed by and consistent with the evidence.

**Does the evidence demonstrate that the proposed charging rates would not put the overall development of the area at serious risk?**

59. The Councils' proposals to set CIL rates on the basis described above for dwellings and older persons housing are based on reasonable assumptions about development values and likely costs. The evidence suggests that most residential and older persons development will broadly remain viable across the JCS area if the proposed charges are applied.
60. The exceptions to this are larger generic typologies of at least 450 dwellings, which are more akin to SAs. To preserve viability, the evidence suggests that these larger sites should be charged the CIL rate for SAs of £35 psm for Cheltenham and Tewkesbury and £0 psm for Gloucester, rather than the higher generic typology rates.
61. Furthermore, there is insufficient evidence to demonstrate a commercial CIL rate of £100 psm for out of town centre retail. Consequently, so as not to adversely impact on viability, pending an immediate retail review, out of centre retail development should be nil rated.
62. As noted above, the rate of £35 psm for the West Cheltenham SA is viable. This is a cross boundary site with a part in Tewkesbury Borough Council's area as well as Cheltenham Borough Council's area. I have noted that the SoM for Tewkesbury does not refer to the West Cheltenham SA in its text as regards amendments for Table 1.2, although an Ordnance Survey map is appended to the SoM for this SA. This is clearly an unintended omission and I therefore recommend **Modification 3** to rectify this.
63. Subject to these identified modifications, the evidence demonstrates that broadly the proposed CIL rates provide sufficient flexibility to allow for variations in costs and values without adversely affecting viability or putting the overall development of the area at serious risk.

**Overall Conclusion**

64. In setting the CIL charging rate the Councils have had regard to detailed evidence on infrastructure planning and economic viability for the development markets in Gloucester, Cheltenham and Tewkesbury. The Councils have reviewed this evidence where necessary to ensure that there will be no serious risk to the viability of development. Subject to the modifications that I recommend, I find the Councils' approach to be realistic in terms of achieving a reasonable level of income to address an acknowledged gap in infrastructure funding, while ensuring that a range of development remains viable across the JCS area.

<b>LEGAL REQUIREMENTS</b>
---------------------------



National Policy/Guidance	Subject to the recommended modifications, the "modified DCSs" comply with national policy/guidance.
2008 Planning Act and 2010 Regulations (as amended)	Subject to the recommended modifications, the "modified DCSs" comply with the 2008 Act and the 2010 Regulations, including in respect of the statutory processes, public consultation and consistency with the adopted JCS and IDP, and are supported by adequate financial appraisals.

65. I conclude that subject to the modifications set out in Appendix A the "modified DCSs" for Gloucester, Cheltenham and Tewkesbury satisfy the requirements of Section 212 of the 2008 Act and meet the criteria for viability in the 2010 Regulations (as amended). On this basis, I therefore recommend that the "modified DCSs" be approved.

*Elizabeth C Ord*

Examiner

This report is accompanied by:

Appendix A (attached) – Modifications that the examiner specifies so that the Charging Schedules may be approved.

## Appendix A

### **Modifications specified by the examiner so that the "modified DCSs" may be approved.**

*These modifications apply to the Draft Charging Schedules [SUB001, SUB002, SUB003] as modified by the Statements of Modifications [SOM001, SOM002, SOM003]. The explanatory text in the schedules should be amended to reflect these modifications.*

#### **Modification 1**

In Table 1.2 *Residential CIL Rates*, under "Generic Sites" make the following amendments:

- add another category: "450 dwellings and over";
- for Cheltenham and Tewkesbury insert a CIL rate of £35 psm for this category;
- for Gloucester insert a CIL rate of £0 psm for this category;
- change "11 dwellings and over" to "between 11 and 449 dwellings"

#### **Modification 2**

In Table 1.3 for Gloucester and Tewkesbury and Table 1.4 for Cheltenham, *Non-Residential CIL Rates*, make the following amendments:

- For "Retail development outside town centre" change the rate from £100 psm to £0 psm.

#### **Modification 3**

In Table 1.2 for Tewkesbury, *Residential CIL Rates*, add another row:

- "B1 West Cheltenham" and insert a rate of £35 psm for this SA.

# Cheltenham Borough Council

Community Infrastructure Levy

## Payment by Instalments Policy

**Community Infrastructure Levy (CIL) Instalments Policy**

In accordance with Regulation 69B of the Community Infrastructure Levy Regulations 2010 (as amended), the Councils of Gloucester City, Cheltenham Borough and Tewkesbury Borough have produced this Instalments Policy for publication.

This policy allows persons liable to pay CIL to do so by instalments. As required by regulations, the time the first payment is due is calculated from the date the development is commenced at which time a demand notice will be issued setting out the Instalments Plan in detail.

Failure to submit the assumption of liability form (CIL Form 1), prior to commencement of development, will disqualify an applicant from paying by instalments and the total amount liable will become payable within 60 days of commencement of development.

In accordance with Regulation 83, failure to notify the charging authority of commencement through the submission of a statutory commencement notice (CIL Form 6) will result in the total amount liable, along with any surcharges and interest specified in the regulations, becoming payable immediately.

Failure to pay an instalment on or before the due date identified in the statutory demand notice will result in the total outstanding amount liable, along with any surcharges and interest specified in the regulations, becoming payable immediately.

**INSTALMENTS POLICY:**

**This Instalments Policy will take effect from 1<sup>st</sup> January 2019.**

**Table 1: Schedule of Instalments**

Total Amount of CIL Liability	Number of Instalments	Payment periods and Proportion of CIL Due			
		1 <sup>st</sup> Instalment	2 <sup>nd</sup> Instalment	3 <sup>rd</sup> Instalment	4 <sup>th</sup> Instalment
£100,000 or less	Two	50% payable within 60 days of commencement of development	50% payable within 6 months of commencement of development		
£100,001 to £1,000,000	Three	33% payable within 60 days of commencement of development	33% payable within 6 months of commencement of development	34% payable within 12 months of commencement of development	
£1,000,001 and above	Four	25% payable within 60 days of commencement of development	25% payable within 6 months of commencement of development	25% payable within 12 months of commencement of development	25% payable within 24 months of commencement of development



This page is intentionally left blank

# Cheltenham Borough Council

Community Infrastructure Levy

## Request for Review and Appeals Policy

## Request for Review and Appeals Policy – Regulations 113 to 119

In accordance with the Community Infrastructure Levy Regulations 2010 (as amended) Cheltenham Borough Council, acting in its capacity as CIL Charging and Collecting Authority, will allow applications for review and appeal.

Regulation 113 allows a review of the chargeable amount.

- (1) An interested person may request a review of the calculation of a chargeable amount.
- (2) A request for review must be made—
  - (a) in writing to the collecting authority; and
  - (b) before the end of the period of 28 days beginning with the day on which the liability notice stating the chargeable amount subject to the request for review was issued.
- (3) A request for review may be accompanied by written representations in connection with the review.
- (4) If a request is made in accordance with paragraph (2), the collecting authority must review the calculation.
- (5) The review must be carried out by a person senior to the person making the original calculation and who had no involvement in the original calculation.
- (6) The collecting authority must consider any representations accompanying the request for review.
- (7) Within 14 days of the review start date the collecting authority must notify the person requesting the review in writing of—
  - (a) the decision of the review; and
  - (b) the reasons for the decision.
- (8) In making a decision the collecting authority may either confirm the original chargeable amount or calculate a revised chargeable amount.
- (9) A person may not request a review:
  - (a) of the decision reached on an earlier review; or
  - (b) subject to paragraph (9A), once the relevant development has been commenced.
- (9A) A review may be requested after the relevant development has been commenced if planning permission was granted in relation to that development after it was commenced.
- (10) A review under this regulation will lapse if it was requested before the relevant development was commenced and the relevant development is commenced before the collecting authority has notified the interested person of the decision of the review.
- (11) A person may not request a review under this regulation if a claim for relief has been submitted to the charging authority and the claim has not been withdrawn.

For the purposes of Regulation 113 the ‘Senior Person’ reviewing role will be undertaken by the **Director of Planning**.

Regulation 114 allows an appeal of the chargeable amount.

- (1) A person who has requested a review under regulation 113 and—
  - (a) is aggrieved at the decision on the review; or
  - (b) is not notified of the decision on the review within 14 days of the review start date, may appeal to the appointed person on the ground that the revised chargeable amount or the original chargeable amount (as the case may be) has been calculated incorrectly.
- (2) An appeal under this regulation must be made before the end of the period of 60 days beginning with day on which the liability notice stating the original chargeable amount was issued.
- (3) A person Subject to paragraph (3A), a person may not appeal under this regulation if the relevant development has been commenced.
- (3A) A person may appeal under this regulation after the relevant development has been commenced if planning permission was granted in relation to that development after it was commenced.



*(4) An appeal under this regulation will lapse if it was made before the relevant development was commenced and the relevant development is commenced before the appointed person has notified the appellant of the decision on the appeal.*

*(5) Only one appeal may be made under this regulation in respect of a given chargeable development.*

*(6) Where an appeal under this regulation is allowed the appointed person must calculate a revised chargeable amount.*

For the purposes of Regulation 114 the ‘Appointed Person’ will be a **valuation officer** appointed under section 61 of the Local Government Finance Act 1988 or a **district valuer** within the meaning of section 622 of the Housing Act 1985

Regulation 115 allows an **appeal against the apportionment of liability.**

*1) An owner of a material interest in land (O) who is aggrieved at a decision of a collecting authority on the apportionment of liability with respect to that interest may appeal to the appointed person.*

*(2) An appeal under this regulation must be made before the end of the period of 28 days beginning with the day on which the demand notice stating the amount payable by O is issued.*

*(3) Paragraphs (4) to (6) apply where an appeal under this regulation is allowed.*

*(4) All demand notices issued by the collecting authority in respect of the relevant development before the appeal was allowed cease to have effect.*

*(5) The appointed person may quash a surcharge imposed by the collecting authority on the appellant.*

*(6) The appointed person must reapportion liability between each material interest in the relevant land.*

For the purposes of Regulation 115 the ‘Appointed Person’ will be a **valuation officer** appointed under section 61 of the Local Government Finance Act 1988 or a **district valuer** within the meaning of section 622 of the Housing Act 1985.

Regulation 116 allows an **appeal against a decision on charitable relief, a decision on the exemption for residential annexes and a decision on the exemption for self-build housing.**

116.

*(1) An interested person who is aggrieved at **the decision of a collecting authority to grant charitable relief** may appeal to the appointed person on the ground that the collecting authority has incorrectly determined the value of the interest in land in respect of which the claim was allowed.*

*(2) An appeal under this regulation must be made before the end of the period of 28 days beginning with the date of the decision of the collecting authority on the claim for charitable relief.*

*(3) An appeal under this regulation will lapse if the relevant development is commenced before the appointed person has notified the appellant of the decision on the appeal.*

*(4) Where an appeal under this regulation is allowed the appointed person may amend the amount of charitable relief granted to the appellant.*

116A.

*(1) An interested person who is aggrieved at **the decision of a collecting authority to grant an exemption for residential annexes** may appeal to the appointed person on the ground that the collecting authority has incorrectly determined that the development is not wholly within the curtilage of the main dwelling.*

*(2) An appeal under this regulation must be made before the end of the period of 28 days beginning with the date of the decision of the collecting authority on the claim for exemption for residential annexes.*

*(3) An appeal under this regulation will lapse if the relevant development is commenced before the appointed person has notified the appellant of the decision on the appeal.*

*(4) Where an appeal under this regulation is allowed the appointed person may amend the amount of exemption for residential annexes granted to the appellant.*

*(5) In this regulation “main dwelling” has the same meaning as in regulation 42A.*

116B.

- (1) An interested person who is aggrieved at **the decision of a collecting authority to grant an exemption for self-build housing** may appeal to the appointed person on the ground that the collecting authority has incorrectly determined the value of the exemption allowed.
- (2) An appeal under this regulation must be made before the end of the period of 28 days beginning with the date of the decision of the collecting authority on the claim for exemption for self-build housing.
- (3) An appeal under this regulation will lapse if the relevant development is commenced before the appointed person has notified the appellant of the decision on the appeal.
- (4) Where an appeal under this regulation is allowed the appointed person may amend the amount of exemption for self-build housing granted to the appellant.

For the purposes of Regulation 116 the ‘Appointed Person’ will be a **valuation officer** appointed under section 61 of the Local Government Finance Act 1988 or a **district valuer** within the meaning of section 622 of the Housing Act 1985.

Regulation 117 allows an **appeal against a surcharge.**

- (1) A person who is aggrieved at a decision of a collecting authority to impose a surcharge may appeal to the appointed person on any of the following grounds—
  - (a) that the claimed breach which led to the imposition of the surcharge did not occur;
  - (b) that the collecting authority did not serve a liability notice in respect of the chargeable development to which the surcharge relates; or
  - (c) that the surcharge has been calculated incorrectly.
- (2) Where the imposition of a surcharge is subject to an appeal under this regulation, no amount is payable in respect of that surcharge while the appeal is outstanding.
- (3) An appeal under this regulation must be made before the end of the period of 28 days beginning with the day on which the surcharge is imposed.
- (4) Where an appeal under this regulation is allowed the appointed person may quash or recalculate the surcharge which is the subject of the appeal.

For the purposes of Regulation 117 the ‘Appointed Person’ will be the **Secretary of State** or a **person appointed by the Secretary of State** following an appeal to the Planning Inspectorate.

Regulation 118 allows an **appeal against the deemed commencement date given in the Demand Notice.**

- (1) A person on whom a demand notice is served which states a deemed commencement date may appeal to the appointed person on the ground that the collecting authority has incorrectly determined that date.
- (2) An appeal under this regulation must be made before the end of the period of 28 days beginning with the day on which the demand notice is issued.
- (3) Paragraphs (4) to (6) apply where an appeal under this regulation is allowed.
- (4) All demand notices issued by the collecting authority in respect of the relevant development before the appeal was allowed cease to have effect.
- (5) The appointed person must determine a revised deemed commencement date for the relevant development.
- (6) The appointed person may quash a surcharge imposed by the collecting authority on the appellant.

For the purposes of Regulation 118 the ‘Appointed Person’ will be the **Secretary of State** or a **person appointed by the Secretary of State** following an appeal to the Planning Inspectorate.

Regulation 119 allows an **appeal against the issue of a CIL stop notice.**

- (1) A person who is aggrieved at a decision of a collecting authority to impose a CIL stop notice may appeal to the appointed person on either (or both) of the following grounds—
  - (a) that the collecting authority did not serve a warning notice before imposing the CIL stop notice; or
  - (b) that the chargeable development in respect of which the CIL stop notice was imposed has not commenced.
- (2) A CIL stop notice which is subject to an appeal under this regulation continues to have effect while the appeal is outstanding.
- (3) An appeal under this regulation must be made before the end of the period of 60 days beginning with the day on which the CIL stop notice takes effect.
- (4) On an appeal under this regulation the appointed person may—
  - (a) correct any defect, error or misdescription in the CIL stop notice; or
  - (b) vary the terms of the CIL stop notice, if the appointed person is satisfied that the correction or variation will not cause injustice to the appellant or any of the interested parties.
- (5) Where an appeal under this regulation is allowed the appointed person may quash the CIL stop notice.

For the purposes of Regulation 119 the ‘Appointed Person’ will be **appointed by the Secretary of State** following an [appeal to the Planning Inspectorate](#).

Regulation 120 defines the **Appeal procedure**.

- (1) An appeal under this Part must—
  - (a) be made in writing on a form obtained from the Secretary of State (or a form to substantially the same effect); and
  - (b) include the particulars specified or referred to in the form.
- (2) An appellant may withdraw an appeal at any time by giving notice in writing to the appointed person.
- (3) The appointed person must, as soon as practicable after receipt of an appeal, send—
  - (a) an acknowledgment of receipt to the appellant in writing, which must include—
    - (i) the reference number allocated to the appeal, and
    - (ii) the address to which written communications to the appointed person about the appeal are to be sent;
  - (b) a copy of the acknowledgement mentioned in sub-paragraph (a) to each interested party together with—
    - (i) a copy of the completed appeal form, and
    - (ii) notice that written representations in relation to the appeal may be sent to the appointed person before the end of the representations period.
- (4) The completed appeal form comprises the appellant’s representations in relation to the appeal.
- (5) Any written representations from the interested parties in relation to the appeal must be received by the appointed person before the end of the representations period.
- (6) On receipt of an interested party’s representations, the appointed person must, as soon as practicable, send a copy of those representations to the appellant and each of the other interested parties.
- (7) The appointed person must have received any comments the appellant and the interested parties have on each other’s representations in writing within 14 days of the end of the representations period (or such longer period as the appointed person may in any particular case determine) and the appointed person must, as soon as practicable after receipt, send a copy of those comments to each of the other parties to the appeal.
- (8) The appointed person must consider any representations and comments made by the appellant and interested parties.
- (9) The appointed person must notify the appellant and the interested parties in writing of—
  - (a) the decision on the appeal; and
  - (b) the reasons for the decision.

For the purposes of Regulation 120 the ‘Appointed Person’ will be either the **Valuation Office Agency, the Secretary of State** or a **person appointed by the Secretary of State**.

Regulation 121 provides direction on **Costs**

*The appointed person may make orders as to the costs of the parties to the appeal and as to the parties by whom such costs are to be paid.*

For the purposes of Regulation 121 the ‘Appointed Person’ will be either the **Valuation Office Agency, the Secretary of State** or a **person appointed by the Secretary of State**.

Applying for a review under Regulation 113

Director of Planning  
CIL Review  
Cheltenham Borough Council  
Municipal Offices  
Promenade  
Cheltenham  
Gloucestershire  
GL50 9SA

Appealing under Regulations 114, 115 and 116

Valuation Office Agency  
Statutory Valuations Team (CIL)  
SVT Hub  
BP5202  
Dunstanburgh House  
Benton Park View  
Longbenton  
Newcastle upon Tyne  
NE98 1ZZ

Appeal Forms and Guidance are available from <https://www.gov.uk/guidance/community-infrastructure-levy-how-to-make-an-appeal>

Hard copies are available for collection, on request, from:

Cheltenham Borough Council  
Municipal Offices  
Promenade  
Cheltenham  
Gloucestershire  
GL50 9SA

Appealing under Regulation 117, 118 and 119

The Planning Inspectorate  
Enforcement Team  
Room 3/26  
Temple Quay House  
2 The Square  
Temple Quay  
Bristol  
BS1 6PN

Appeal Forms and Guidance are available from <https://www.gov.uk/guidance/appeal-a-community-infrastructure-levy-enforcement-notice>

Hard copies are available for collection, on request, from:

Cheltenham Borough Council  
Municipal Offices  
Promenade  
Cheltenham  
Gloucestershire  
GL50 9SA

This page is intentionally left blank

# Cheltenham Borough Council

Community Infrastructure Levy

## **Regulation 123 List**

## 1 Introduction

- 1.1 Regulation 123 of the Community Infrastructure Levy (CIL) Regulations 2010 (as amended) indicates that a Charging Authority can publish on its website a list of infrastructure projects or types of infrastructure that it intends will be, or may be, wholly or partly funded by CIL (other than CIL to which regulation 59E or 59F applies).
- 1.2 Infrastructure listed below – Regulation 123 list - Infrastructure Projects or Type (that may be wholly or partly secured through CIL) – will no longer be secured through S106 planning obligations or through S278 of the Highways Act (unless as part of the Highways England network). The exceptions to this are set out below in Exclusions from the Regulation 123 List (to be secured through S106, S278 or alternative means).
- 1.3 The intention is to ensure that there is no duplication in the use of both CIL and S106 from the same application for development for the same infrastructure project.
- 1.4 The list does not signify a commitment by the Council to deliver the project, nor does it indicate the Council’s CIL spending priorities.

## 2 Regulation 123

### 2.1 The Regulation 123 List

<b>Regulation 123 list – Infrastructure Projects or Type (that may be wholly or partly secured through CIL)</b>	<b>Exclusions from the Regulation 123 List – (to be secured through S106, S278 or alternative means)</b>
Primary Education (including Early Education Child Care) that is <b>NOT ‘directly related to an individual development’<sup>1</sup></b>	Provision that meets the CIL Regulation 122 tests- that is ‘necessary to make a specific development acceptable in planning terms’ <sup>2</sup> and ‘fairly and reasonably related in scale and kind to that development’ <sup>3</sup> and <b>IS ‘directly related to that development’</b>
Secondary Education (including Sixth Form within a Secondary School) that is <b>NOT ‘directly related to an individual development’</b>	Provision that meets the CIL Regulation 122 tests- that is ‘necessary to make a specific development acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b>
Further Education (outside	Provision that meets the CIL Regulation 122 tests.

<sup>1</sup> The Community Infrastructure Levy Regulation 2010 (as amended) Regulation 122,(2),(b)

<sup>2</sup> The Community Infrastructure Levy Regulation 2010 (as amended) Regulation 122,(2),(a)

<sup>3</sup> The Community Infrastructure Levy Regulation 2010 (as amended) Regulation 122,(2),(c)



<p>of Secondary Schools) that is <b>NOT “directly related to an individual development”</b></p>	<p>that is ‘necessary to make a specific development acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b></p>
<p>Special Educational Needs Facilities that are <b>NOT “directly related to an individual development”</b></p>	<p>Provision that meets the CIL Regulation 122 tests- that is ‘necessary to make a specific development acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b></p>
<p>Social and Community facilities including:</p> <ul style="list-style-type: none"> <li>• Community halls</li> <li>• Indoor sports and leisure facilities</li> <li>• Libraries</li> <li>• Faith and spiritual</li> <li>• Museums</li> <li>• Youth facilities</li> <li>• Health</li> </ul> <p>that are <b>NOT “directly related to an individual development”</b></p>	<p>Provision that meets the CIL Regulation 122 tests- that is ‘necessary to make a specific development acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b></p>
<p>Road network, cycle ways, &amp; footpaths that are <b>NOT “directly related to an individual development”</b></p>	<p>Provision that meets the CIL Regulation 122 tests- that is ‘necessary to make a specific development acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b></p>
<p>Other transportation infrastructure that is <b>NOT “directly related to an individual development”</b></p>	<p>Provision that meets the CIL Regulation 122 tests- that is ‘necessary to make a specific development acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b></p>
<p>Public Realm, Art and Culture that is <b>NOT</b></p>	<p>Provision that meets the CIL Regulation 122 tests- that is ‘necessary to make a specific development</p>

<p><b>“directly related to an individual development”</b></p>	<p>acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b></p>
<p>Open Space and green infrastructure that is <b>NOT “directly related to an individual development”</b></p>	<p>Provision that meets the CIL Regulation 122 tests. that is ‘necessary to make a specific development acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b></p>
<p>Strategic flood mitigation measures that is <b>NOT “directly related to an individual development”</b></p>	<p>Provision that meets the CIL Regulation 122 tests. that is ‘necessary to make a specific development acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b></p>
<p>Waste recycling that is <b>NOT “directly related to an individual development”</b></p>	<p>Provision that meets the CIL Regulation 122 tests. that is ‘necessary to make a specific development acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b></p>
<p>Economic Development Infrastructure that is <b>NOT “directly related to an individual development”</b></p>	<p>Provision that meets the CIL Regulation 122 tests. that is ‘necessary to make a specific development acceptable in planning terms’ and ‘fairly and reasonably related in scale and kind to that development’ and <b>IS ‘directly related to that development’</b></p>

2.2 The Council may seek to secure S106/S278 contributions towards other projects where it is satisfied that the need meets the tests in Regulation 122 (2) of the CIL Regulations 2010 (as amended) and Paragraph 56 of the NPPF (2018) and it is not referred to above in the Regulation 123 List as funding for infrastructure to be wholly or partly funded by CIL.

2.3 The Council may spend CIL on projects not specified in the Regulation 123 list, above, where it funds infrastructure to support the development of its area.

2.4 The Council will regularly review the list to ensure that it reflects the Infrastructure Delivery Plan (IDP).

END

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
001	Barrier to Development if only S106 process continues.	CBC	15/10/18	4	2	8	Accept	Monitor decision of Council.	15/10/18	TC	
002	Less revenue raised than predicted.	JCS Authorities	15/10/18	3	3	9	Accept	Set-up Governance Structure to monitor receipts and report to Cabinet.	01/01/20	TC	
003	Barrier to Development if CIL rates have been set too high.	JCS Authorities	15/10/18	4	1	4	Accept	Carry out periodic reviews to review rates in light of economic conditions, development values and build costs.	01/01/22	TC	
<p><b>Explanatory notes</b></p> <p><b>Impact</b> – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p><b>Likelihood</b> – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p><b>Control</b> - Either: Reduce / Accept / Transfer to 3rd party / Close</p>											

This page is intentionally left blank

**Cheltenham Borough Council  
Council – 15<sup>th</sup> October 2018  
Joint Core Strategy Review Issues & Options Consultation**

<b>Accountable member</b>	<b>Councillor Jordan - Leader</b>
<b>Accountable officer</b>	<b>Tracey Crews – Director of Planning</b>
<b>Ward(s) affected</b>	<b>All</b>
<b>Significant Decision</b>	<b>Yes</b>
<b>Executive summary</b>	<p>The JCS was adopted in December 2017 with a commitment to undertake an immediate review on the issues of housing supply for Gloucester and Tewkesbury and the retail policies for the whole area. This was recommended by the government appointed Inspector who examined the plan and concluded that this immediate review is necessary in order to find the plan to be ‘sound’.</p> <p>While the immediate review was to be focused on the particular issues the new National Planning Policy Framework (NPPF) has subsequently been published which puts new requirements on local plans. This means that the scope of the review will need to be expanded to be in conformity with national policy.</p> <p>Fundamentally the JCS review will again look at the growth needs over a 15 to 20 year timescale, what the best strategy is for delivering that growth, and the allocation of strategic sites to help meet these needs. However, it is also an opportunity to review all of the policies contained with the current adopted plan to see if they continue to be effective and consistent with the NPPF.</p> <p>The Issues and Options stage of plan making seeks to review and generate feedback on the key issues that are affecting the area and set out the some of the options that are available to address them.</p> <p>It therefore does not propose a strategy, new sites or policies; this will be for the next stages of the plan.</p>
<b>Recommendations</b>	<ol style="list-style-type: none"> <li><b>1. That the JCS Review Issues &amp; Options consultation document set out in Appendix 2, be approved for public consultation under regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012;</b></li> <li><b>2. That Council delegates authority to the Director of Planning, in consultation with the Leader to make any minor amendments to the text of the document and make appropriate changes to the design prior to its publication for consultation.</b></li> </ol>

<b>Financial implications</b>	<p>There are no financial implications arising from the recommendations in this report.</p> <p><b>Contact officer: Sarah Didcote,</b>  <a href="mailto:Sarah.Didcote@publicagroup.uk">Sarah.Didcote@publicagroup.uk</a> 01242 264125</p>
<b>Legal implications</b>	<p>Regulation 10A, which was brought into force on 6 April 2018, of the Town and Country Planning (Local Planning) (England) Regulations 2012 provides that local planning authorities must complete a review of their local plan development plan documents within five years of the date of the document's adoption and therefore a full review of the JCS needs to be completed by December 2022.</p> <p>Further, the 2018 NPPF issued on 24 July 2018, provides that plans may need to be revised to reflect policy changes with it has made and that this should be progressed as quickly as possible, either through a partial revision or by preparing a new plan.</p> <p>In preparing a local plan (or its review), under regulation 18 of the Town and Country Planning (Local Planning)(England) Regulations 2012, a local planning authority must notify:</p> <ul style="list-style-type: none"> <li>- specified consultation bodies that may have an interest in the subject of the proposed local plan; and</li> <li>- such residents and other persons carrying on business in the local planning authority's area which it considers appropriate to invite representations</li> </ul> <p>of the subject matter of the local plan which it proposes to prepare and invite them to make representations about what a local plan with that subject ought to contain.</p> <p>There is no minimum period for consultation at this stage of the plan making process, as opposed to the Pre-Submission stage which requires a minimum of 6 weeks.</p> <p><b>Contact officer: Cheryl Lester,</b>  <a href="mailto:cheryl.lester@tewkesbury.gov.uk">cheryl.lester@tewkesbury.gov.uk</a> 01684 272013</p>
<b>HR implications (including learning and organisational development)</b>	<p>No direct HR Implications arising from the report</p> <p><b>Contact officer: Clare Jones,</b>  <a href="mailto:Clare.Jones@publicagroup.uk">Clare.Jones@publicagroup.uk</a> 01242 264364</p>
<b>Key risks</b>	<p>The JCS was adopted with condition of an immediate review. In order to ensure the JCS can demonstrate development needs can be accommodated and delivered within the plan period up to 2031, timely progress needs to be made on the review.</p> <p>Since the adoption of the JCS the National Planning Policy Framework has been reviewed this places new requirements on development plans. A review of the JCS is needed to reflect its requirements.</p>

<p><b>Corporate and community plan Implications</b></p>	<p>The JCS supports and is referenced by the Corporate Strategy and wider community planning. The plan making process is open to all parties of the formal consultation processes.</p>
<p><b>Environmental and climate change implications</b></p>	<p>Lack of progress on the JCS Review could further result in an uncoordinated approach to development. It is important that future growth is plan-led to ensure that combined impacts on the environment and the infrastructure needs of the wider area are taken into account. The comprehensive approach to environmental impacts cannot be fully assessed through incremental and piecemeal growth.</p> <p>The JCS Review will be assessed through a sustainability appraisal process and Habitats Regulation Assessment (HRA) which consider the environmental, social and economic outputs of the Plan and ensure that development meets the needs of both present and future generations. The Sustainability Appraisal supporting the JCS will encompass Strategic Environmental Assessment as required by EU Directive (2001/42/EC). In addition an HRA will be undertaken as required under the European Directive 92/43/EEC on the "conservation of natural habitats and wild fauna and flora for plans" that may have an impact on European (Natura 2000) Sites.</p>
<p><b>Property/Asset Implications</b></p>	<p>No direct implications arising from the report.</p> <p><b>Contact officer: Dominic Stead</b> <a href="mailto:Dominic.Stead@cheltenham.gov.uk">Dominic.Stead@cheltenham.gov.uk</a></p>

## 1. Background

- 1.1 The JCS was adopted in December 2017 with a commitment to undertake an immediate review on the issues of housing supply for Gloucester and Tewkesbury and the retail policies for the whole area. This was recommended by the government appointed Inspector who examined the plan and concluded that this immediate review is necessary in order to find the plan to be 'sound'.
- 1.2 While the immediate review was to be focused on the particular issues the new National Planning Policy Framework (NPPF, 2018) has subsequently been published which puts new requirements on local plans. This means that the scope of the review will need to be expanded to be in conformity with national policy.
- 1.3 Fundamentally the JCS review will again look at the growth needs over a 15 to 20 year timescale, what the best strategy is for delivering that growth, and the allocation of strategic sites to help meet these needs. However, it is also an opportunity to review all of the policies contained with the current adopted plan to see if they continue to be effective and consistent with the NPPF.
- 1.4 The Issues and Options stage of plan making seeks to review and generate feedback on the key issues that are affecting the area and set out some of the options that are available to address them.
- 1.5 It therefore does not propose a strategy, new sites or policies; this will be for the next stages of the plan.

## 2. Reasons for recommendations

- 2.1 The JCS was adopted in December 2017 with the requirement to conduct a focused review for the following issues:
- 2.2 Policy SD2 – Retail and City / Town Centres:
- 2.3 “Following adoption of the JCS, this policy will be subject to an immediate review. The single issue review will take approximately two years to complete. It will cover strategic planning matters relating to the three JCS authorities including issues such as a revised assessment of retail needs, market share between different designated centres, city / town centre boundaries, site allocations, primary and secondary shopping frontages and locally defined impact thresholds.”
- 2.4 Policy REV1: Gloucester and Tewkesbury Housing Supply Review:
- 2.5 “A partial review of the housing supply for Gloucester and Tewkesbury will commence immediately upon adoption of the JCS. On adoption, the authorities will publish a Local Development Scheme to set out the timescales for completion. The review will cover the allocation of sites to help meet any shortfall in housing supply against the JCS housing requirements for the respective authorities.”
- 2.6 It is clear that the JCS authorities are required to undertake a partial review. However, since the adoption of the JCS significant changes in circumstance have occurred.
- 2.7 Firstly, in July 2018 the revised National Planning Policy Framework (NPPF) was published. Paragraph 22 of the NPPF now requires strategic policies to look ahead over a minimum 15 year period from adoption. In addition, paragraph 33 says:
- 2.8 “Policies in local plans and spatial development strategies should be reviewed to assess whether they need updating at least once every five years, and should then be updated as necessary. Reviews should be completed no later than five years from the adoption date of a plan, and should take into account changing circumstances affecting the area, or any relevant changes in



national policy.”

- 2.9** Firstly, the current JCS plan period is 2011-2031 and a focused review would maintain this. Assuming this review was completed and adopted in 2020 it would only be planning for 11 years, rather than the 15 which is now in the NPPF. So the review would conflict with the NPPF as soon as it was adopted. The current JCS also now needs to be reviewed by 2022. It would be inefficient and confusing to have the focused review and a wider review running at the same time but as separate processes.
- 2.10** Secondly, delivery at some of the JCS strategic allocations is not happening as quickly as was anticipated when the JCS was adopted last year. The result is that Cheltenham can no longer demonstrate a five year land supply which has serious implications on determining planning applications. This evidence clearly demonstrates that requirements outside strategic sites are being met; the shortfall in the number of dwellings is a strategic issue and can only be remedied at the JCS level. Therefore it is necessary to include Cheltenham in the housing supply review.
- 2.11** Thirdly, by planning for a longer period it will be possible to leverage more investment into vital infrastructure. Significant highways works are needed to support future growth and by planning for longer periods of housing demand more money will be able to be secured upfront. In addition, progressing the JCS review helps to support bids to the Government for external funding to support major infrastructure proposals.
- 2.12** Fourthly, delivering enough sustainable development to meet needs requires cross border working with authorities outside of the JCS. Stroud and Wychavon in particular will require close cooperation on strategic issues including large scale developments. These authorities are already in the process of reviewing their plans with periods up to 2036 and beyond. It would therefore be advantageous to align with these plans as closely as possible to ensure complimentary development.
- 2.13** Finally, the revised NPPF has also made changes to numerous sections outside of those mentioned above. Those changes became a material consideration in planning decisions with immediate effect. It is therefore necessary and useful to use this review process to look again at all of the JCS policies to make sure they are fully consistent with the revised NPPF.
- 2.14** When all these factors are weighed together it is reasonable and necessary to undertake a full review of the existing JCS policies and not just the focused review required in the existing JCS.

## 3. Issues and Options

- 3.1** The 'Issues and Options' stage of plan making seeks to review and generate feedback on the key issues that are affecting the area and consider some of the options that are available to address them.
- 3.2** The consultation document, provided at Appendix 1, is structured around key themes. It identifies and asks key questions including the following:
- **Scope:** Given the changes to the NPPF and local circumstances in the JCS area, what should the scope of the review be?
  - **Timescale:** Over what timeframe should the review plan?
  - **Policies:** What are the strategic policies the JCS review plan for?
  - **Vision, aims, objectives and issues:** Using the adopted JCS as a starting point, are these still relevant? Are there any new issues the JCS review should consider?
  - **Spatial strategy options:** On the basis of the different options presented, how can the JCS authorities' best deliver for our future development needs?
  - **Homes:** There will be a need to plan for new homes and the starting point is the Government's standard housing calculation methodology. Is there justification for moving away from these

figures?

- **Economic development:** The JCS authorities are committed to economic growth. How can the JCS area best provide for the needs of different business sectors and a growing economy?
- **Retail and city / town centres:** Retail and city / town centres are going through a period of significant change – how can the JCS review best plan for its centres so that they remain vital and viable in the future?
- **Sites:** The consultation includes a ‘call for sites’ and developers, landowners and the wider community are invited to submit sites that they think could have potential for development. The document also discusses the possibility of known opportunities, including Ashchurch and West / North West Cheltenham, early work has started to consider the opportunities for these areas and these will be included as background documents and open for review as part of the Issues and Options consultation.
- **Infrastructure:** The provision of sufficient infrastructure is essential to support both existing and new communities and key to a successful local economy. What infrastructure needs does the JCS area review need to consider?

**3.3** It is intended the consultation will launch early November 2018. Statutory consultation is 6 weeks, but recognising the timing of the Christmas holidays, this will be extended to 8 weeks. See Section 5 for further detail.

#### **4. Alternative options considered**

**4.1** A review of the JCS is required to include at least the housing supply for Tewkesbury and Gloucester and retail / town centres for the whole area. This is a commitment of the adopted JCS and without it the JCS Inspector would have found the JCS to be unsound. Therefore an option to postpone a review process is not considered to be a reasonable alternative.

**4.2** Undertaking a partial review only is also not considered to be reasonable given the requirements in the revised NPPF and the slower than expected delivery at some strategic allocations. Given the resources available it would not be feasible to conduct the partial review immediately and review other policies separately at a later date.

**4.3** Despite the above it should be noted that this is an early stage consultation which is seeking input on the scale and content of a JCS review. Therefore opinions on alternative options will be welcomed.

#### **5. Consultation and feedback**

**5.1** The consultation will take place in November and December 2018 for a period of at least 8 weeks. This will be undertaken in accordance with the Statements of Community Involvement of all three authorities and the relevant planning regulations. It is envisaged that consultation events will take place in each authority to help raise awareness of the consultation and to seek feedback. Press releases, social media channels and council websites will also be used. All relevant consultation bodies will be notified.

**5.2** Due to recent changes to data protection legislation we cannot use any previous database of contacts. We will therefore be seeking our partners such as parish councils and other community leadership groups, stakeholders and councillors to raise awareness of the consultation.

**5.3** The JCS Review will be subject to future consultation events as the plan progresses, prior to submission to the Secretary of State.

**5.4** All personal data received will be managed in line with the new data protection regulations.

#### **6. Performance management – monitoring and review**

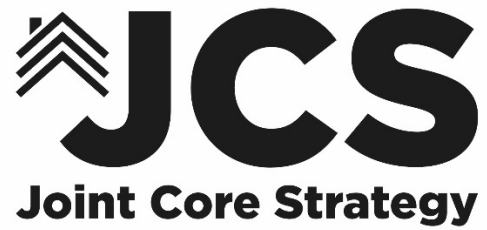
- 6.1** Responses received from this consultation will help inform the development of the JCS Review.
- 6.2** After adoption, the Council will regularly monitor the effectiveness of the Plan as part of the planning and development process and will use the results to review policies and practices if necessary. Any revisions to the Plan thereafter would need to be reflected by an amendment to the Local Development Scheme (LDS).
- 6.3** Performance against LDS milestones is monitored through the Authorities' Monitoring Reports (AMR) which are prepared at least annually.

<b>Report author</b>	<b>Contact officer: John Rowley, Planning Policy Team Leader</b> <a href="mailto:john.rowley@cheltenham.gov.uk">john.rowley@cheltenham.gov.uk</a> , 01242 264176
<b>Appendices</b>	<ol style="list-style-type: none"><li>1. Draft Issues and Options report</li><li>2. Risk Assessment</li></ol>
<b>Background information</b>	None

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	Retail review – impact on Cheltenham High Street if not completed in timely manner.	Tracey Crews	September 2018	4	2	8	Reduce	<p>Cross authority project team in place.</p> <p>Procurement well underway with team currently at shortlisting stage.</p> <p>Defined programme for delivery will be agreed with successful consultancy team.</p>	To be agreed with retail consultant once appointed.	John Rowley	
	JCS Plan review – if strategic 5-year supply issues are not appropriately addressed, then this may result in inappropriate sites being brought forward for development.	Tracey Crews	September 2018	4	4	16	Reduce	<p>Active programme management with full engagement of leaders and lead officers.</p> <p>Call for sites exercise underway</p> <p>Allocation of appropriate officer resource to ensure timely delivery</p>	In line with JCS programme	John Rowley	
	Partnership working – critical for success of the wider JCS plan including County Council and other Gloucestershire Councils under Duty to Cooperate.	Tracey Crews	September 2018	4	4	16	Reduce	<p>Continue to work under partnership basis.</p> <p>Programme management in place to quickly escalate</p>	Ongoing	John Rowley	

								and resolve issues		
<p>Note : The JCS programme holds a detailed risk assessment which is managed through Operational Programme Board and Strategic issues Board</p>										
<p><b>Explanatory notes</b></p> <p><b>Impact</b> – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p><b>Likelihood</b> – how likely is it that the risk will occur on a scale of 1-6  (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p><b>Control</b> - Either: Reduce / Accept / Transfer to 3rd party / Close</p>										

This page is intentionally left blank



## **Joint Core Strategy Review**

# **Issues and Options Consultation (Regulation 18)**

**October 2018**





**Contents**

1. Introduction
2. Scope
3. Timescale
4. Plan making and policies
5. Duty to cooperate
6. Vision, aims, objectives and issues
7. Spatial strategy options
8. Housing growth
9. Housing type and tenure
10. Economic development
11. Retail and city/town centres
12. Sites
13. Infrastructure
14. Next steps



**1. Introduction**

- 1.1. Gloucester City Council, Cheltenham Borough Council and Tewkesbury Borough Council are undertaking a review of the adopted Joint Core Strategy (JCS) (December 2017), the JCS Review.
- 1.2. The adopted JCS contains a commitment to undertake an immediate review on the issues of housing supply for Gloucester and Tewkesbury and the retail / town centre policies for the whole area.
- 1.3. In July 2018 the Government published a revised National Planning Policy Framework (NPPF) which places new requirements on local plan making. This means that the scope of the review will need to be expanded to ensure it will be in conformity with national policy.
- 1.4. In addition, it is necessary to review the delivery of strategic allocation sites identified in the JCS and ensure that each authority is able to meet its housing and employment requirements, including maintaining a five year supply of housing land.
- 1.5. Fundamentally the JCS Review will again look at the future growth needs, what the best strategy is for delivering that growth, and the allocation of strategic sites to help meet these needs. However, it is also an opportunity to review all of the policies contained with the current adopted plan to see if they continue to be effective and consistent with the NPPF.

'Issue and Options' consultation

- 1.6. In accordance with Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012, the Councils are publishing an Issues and Options paper for public consultation. This stage of plan making seeks to get feedback on the key issues that are affecting the area and explore some of the options that are available to address them.
- 1.7. It is a starting point for the review and an evidence gathering process to inform the future development of the plan. It therefore does not propose a strategy, new sites or policies; this will be for the next stages of the plan.
- 1.8. The consultation is split up into a number of different themes/policy areas and for each there are a series of questions that we seek views on.
- 1.9. The issues and options consultation runs from xxxxxxxxx (dates to be confirmed).

How can I get involved?

*Responding to the consultation*

- 1.10. We are asking people to respond directly to the questions posed; these questions are highlighted in bold under each section of this document. This will assist the authorities in determining the key issues being raised under each theme.
- 1.11. Wherever possible, in order for the consultation process to be efficient as it can be, we ask that you respond to these questions via the consultation portal – see link below.

- Consultation portal

1.12. Alternatively you may download an electronic response, fill it in and send it to:

- Email: [info@jointcorestrategy.org](mailto:info@jointcorestrategy.org)
- Post: Joint Core Strategy, Municipal Offices, Promenade, Cheltenham, GL50 9SA.

1.13. Please note that if your response is not provided in accordance with the key questions, officers will add your response to the 'Any other comments' question when processing.

1.14. Further information, including associated background papers as well as previous JCS evidence base, is available on the JCS website at <https://jointcorestrategy.org/>

#### *Call for sites*

1.15. This consultation includes a 'call for sites'. Landowners, developers and the community are invited to submit sites to the authorities that they think could have development potential. Submissions will be assessed by the local authorities and where suitable and deliverable, may be identified as allocations in future versions of this review. For more information please see Section 12 of this document.

#### General Data Protection Regulations / consultation database

1.16. For the JCS Review, there is a new consultation database. This is to ensure that the authorities meet their requirements under the General Data Protection Regulation (GDPR) and to ensure that only those people who are interested in the JCS Review are contacted.

1.17. With this in mind, when responding to the consultation, you will be asked to confirm whether or not you wish to be added to the database and kept informed of the JCS Review as it progresses. You will also be advised of how you can be removed from the database if you so wish.

1.18. You can also sign up to the consultation database regardless of whether you want to respond to this consultation.

#### Plan making programme

1.19. The indicative timetable the authorities are currently working towards is as follows:

- Issue and Options – October 2018
- Draft Plan consultation – Autumn 2019
- Pre-Submission Plan consultation – Summer 2020
- Submission to the Secretary of State – Autumn 2020
- Examination – Winter 2020/21
- Adoption – Winter 2021

## Relationship with district plans

- 1.20. The JCS authorities are currently in the process of taking forward their district plans. These will deliver the adopted JCS locally as well as address local issues and priorities of a non-strategic nature.
- 1.21. The timetables for taking the district plans forward can be found on each of authority's website:
- Gloucester City Plan:  
<https://www.gloucester.gov.uk/planning-development/planning-policy/city-plan/>
  - Cheltenham Borough Plan:  
[https://www.cheltenham.gov.uk/info/46/planning\\_policy/1034/the\\_cheltenham\\_plan](https://www.cheltenham.gov.uk/info/46/planning_policy/1034/the_cheltenham_plan)
  - Tewkesbury Borough Plan:  
<https://www.tewkesbury.gov.uk/local-plan>

**2. Scope**

- 2.1. The JCS (December 2017) commits to an immediate partial review of the plan to deal with the housing shortfalls for Gloucester and Tewkesbury and also a review of the policy around retail / town centres. This provides the minimum starting point for considering the scope and timescales for the JCS Review.
- 2.2. There are, however, a number of other factors to be taken into account. Firstly, the NPPF states that policies in local plans should be reviewed at least once every five years and should be completed no later than five years from the adoption of a plan. Under this provision, the whole JCS plan would need to be reviewed in any event by December 2022. As such there needs to be a consideration as to whether the review now should be a holistic one to meet the NPPF requirements in the most efficient and effective way.
- 2.3. Annual monitoring of housing delivery since adoption of the JCS has also demonstrated that some of the strategic allocation sites have not come forward as quickly as anticipated in the plan. This has impacted on the housing delivery for both Cheltenham and Gloucester. Furthermore, the NPPF has introduced a standard methodology for calculating housing requirements which may result in changes to the number of new homes required for each area. With this in mind, it may be practical to look at the housing supply for all three authorities in a more comprehensive way rather than just for the shortfalls of Gloucester and Tewkesbury separately. This will also be necessary if the timescale for the JCS Review is to extend past the current plan period (see Section 3).
- 2.4. Other than for retail, the commitment to an immediate review in the JCS does not propose to look at any of the development management policy guidance contained in the plan. However, the NPPF has introduced new policy provisions that the JCS does not reflect. A wider review of the JCS to consider all policies within the plan would ensure they are brought fully up to date with the NPPF and provide an opportunity to make any necessary adjustments to improve their implementation.
- 2.5. Taking this into account, it is considered that the JCS review needs to consist of a comprehensive review of the plan, including the housing requirements and supply for all three authorities as well as the suite of policy guidance.

**Question 1**

***Do you consider that a comprehensive review of the plan is the correct approach for the JCS review? If not, what do you consider are the alternative approaches?***

**3. Timescale**

- 3.1. The current JCS plan period runs from 2011 to 2031. There are a number of issues to consider when thinking about whether the plan period should go beyond 2031.
- 3.2. The NPPF states that strategic policies should look ahead at least 15 year from the point of adoption. This is to anticipate and respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure. If the JCS review is adopted by 2021, this would require extending the plan period to at least 2036.
- 3.3. Stroud District Council are currently undertaking a review of their local plan and are looking to 2036. The South Worcestershire authorities are also currently reviewing their local plan and are looking to 2041. With this in mind, a benefit of extending the JCS plan period beyond 2031 would be closer and more joined up strategic planning with adjacent areas, helping to tackle cross-boundary growth issues.
- 3.4. Planning over a longer plan period will mean an increased requirement for new homes, employment and infrastructure, and the need to look at further locations for growth. A longer outlook and increased levels of growth would provide significant opportunities to plan strategically for how growth in the area is to come forward.
- 3.5. Planning for a larger scale of development brings advantages in that it:
- Improves the longer term planning of essential infrastructure (such as roads and schools) that will bring benefits to both existing and future residents;
  - Allows for a more comprehensive approach to the delivery of development, maximising the benefits of the contribution of development on important issues such as green infrastructure and urban design; and
  - Increases opportunities for plan-led strategic development and reduces the potential for ad-hoc and piecemeal approaches.
- 3.6. The Gloucestershire 2050 project is a county-wide conversation to explore ideas and shape the long-term future of the county. A consultation document was published in summer 2018 to start this discussion, which presented eight key ambitions based on different themes that Gloucestershire could aspire to. In addition it proposed 6 'big ideas', projects that could transform the county.
- 3.7. Taking into account the issues set out above, the JCS authorities consider that undertaking a review to just the current plan period to 2031 would not be justified under the NPPF and would not be the most effective nor efficient method to plan strategically for future growth.

**Question 2**

***On the basis that the plan period needs to be extended, what do you think is a reasonable timeframe for the JCS to plan for and why?***

**4. Plan making and policies**

- 4.1. The current approach to local plan making in the JCS area is a two-tier approach with the JCS as the combined strategic level plan followed by individual district level plans for each of the authorities. This approach is intended to allow the JCS to concentrate on the high level strategic policies and larger-scale allocations and let the district level plans provide the more detailed locally-specific policies and smaller-scale allocations.
- 4.2. The NPPF states that the development plan must include strategic policies to address each local planning authority's priorities for the development and use of land in its area. It states that policies to address non-strategic policies should be included in local plans that can contain both strategic and non-strategic policies. Plans are expected to make explicit which policies are strategic policies.
- 4.3. The NPPF states that strategic policies should set out the overall strategy for the pattern, scale and quality of development and make sufficient provision for growth (including housing and employment), infrastructure, community facilities and policies for natural, built and historic environment. Where necessary, strategic policies should also address cross-boundary issues. Non-strategic policies should be used to set out more detailed policies for specific areas, neighbourhoods or types of development. This can also include site allocations, infrastructure and facilities, design principles and policies around the natural, built and historic environment.

***Question 3***

***What are the strategic policy areas that you consider the JCS should cover?***

***Question 4***

***Do you consider any alterations to the existing policies in the adopted JCS are required, particularly in light of the revised NPPF?***



**5. Duty to Cooperate**

- 5.1. Planning legislation places a duty to cooperate on local planning authorities, county councils and other public bodies to ensure they work together on strategic matters that cross administrative boundaries. The three JCS authorities meet this duty, with each other, in that they have formed a partnership to take forward strategic plan making. However, how the JCS engages with other local authorities and their local plans in addressing growth, is of critical importance.
- 5.2. The NPPF requires strategic plan making authorities to collaborate to identify the relevant strategic matters which they need to address in their plans. This includes joint working on planning of infrastructure and helping to meet development needs where they cannot be met wholly within a particular plan area. This collaboration in plan making also extends to relevant stakeholder bodies such as Local Enterprise Partnerships, Local Nature Partnerships and infrastructure providers such as Highways England and the Environment Agency.
- 5.3. The JCS, through the need for an immediate review, already identifies the need to work with Stroud over the issue of the housing shortfall for Gloucester. Similar joint working is also taking place with Wychavon District Council in Worcestershire on a cross-boundary site at Mitton to help meet the needs of Tewkesbury Borough. The JCS Review needs to engage with the reviews of the South Worcestershire Development Plan and Stroud Local Plan, which are currently underway, to continue to address any strategic issues. There is also need for continued joint working across the wider county to include all authorities (Cotswolds District Council and the Forest of Dean District Council) as well as Gloucestershire County Council.
- 5.4. The Gloucestershire Local Enterprise Partnership (LEP) is currently preparing the Industrial Strategy for economic growth in the county and the JCS will have an important role in delivering this.

**Question 5**

***What are the duty to cooperate issues that the JCS review will need to consider?***

**6. Vision, aims, objectives and issues**

6.1. The JCS sets out the vision and objectives for the area as well as setting out the key issues and opportunities for the three authority areas.

6.2. The current JCS is as follows:

*By 2031 Gloucester City, Cheltenham Borough and Tewkesbury Borough will have continued to develop as highly attractive and accessible places in which to live, work and socialise.*

*The Joint Core Strategy area will be recognised nationally as enjoying a vibrant, competitive economy with increased job opportunities and a strong reputation for being an attractive place in which to invest. The character and identity of individual communities will have been retained while improved access to housing will have addressed the needs of young families, single people and the elderly.*

*New developments will have been built to the highest possible standards of design and focused on protecting the quality and distinctiveness of each community. Established in sustainable locations, without increasing the risk of flooding, they will have been designed with sensitivity towards existing villages, towns and cities and with respect for the natural and built environment.*

*As a result of a strong commitment to the housing and employment needs of the existing and growing population, all residents and businesses will benefit from the improved infrastructure, which will include roads, public transport and services, and community facilities.*

6.3. The JCS describes some of the key challenges facing the area, including: an ageing population, the availability and affordability of housing, increasing and diversifying employment opportunities, pockets of deprivation, traffic congestions, climate change and the need to protect our natural environment.

6.4. The JCS then sets out nine strategic objectives to support and deliver the vision and address these challenges. These are:

- Objective 1 – Building a strong and competitive urban economy
- Objective 2 – Ensuring vitality of town centres
- Objective 3 – Supporting a prosperous rural economy
- Objective 4 – Conserving and enhancing the environment
- Objective 5 – Delivering excellent design in new development
- Objective 6 – Meeting the challenges of climate change
- Objective 7 – Delivering a wide choice of quality homes
- Objective 8 – Promoting healthy communities

**Question 6**

***Are the vision, key challenges and objectives identified in the JCS still relevant? Are there new key challenges the JCS review needs to consider?***

## 7. Spatial strategy

- 7.1. The spatial strategy for the JCS is to focus development at Gloucester and Cheltenham to support their economic roles as the main providers of jobs, services and housing. A proportion of this growth is to be from development within the existing urban areas. However, as the growth for Gloucester and Cheltenham could not wholly be accommodated within their administrative areas, a number of strategic sites are located, wholly or partly, within Tewkesbury Borough. Tewkesbury's own needs are to be provided at Tewkesbury Town in line with its role as a market town as well as smaller-scale development at a number of 'Rural Service Centres' and 'Service Villages'.
- 7.2. Regardless of the scope or plan period that this review is to cover, there will be a need to consider the direction of future growth and the strategy required to meet requirements. The key options are presented below: however in isolation no option would be suitable and so the eventual spatial strategy, to be sustainable, will need to be a mix.

### Urban focus

- 7.3. This option involves the concentration of development within urban areas, including the redevelopment of brownfield land. In this regard, sites within the main urban areas of Gloucester, Cheltenham and Tewkesbury, can make an important contribution to housing supply and support the vitality of the urban areas and any regeneration initiatives. However, there is a recognition that there will not be sufficient land within urban areas to fully meet development needs.

### Urban extensions

- 7.4. Outside of the existing built up areas, urban extensions present the opportunity to provide new growth closest to where it is needed. This also benefits from the services and infrastructure at existing centres, maximising the potential for sustainable transport. This can also help to support the vitality and regeneration of existing centres. Providing large scale urban extensions also presents the opportunity for new on-site infrastructure, such as schools, local centres and green spaces that can bring benefits to the existing and new community. Delivering this approach inevitably necessitates the use of greenfield land on the edge of urban areas, which in the JCS area, could also mean the release of Green Belt land.

### New settlement

- 7.5. This option would require the development of a new settlement in a suitable location in order to meet future development needs and could take the form of a new town or village or it could be developed around an existing smaller settlement. A new settlement would present the opportunity to plan a place from the beginning and provide infrastructure to support the new population. This option is likely to form part of a longer-term strategy and would involve the development of greenfield land in a more rural location and therefore would have a considerable impact on the landscape character of the area. Depending on the scale of development required and the issues in finding a sustainable location, this may require a wider sub-regional approach with other local authorities.

Rural dispersal

- 7.6. The dispersal of housing requirements across the JCS rural area would involve a greater number of the smaller villages each accommodating a proportion of development in order to meet the wider growth needs. This approach would have the benefit of providing greater housing choice and affordability in rural areas as well as helping to maintain and improve the vitality of rural communities and their economy. Most of the rural settlements are small-scale which means that developments of proportional significance are likely to be unsuitable in terms of landscape and village character.
- 7.7 It is likely that the most suitable spatial strategy will involve elements from a number of different options to provide the most sustainable and deliverable solution.

**Question 7**

***Having regard to the spatial strategy and the options presented above, how do you think the JCS authorities can most sustainably deliver for our future development needs?***

**8. Housing growth**

- 8.1. The JCS covers a 20 year period between 2011 and 2031. During this period 35,175 new homes are needed of which approximately 20,000 have already been built. Of the remainder, the majority have planning permission or are identified specific sites.
- 8.2. However, if the plan period is to be extended, it will be necessary to plan for the additional housing need this generates.
- 8.3. The Government has now published a standard approach to establishing the need for new homes for local authorities. This is a minimum figure and so a starting point. On top of this, it will be appropriate to consider whether there is a need for more homes, for example to help provide more affordable homes for the local community, or to provide for economic growth ambitions. The new homes requirements will come into force at the point of adoption of the JCS Review.
- 8.4. Based on the information available in early September 2018, the minimum requirement in the JCS area would be in the region of 1,780 new homes year. In contrast, the current figure for the JCS area is approximately 1,760.
- 8.5. To support the review, the JCS authorities have sought advice from Neil McDonald, an independent advisor on housing demographics and a background paper to the consultation is available on the JCS website (*under JCS Review*).

**Question 8**

***Are there any justifications for departing from the Government's standard housing calculation methodology?***

**9. Housing type and tenure**

- 9.1. It is important that the JCS Review seeks to identify and deliver for the needs of all communities through different housing types and tenure.
- 9.2. The NPPF (paragraph 61) states that “the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies.” These groups include, but are not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes.
- 9.3. The six Gloucestershire district authorities are currently working on a new Local Housing Needs Assessment (LHNA) – replacing the existing Strategic Housing Market Assessment (SHMA). This assessment will take into account the latest national guidance providing a robust evidence base around specific housing needs to produce appropriate policies to inform the JCS Review and will inform future rounds of consultation.

**Question 9**

***Do you think that there any other specific forms of housing the JCS Review should seek to address?***

**10. Economic development**

- 10.1. The JCS employment strategy seeks to support the delivery of land and jobs in close proximity to the M5 corridor. This supports the Strategic Economic Plan (SEP) prepared by the Local Enterprise Partnership (LEP). It also supports a sustainable pattern of growth, providing both jobs and employment opportunities in close proximity to one another. The JCS allocates 192 hectares of employment land, both in the main urban areas and as part of some of the strategic allocations. This will support around 39,500 new jobs over the plan period, in traditional employment uses such as offices and manufacturing, but also areas like healthcare and hospitality.
- 10.2. Extending the plan period will mean that new land will be required to support economic growth. At the same time it will be important to ensure that existing employment land is used in the best possible way in order to improve productivity and minimise the amount of land that is required elsewhere.
- 10.3. The JCS authorities continue to be committed to the economic growth of Gloucestershire and it is important this is reflected in the JCS Review. Of particular importance will be the recently updated SEP as well as the emerging Gloucestershire Industrial Strategy, both being prepared by the LEP.
- 10.4. As part of this consultation, the authorities are undertaking a 'call for sites' and invite landowners, developers and the community to submit sites for consideration. See section 12 for further information.

***Question 10***

***There is going to be a need for sites to be identified for employment land. What types of employment land do you think are required in the JCS area to provide for the needs of different business sectors and where would it best be located?***

**11. Retail and city / town centres**

- 11.1. The JCS includes Policy SD2 'Retail and city / town centres'. This is a high level policy which sets out key principles for development involving main town centre uses (such as retail and leisure) and floorspace figures for the five main city / town centres.
- 11.2. However, the JCS Inspector felt there were some shortcomings with this policy and required the authorities to undertake an immediate review. This process has already started, with the authorities commissioning consultants to prepare new evidence and strategies for all city and town centres in the JCS area, including the consideration of site allocations.
- 11.3. At the same time, the role and function of city and town centres is changing as is the way that people are spending money. Over the past few years there have been many casualties on the high street, including Woolworths and BHS. Out-of-centre retailers have also struggled, including Toys r Us and Homebase.
- 11.4. It is important that planning policies allow city and town centres to evolve, adapt to the challenges and be flexible to changing circumstances over time. Where there is a need for new floorspace for retail and other town centres uses, it is important it is planned as part of a coordinated strategy that supports city / town centres and does not undermine them.
- 11.5. As part of this consultation, the authorities are undertaking a 'call for sites' and invite landowners, developers and the community to submit sites for consideration. See section 12 for further information.

***Question 11***

***How can the JCS best plan for the changing nature of city and town centres to ensure they remain vital and viable in the future?***



## 12. Sites

### Known development opportunities

- 12.1. At the point of adoption, the JCS had shortfalls of land to provide for new homes. For Gloucester City this is around 1,000 new homes from 2028 and for Tewkesbury 2,450 new homes from 2025.
- 12.2. That being said, the JCS already identifies several strategic locations that offer the potential to help address this shortfall and the authorities have begun the process of reviewing these as potential strategic site opportunities.

### *Ashchurch*

- 12.3. It is noted in the adopted JCS that the housing shortfall for Tewkesbury was exacerbated by a decision during the examination process of the Defence Infrastructure Organisation (DIO) to stop the release of the MoD Ashchurch site, a proposed strategic allocation. However, the JCS sets out that there remains development potential in the wider Ashchurch area to help meet the housing requirements of the area and there was a commitment in the plan to continue to explore this.
- 12.4. Tewkesbury Borough Council was successful in securing Homes England capacity funding to support the delivery of growth in the area both within and beyond the current JCS plan period. This work continues to explore the potential of the MoD land as well as other sites in the wider Ashchurch area.
- 12.5. To take this forward, Tewkesbury Borough Council has commissioned strategic-scale master planning work for this area to provide a comprehensive assessment and approach to development potential which addresses key issues such as place making, transport infrastructure, community facilities, social and green infrastructure. This work is being undertaken to help inform the JCS Review.
- 12.6. The Ashchurch area is of particular strategic importance in helping to meet the housing and employment needs. In terms of location, it holds an advantageous position next to M5 junction 9 giving it direct motorway access and so making it particularly attractive as an area of employment growth. It is also positioned around the 'Ashchurch for Tewkesbury' railway station, providing significant opportunities for sustainable transport movements.
- 12.7. The 'Ashchurch Concept Masterplan' has been produced to show how future development could come forward in this area and is available on the JCS web-site (*under JCS Review*) as a background paper to this consultation.

### *North West and West Cheltenham*

- 12.8. The adopted JCS allocates two strategic allocations for housing and employment, on the west side of Cheltenham. These are the North West Cheltenham and West Cheltenham allocations and are expected to provide for at least 5,385 new homes and 55ha of B-class employment land. Significantly, the employment land at West Cheltenham will be centred on the provision of a new nationally important cyber security hub.

- 12.9. In addition to these allocations, the JCS also identifies 'safeguarded land' adjacent to both sites that has been removed from the Green Belt and for longer term development needs beyond the current plan period. These areas of land therefore provide the primary opportunity for helping meet the growth requirements for Cheltenham. However, these sites need to be planned through a review in order for them to come forward. In addition to the safeguarded land, there are potentially other opportunities within the area that are currently within the Green Belt but which could provide further sustainable options for growth.
- 12.10. Further development in this area would provide the opportunity to build on the development of the existing strategic allocations and take advantage of social and community infrastructure that is to be provided. At West Cheltenham, development beyond the current allocation would also help maximise the potential of the cyber security hub.
- 12.11. In addition, the area is in a strategically important location being close to M5 junction 10. Transport modelling work undertaken to inform the JCS demonstrated that, to deliver growth up to 2031, significant infrastructure improvements would be needed for the junction and surrounding routes. This including improving the junction to an 'all ways' giving access to/from the northbound and southbound directions of the M5. Not only are the improvements needed to deliver existing growth, they provide an opportunity to examine the further potential of this area, particularly from an employment perspective. This further potential growth has, to date, not been modelled but it is proposed to do this early in the plan revision process.
- 12.12. Further development in this area to the west of Cheltenham will only serve to increase the viability of new infrastructure that would benefit the whole JCS area.
- 12.13. The 'Cyber Central Vision' has been produced to support this development opportunity and is available on the JCS web-site (*under JCS Review*) as a background paper to this consultation.

*South Gloucester*

- 12.14. The JCS acknowledges the importance of Stroud District as an authority adjoining Gloucester City that could help address the requirement for new homes where reasonable to do and consistent with achieving sustainable development. With this in mind, the emerging Stroud Local Plan Review has identified sites south of Gloucester City as potential development opportunities and these will be considered further, along with other potential opportunities, as the JCS Review and Stroud Local Plan Review progress.

Other development opportunities

- 12.15. The JCS allocates a number of strategic-scale sites to help meet the needs for housing and employment up to 2031. In order to be able to deliver additional growth over a longer plan period there will be a requirement to allocate further strategic sites through the JCS.
- 12.16. The JCS authorities already maintain a Strategic Assessment of Land Availability on an annual basis which provides a starting point for considering what sites may be suitable, available and achievable for development. However, through this consultation a 'call for sites' is being undertaken whereby developers, landowners

and the community are asked to submit land that is available for development to be considered as part of the review.

- 12.17. The JCS Review will consider the allocation of strategic scale sites with the district-level plans allocating the smaller-scale non-strategic sites.
- 12.18. The NPPF seeks for a greater range of housing site sizes to be delivered through local plans and particularly recognises the role that small and medium sized sites can have. In this regard it states that local planning authorities should, where achievable, identify through the development plan land to accommodate at least 10% of their housing requirement on sites of no larger than one hectare (sites on 1 hectare can generally accommodate 20-30 houses in rural areas with greater densities in urban areas). The JCS Review will also need to consider the strategy for meeting this requirement and whether it is achievable and whether it is best to continue to deliver small sites through district level plans.

**Question 12**

***Having regard to development needs in the JCS area and the spatial strategy discussed, do you feel that the known development opportunities can play a role in helping to meet needs?***

**Question 13**

***Do you have a site you would like considered for inclusion in the Local Plans? You will need to provide a completed form with information about the site including a site plan.***

**Question 14**

***What do you think is an appropriate definition for a 'strategic site' in terms of for example size, location and proposed use?***

**13. Infrastructure**

- 13.1. The provision of sufficient infrastructure is essential to support both existing and new communities and key to a successful local economy. Infrastructure is a wide term and can cover whole range of different items – from highways improvements, sustainable transport routes, schools, healthcare facilities and high speed broadband, through to open spaces, playing fields and green infrastructure. The type and scale of infrastructure needed will depend on the scale and pattern of development and is closely linked to the spatial strategy for the area.
- 13.2. The JCS Infrastructure Delivery Plan sets out the anticipated infrastructure requirements for the area up to 2031. This will be revised as part of the review.
- 13.3. Green infrastructure is important part of maintaining and improving the natural environment of the area and the adopted JCS is supported by a Green Infrastructure Strategy. New development should make a positive contribution to green infrastructure and help provide new and improved open spaces for communities. The JCS authorities must work with neighbouring authorities and the Gloucestershire Local Nature Partnership to ensure an appropriate joined up approach.
- 13.4. Supporting health and wellbeing and active lifestyles more generally is really important. It implies providing communities with the best opportunity to live healthy lifestyles, both physically and mentally, including access to health and community facilities, desirable routes for walking and cycling, and opportunities to meet and interact with people and nature.
- 13.5. In thinking about the future infrastructure needs of the area it is important to consider technological advancements. The infrastructure required in the future could be very different from today. Technology such as electric vehicles, driverless cars, renewable energy and internet-based communications and commerce could have a significant influence on the planning and design of new development.

**Question 15**

***Are there any new infrastructure needs that the JCS Review needs to consider?***

**14. Next steps**

- 14.1. This Issues and Options consultation is the first step in preparing the JCS Review. Consultees are asked to respond to the key questions by 5pm on XXXXXXXXXX.
- 14.2. Once the consultation is closed, the authorities will review all responses duly received and begin the preparation of the next stage the 'JCS Draft Plan'. This is currently scheduled for Autumn 2019.

This page is intentionally left blank

**Cheltenham Borough Council  
Cabinet – 11<sup>th</sup> September 2018  
Council – 15<sup>th</sup> October 2018  
Housing Investment Plan**

<b>Accountable member</b>	<b>Peter Jeffries – Deputy Leader &amp; Cabinet Member for Housing</b>
<b>Accountable officer</b>	<b>Tim Atkins – Managing Director Place &amp; Growth</b>
<b>Ward(s) affected</b>	<b>All</b>
<b>Key / Significant Decision</b>	<b>Yes</b>
<b>Executive summary</b>	<p>The delivery of high quality housing for all sectors of the community continues to be a significant challenge to most parts of the UK. Delivery of new homes and in particular affordable homes continue to be well below the level of need. The growth of the economy relies heavily on a diverse and healthy housing market.</p> <p>In March 2018 the Council approved the Place Strategy for Cheltenham, which identifies business growth and housing delivery as priorities. In particular, it sets out aspirations to increase the number of affordable, accessible, safe and secure housing, and to build strong, healthy and inclusive communities. These aspirations are echoed in the Council’s Housing &amp; Homelessness Strategy, which was approved by Cabinet in July 2018.</p> <p>The proposals detailed within this report set out what the Council plans to do in order to bring about the required step change in the delivery of housing. If approved, these proposals will provide a range of benefits to Cheltenham, not least an increase in the provision of affordable homes and the delivery of private rented homes to be let on a long-term basis, thereby providing more households with greater security of tenure. A full list of benefits are detailed within Section 3 of this report.</p>
<b>Recommendations</b>	<p><b>That Cabinet agrees and recommends Council to:</b></p> <p><b>a) approve a grant of £300,000 to Cheltenham Borough Homes Limited (‘CBH’) to enable it to fund the costs set out in section 3.2 of the report to support the development of this initiative.</b></p> <p><b>b) subject to tax and treasury management advice being provided to the satisfaction of the Executive Director Finance and Assets (Section 151 officer), to approve the council entering into an appropriate credit / loan agreement with CBH for up to £100 million to finance the capital costs of delivery of the new housing by CBH.</b></p>

c) delegate authority to the Executive Director Finance and Assets to, in consultation with the Borough Solicitor and Cabinet Member Housing, agree the use of commuted sums paid to the council in lieu of affordable housing to enable the provision of 'additionality' as detailed in section 2.5 of the report.

d) approve the council sourcing loan finance of up to £100 million to be used for onward lending to CBH to finance the capital costs of it delivering the housing as set out in this report.

That Cabinet agrees to:

1) delegate authority to the Executive Director Finance and Assets to, in consultation with the Managing Director Place and Growth and Cabinet Member Housing and Cabinet Member Finance, sign off viability assessments received from CBH

2) delegate authority to the Executive Director Finance and Assets to, in consultation with the Cabinet Member Housing and Cabinet Member Finance, approve the drawdown of funds by CBH

3) delegate authority to the Executive Director Finance and Assets to, in consultation with the Managing Director Place and Growth and Cabinet Member Housing and the Borough Solicitor, prepare and conclude the required agreements between the council and CBH.

<b>Financial implications</b>	As contained in the report and appendices.  Contact officer: Paul Jones. E-mail: <a href="mailto:paul.jones@cheltenham.gov.uk">paul.jones@cheltenham.gov.uk</a>  Tel no: 01242 775154
-------------------------------	---



**Legal implications**

The Authority is permitted under Section 24 of the Local Government Act 1988 and a general consent issued by the Secretary of State, to provide CBH with financial assistance for the purposes of, or in connection with, the acquisition, construction, conversion, rehabilitation, improvement, maintenance or management (whether by that person or another) of any property which is or is intended to be, privately let as housing accommodation.

Privately let accommodation is defined as any accommodation occupied as housing accommodation in pursuance of a lease, licence or statutory tenancy where the immediate landlord is a person other than a local authority.

Section 1 of the Local Government Act 2003 (2003 Act) gives the Authority the power to borrow for any of its functions and for the prudent management of its financial affairs. The 'general power of competence' under Section 1 of the Localism Act 2011 is a function for this purpose. The 2003 Act only permits a local authority to borrow for capital expenditure and not revenue expenditure. Therefore, the Authority can only borrow to on-lend to CBH to fund capital expenditure.

To avoid the giving of unlawful state aid, the financial assistance to CBH in relation to the proposals for private rented properties can only be provided on market terms.

Financial assistance to be used by CBH for affordable, social and intermediate housing can be given by the Authority on preferential terms due to a decision by the European Commission that permits state aid in respect of "services of general economic interest" (the SGEI decision). Social housing falls within the description of a SGEI service and there is no limit on the amount of aid that can be given. There needs to be a specific "entrustment" of the SGEI service in an agreement which needs to contain a number of matters specified by the SGEI Decision. External legal advice has been obtained which advises that the Authority and CBH enter into a Deed of Entrustment which covers the requirements of the SGEI Decision.

The Authority and CBH will need to enter into additional agreements to document the terms of the financial assistance. CBC is advised to seek security for repayment of the loan by obtaining a fixed first legal charge on the properties provided together with additional security over non-fixed assets such as rental income.

CBH is considered to be a 'teckal' company and Regulation 12 of the Public Contracts Regulations 2015 allow for contracts to be awarded to teckal companies without a procurement process provided that the conditions set out in that Regulation are fulfilled. One condition is that more than 80% of the activities of the company are carried out in performance of tasks entrusted to it by the "controlling" authority. External legal advice has confirmed that it is highly likely that 80% or more of CBH's turnover would be in relation to its ALMO agreements with the Council and there is also a credible argument that the new housing could count towards the 80% threshold and that the Deed of Entrustment referred to above, can document that entrustment.

The report refers to the potential for the Authority transferring land to CBH for the purposes of developing housing. When potential sites have been identified, advice should be sought from One Legal at an early stage. Advice will be required on the relevant powers to transfer the land (which will depend upon whether the land is held in the HRA or general fund, whether the housing to be provided will be provided at affordable or market rents, and the proposed terms of the transfer). The council's title will also need to be investigated to check for any issues that may affect the proposed use.

As stated above, there are currently clear powers to provide funding to CBH for the purposes of acquiring or constructing housing for rent under the provisions of Sections 24 and 25 of the Local Government Act 1988. While the Government's position has been to discourage local authorities setting up housing companies to avoid the HRA debt cap or avoid the right to buy, specialist external legal advice has confirmed that the Authority has clear reasons for taking the actions described in this Cabinet Report which do not relate to these issues (see sections 2, 3, 4 and

<b>Legal Implications Continued</b>	<p>Appendix 1). This external advice has confirmed that while the Government's view has not been put on a statutory footing, a local authority should never act with the purpose of frustrating a statutory right, such as the right to buy.</p> <p>The report refers to the use of commuted sums received from planning obligations secured under "S106 agreements". The relevant S106 Agreement will need to be reviewed to determine how the contributions may be used.</p> <p><b>Contact Officer: Donna Ruck <a href="mailto:donna.ruck@tewkesbury.gov.uk">donna.ruck@tewkesbury.gov.uk</a></b></p> <p><b>Tel no: 01684 272696</b></p>
<b>HR implications (including learning and organisational development)</b>	<p>At this stage of the proposed strategy there are no direct HR implications. However as the programme progresses further advice and guidance should be sought from the HR manager / advisor.</p> <p><b>E-mail: <a href="mailto:julie.mccarthy@cheltenham.gov.uk">julie.mccarthy@cheltenham.gov.uk</a></b></p> <p><b>Tel no: 01242 264355</b></p>
<b>Key risks</b>	<p>As detailed at Appendix 1 of this report. Further risks will be captured accordingly as they emerge during the development and implementation phases of this initiative.</p>
<b>Corporate and community plan Implications</b>	<p>These proposals support the Council's Place Strategy, as detailed within this report.</p>
<b>Environmental and climate change implications</b>	<p>A step change in the delivery of housing will support the JCS and emerging Cheltenham Plan, which will help to ensure that delivery is provided in a planned way and is consistent with JCS and local plan aspirations, taking account of wider issues such as the environment.</p>
<b>Property/Asset Implications</b>	<p>In the event of any Council owned land being sold to CBH then:-</p> <ul style="list-style-type: none"> <li>a) If the land is held in the General Fund it would be sold at market value,</li> <li>b) If the land is held in the HRA it could be sold at nil or market value, depending on the purpose for which it is to be used</li> </ul> <p><b>Contact officer Dominic Stead, Head of Property Services</b></p> <p><b>E-mail: <a href="mailto:Dominic.stead@cheltenham.gov.uk">Dominic.stead@cheltenham.gov.uk</a></b></p> <p><b>Tel no: 01242 264151</b></p>

## 1. Background and Context

1.1 Since 2010 Council support has assisted Cheltenham Borough Homes (CBH) in the construction of 102 new units with a further 12 acquired. Following the introduction of self-financing to the HRA in 2012, the company has also managed the delivery of a further 49 units (39 constructed and 10 acquired) for the Council using HRA resources. These give a range of tenures including shared ownership and both social and affordable rented. Whilst these numbers are encouraging, they must be set against the backdrop of Right to Buy losses in the same period. Since the extension of RTB discounts in 2012 the Council has been required to sell 130 properties to its tenants.

- 1.2 Over 2,200 households in Cheltenham are currently on the waiting list for affordable housing. The 2015 Strategic Housing Market Assessment suggested the need for 231 more affordable homes per year with an overall housing requirement of 546 homes per year throughout the JCS period. These numbers cannot be provided solely by Section 106 provision, which only delivered 110 affordable homes in the three years to March 2017.
- 1.3 The 30 year HRA business plan currently shows there are resources available for further development but in the medium term this is restricted in scale by the debt cap set by the Government and the complex regulation around the use of capital receipts from RTB sales. Although the council is currently bidding for additional headroom, this will not be enough to bring about the much needed step change in housing delivery, such as increasing the provision, accessibility and security of tenure within the private rented sector.
- 1.4 The challenges in the housing market are far reaching across the UK. In Cheltenham it is predicted that by 2029 there will be proportionately fewer under 18s than over 65s living in the Borough. This is partly due to the high cost of housing and the lack of affordable, quality rented accommodation on secure tenancies, as well as access to jobs. The aspirations for business growth anticipate increased business space with the need to attract and retain talent to take the additional jobs created. This will require more accessible, secure and affordable homes in Cheltenham.
- 1.5 Members will recall the motion made at the Council meeting of the 16<sup>th</sup> October 2017, which received unanimous support for action to tackle the housing crisis facing under 35's who face particular supply issues:-
- Most cannot afford to buy a home in Cheltenham
  - The rental market is expensive and offers little security

Councils across the UK are struggling to meet land supply quotas for housing, which adds pressure to potential development sites and may lead to unplanned expansion of our towns.

### 1.6 Cheltenham's Place Aspirations

In March 2018 the council approved the Place Strategy for Cheltenham which identifies business growth and housing delivery as priorities. It sets out two key aspirations and actions to address these far reaching challenges:

#### **Housing:**

Aspiration: We will increase the numbers of affordable, accessible, safe and secure housing.

Action: A review of options for a step change in the pace of delivery of housing (including housing that is affordable) and a collective approach to reducing homelessness.

#### **Community cohesion:**

Aspiration: We will build strong, healthy and inclusive communities.

Action: Commitment to create socially sustainable communities in both new residential developments and in our existing communities and increase opportunities for community-based health and wellbeing projects.

- 1.7 It is clear that these aspirations cannot be achieved by market forces alone. The current system is failing to meet need at multiple levels. This paper proposes a step change in the council's role within housing provision and the growth agenda - looking not only at the provision of affordable homes, but across the whole housing spectrum, to support the overarching growth agenda for Cheltenham, to ensure that it is a town where everyone thrives.

## 2 The Proposal

- 2.1 In order to create inclusive and sustainable communities, it is proposed that the Council should consider the development of a complete range of rental homes from social and affordable through to market and premium rents. This will enable the council to deliver more inclusive and sustainable schemes, and potentially make more significant contributions to the place shaping agenda. Where sites are acquired and a larger number of homes can be delivered – this could be achieved with a balance of tenures, property types and sizes, providing a much more sustainable and inclusive mix. This is illustrated by the following diagram: with the product proposed in the top half and the delivery options in the bottom half:-



- 2.2 Not only does this approach offer the scope to provide schemes that have a better social balance, it also allows the delivery of affordable and social rents to be supported by commercial rents and sales. As part of a delivery strategy, it will considerably extend the range of sites and properties that can be considered. For example, stalled sites and some of the strategic allocations could be considered, focusing not just on the affordable element; this would become part of the wider scheme that the Council/ CBH could deliver.
- 2.3 The Council could also use this strategy to tackle stalled development sites, where arguments of viability for the delivery of the affordable housing are being or have been used. Where there are strong grounds to do so, the council has a number of other options to support land assembly to bring forward important sites.
- 2.4 It is recommended that the Council enters into a loan agreement with CBH, whereby the Council would grant CBH a loan facility of up to £100million, each tranche to be repaid over 40 years. This loan would be backed by Council borrowing, such as from the Public Works Loan Board.
- 2.5 These funds would then be used by CBH to develop/acquire additional housing units across the rental spectrum described above. Where appropriate, commuted sums from Section 106 agreements held by the Council in lieu of affordable housing would also be used to support the initiative. These sums would be used in circumstances that would support the provision of additional affordable homes over and above that which would be provided through market forces alone - for instance, where there are viability issues on a site that would otherwise lead to a reduction in the provision of affordable housing.
- 2.6 This scale of funding would potentially enable CBH to bid for a range of sites including zones / areas of larger and strategic sites, giving scope for significant 'place shaping' with a wider range of tenures, housing types and rental ranges. This could also include the purchase of Section 106 requirements at a significant discount below market value with the Council retaining nomination rights.

2.7 In addition, CBH could pursue the development of other smaller sites, either owned by the Council or third parties, as well as purchasing existing properties on the open market. Should properties be bought from the open market, CBH will follow the same parameters as detailed in the Leader's scheme of delegation of Executive Functions.

### **3 Reasons for recommendations**

3.1 The benefits of the proposal can be summarised as follows:-

- Aligns with the Council's Place Strategy, and Housing & Homelessness Strategy
- Potential to deliver over 500 homes across the full range of tenures.
- In addition to the delivery of much needed affordable homes, entrance into the 'private market' offering a new exciting product; giving high quality and secure tenancy for a commercial rent.
- Taking a long term investment in Cheltenham will provide numerous social benefits whilst also providing a sound commercial investment, offering an ongoing return and growing asset base.
- New Homes Bonus and increased Council Tax base through delivery of additional housing.
- Provides a financial return for the Council. The Council to provide loan funding such as via PWLB with the General Fund to benefit from the interest margin on the rate charged to CBH
- External funds, including Homes England funding, could bring additionality but delivery also has the potential to be funded by the 'commercial end' of this housing spectrum.

3.2 This initiative will require pump priming to fund additional CBH officer support and external professional fees to: -

- a) Establish appropriate corporate and tax structures to support the step change in delivery.
- b) Finalise the loan agreement.
- c) Review and implement structures to manage new supply (both affordable and in particular market rentals).

3.3 It is recommended this is funded from unapplied capital contributions currently held by the Council.

### **4 Why CBH**

4.1 Since its incorporation in April 2003, the company has a strong track record in letting, maintaining and managing the Council's stock. Following the award of a three star assessment by the Audit Commission in 200, CBH was established as a registered provider with the Homes and Communities Agency. It then commenced a development programme to build CBH stock with the financial backing of the Council. More recently CBH has managed a number of developments for the Council within the HRA.

4.2 The benefits of using the company as the delivery vehicle for this initiative include:-

- Existing housing company wholly owned by the Council
- Greater influence by the Council over the lettings of homes (i.e. in accordance with the Council's Allocations Scheme) and the type of tenures on offer (i.e. in accordance with the Council's Tenancy Strategy).

- Robust governance and strong financial controls
  - Has already worked in partnership with the Council to deliver a new build programme
  - In-house team with significant development experience
  - Trusted Not-for-Profit landlord
- 4.3 Advice from external lawyers has confirmed the ability of CBH to develop and manage a private rented portfolio. They also considered the alternative of creating a new local housing company to carry out this activity and identified a clear advantage in using CBH, given that the company is already established with a sound governance structure in place. There would be no need to incorporate a new company and then create new financial arrangements for that company.
- 4.4 It should be noted that rented social housing owned and managed by CBH in its capacity as a Registered Provider will not carry any right to buy benefits as they will not be council owned. CBH will therefore make it clear at the granting of a tenancy (and on the joining in of any new joint tenant) that the tenancy is being let in CBH's name, that the tenancy is an assured tenancy, and that the statutory right to buy under the Housing Act 1985 will not apply to the tenancy.
- 4.5 In addition, any right to acquire (which carries lesser discounts) would only apply in specific circumstances; such as if the land was purchased with public funds – so whether it applies will have to be considered on a property by property basis.
- 4.6 The Government welcomes local authorities taking innovative approaches to get homes built in their area, and it wants to see more local authorities get building. The government has previously discouraged local authorities setting up delivery vehicles for the purposes of avoiding the HRA debt cap and the right to buy. The Government reiterated its desire to see tenants of wholly owned companies have access to schemes which give them an opportunity to become homeowners in its recently published Social Housing Green Paper. Most notably, this is through the Voluntary Right to Buy scheme. In the Green Paper, the Government also acknowledged that while 'generally, local authorities should deliver new affordable housing through their Housing Revenue Account' there are some situations where this is not possible, such as 'where the Housing Revenue Account cannot sustain new building (para 154)'. It should be noted that the recently published consultation on the use of right to buy receipts reiterates that bodies in which a local authority has a controlling interest (such as CBH) cannot use retained right to buy receipts.
- 4.7 The Council's intention in supporting this initiative is to provide additional housing, for the reasons articulated in sections 1 and 2. The Council has recently delivered new council housing through its HRA and has a pipeline of development which is currently being progressed. Moreover the Council is seeking to increase its HRA borrowing capacity in order to raise the HRA debt cap and deliver more affordable homes within the HRA. However, not all of this new build activity can be conducted in the HRA, nor would delivery in the HRA meet the Authority's strategic aim to deliver a mix of housing tenures and affordability options within the borough. The Authority is monitoring the Voluntary Right to Buy pilot currently underway and, bearing in mind that CBH is an RP, will assess its application to the new housing being developed outside of the HRA, as referred to in Appendix 1.

## 5 Financing arrangements

5.1 The following are key details of the proposed loan with Cheltenham Borough Homes:

- The total loan facility is for £100m.
- The loan can be used for the acquisition and/or construction of additional new homes including the acquisition of land as required.
- Each loan term is 40 years on an annuity basis.
- The facility will be available for a period of 10 years from the date of signing.
- The £100m can be drawn down in tranches over this period.
- The rate of interest payable on loans advanced to deliver affordable housing will be fixed at 0.25% above the published Public Works Loan Board (PWLB) annuity rate, where applicable. This will generate a yearly interest income stream to the Council in the region of £25,000 for every £10m borrowed, guaranteed annually for the duration of the 40 year loan (i.e. circa £1m) with the potential for an element of this interest income to be ring-fenced for supporting housing delivery.
- Where borrowing is taken to develop privately rented units the rate of interest will be fixed at the current market rate.
- The loan will be secured against the new Cheltenham Borough Homes dwellings, incorporating a five year revaluation period to consider any changes to the value of the property portfolio and to manage any risks arising therefrom.
- When bidding CBH will adhere to financial criteria that ensure financial viability and the ability to comfortably repay associated loans i.e. a positive NPV (Net Present Value) over 40 years and annuity loans repaid by year 40.
- A detailed loan agreement will be in place with stringent covenants to protect the interests of the Council.

5.2 The provision of the loan is in accordance with the Council's medium term financial strategy, capital strategy and treasury management strategy and complements both income generation and the delivery of affordable homes.

## 6 Governance

6.1 Full Council is requested to approve the funding levels (up to £100m) with Cabinet delegating to the Executive Director Finance and Assets (S151 Officer) in consultation with the Managing Director Place and Growth and Cabinet Members for Housing and Finance the sign off of viability statements for each acquisition/development.

6.2 The programme will be led by a Council senior responsible officer and reporting arrangements for the programme will include:-

- Oversight by Cabinet Member Working Group, which will agree an Outcomes Framework for the delivery groups to follow.
- Strategic Housing Development Group (SHDG) to develop business cases for review by the Working Group on an individual basis.

- Council-CBH Housing Supply Review Group (operational) will consider all potential supply opportunities.
- Potential for collaboration and resource shaping across Council and CBH property related activity.
- Legal powers and tax impact for each scheme to be confirmed by professional advice.
- A review of CBH governance arrangements to ensure proposals are appropriately accommodated and managed.

### 7. Other options considered

#### 7.1 Relying on market forces alone to deliver more housing.

This option is not acceptable as it would mean that significant challenges in the delivery of housing are likely to remain, particularly with regard to the delivery of affordable housing. In addition, all indications show that there is a current undersupply of private rented homes, and in the main this supply offers only short term tenancies of 6 to 12 months. By intervening in the market, the Council can increase standards, improve accessibility and provide private rented homes on a long term let basis.

#### 7.2 Setting up a new local housing company as the Council's main delivery vehicle.

As referred to in Section 4 above, consideration has been given to the option of setting up a new local housing company to carry out the activities proposed in this report. Having considered the advice from external lawyers, our view is that there is a clear advantage in CBH delivering the Council's objectives on our behalf, given that the company is already established with a sound governance structure in place, and is able to manage a portfolio of private rented housing. Having CBH as our key delivery vehicle means that there will be no need to incorporate a new company and then create new financial and governance arrangements for that company.

### 8. Consultation

The proposals within this report are the culmination of a number of discussions between senior officers of the Council, CBH and the Cabinet Member for Housing. These proposals are fully supported by both organisations.

### 9. Performance Monitoring and Review

A Strategic Housing Development Group, along with a Council-CBH Housing Supply Group, will be set up to enable delivery of these proposals. These will be overseen by a separate Cabinet Member Working Group, as detailed within Section 6 of this report.

<b>Report author</b>	Steve Slater – Executive Director (Finance & Resources) CBH Martin Stacy – Lead Commissioner, Housing Services
<b>Appendices</b>	Appendix 1 – Risk Register



<b>Background information</b>	<ol style="list-style-type: none"><li data-bbox="539 143 916 174">1. HRA 30 year Business Plan</li><li data-bbox="539 206 979 237">2. CBH Budgets and Plans 2018/19</li></ol>
-------------------------------	---

## Risk Assessment

## Appendix 1

The risk				Original risk score (impact x likelihood)			Managing risk					
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register	
	If there is a fall in property values, which results in negative equity (i.e. the value of the outstanding loans is greater than the value of the properties), then the Council could face a capital loss in the event that CBH ceases to continue.	Executive Director – Finance & Assets	21.8.18	5	1	5	Reduce	Due diligence will be carried out by the CBC's finance team.	ongoing	Chief Executive Officer (CBH)		
	If CBH is unable to make its loan repayments to the Council on time, then the Council may be unable to make its own loan repayments.	Chief Executive (CBH)	21.8.18	5	2	10	Reduce	CBH will undertake financial scrutiny arrangements on an ongoing basis to reduce this risk.  Due diligence will be carried out by CBC finance team	ongoing	Executive Director – Finance & Assets		
	If CBH's governance arrangements do not take account of the step change in delivery of affordable housing, and in particular, the provision of private rented accommodation, then desired outcomes may not be met (i.e. the number of homes delivered, quality of management, achieving	Chief Executive (CBH)	21.8.18	4	3	12	Reduce	There will be a review of CBH's governance arrangements to ensure the proposals detailed within this report are appropriately accommodated and managed. The allocation of monies to pump prime this initiative will include the funding of a project	2018/19	Managing Director – Place & Growth		

	value for money, etc).							manager to take account of all relevant issues prior to implementation.			
	If the Council approves the funding of this method of housing provision it could be challenged on the basis that it is seeking to circumvent other government objectives as detailed in this report.	Managing Director – Place & Growth	22.8.18	4	2	8	Reduce	<p>Any challenge would be defended on the basis that:</p> <p>There are currently clear powers to provide funding to CBH for the purposes of acquiring or constructing housing for rent under the provisions of Sections 24 and 25 of the Local Government Act 1988.</p> <p>The council is already seeking to maximise housing provision through its HRA, thereby enabling right to buy. Any new housing provision, as detailed within this report, will be in addition to what the council is able to deliver within the HRA This approach supports the Government's desire to see local authorities taking innovative approaches to getting more new homes built.</p> <p>CBH will make it clear at the granting of a tenancy</p>	Ongoing	Chief Executive (CBH)	

								<p>(and on the joining in of any new joint tenant) that the tenancy is being let in CBH's name, that the tenancy is an assured tenancy, and that the statutory right to buy under the Housing Act 1985 will not apply to the tenancy.</p> <p>The council and CBH will monitor the outcome of the government's piloting of their voluntary right to buy programme for housing associations. Should the programme be rolled out nationwide, we will seek to implement, as necessary.</p>			
	If there are legislative changes within the 10 years draw down period which have an adverse impact on these initiatives (e.g. a change in the powers to provide funding to RPs) then the ability to deliver the initiatives may be affected	Managing Director – Place & Growth	22.8.18	4	3	12	Accept	The council and CBH will monitor any legislative changes, assess its impact, and where appropriate seek approval to bring about any proposed changes to our course of action, in response to new legislative requirements.		Managing Director – Place & Growth	
	If there is in an increase in build or land costs, this may impact on the number of units that can be delivered	Chief Executive (CBH)	22.8.18	3	3	9	Accept	CBH will ensure best value is delivered; both in the potential acquisition of land and in the tendering of		Managing Director – Place & Growth	

								contractors for the provision of new build.			
--	--	--	--	--	--	--	--	---	--	--	--

This page is intentionally left blank

**Cheltenham Borough Council**  
**Council – 15 October 2018**  
**Annual Report on Overview and Scrutiny**

<b>Accountable member</b>	<b>Chair of Overview and Scrutiny Committee, Councillor Chris Mason</b>
<b>Accountable officers</b>	<b>Democratic Services Manager, Rosalind Reeves</b>
<b>Accountable scrutiny committee</b>	<b>Overview and Scrutiny Committee</b>
<b>Ward(s) affected</b>	<b>All indirectly</b>
<b>Significant Decision</b>	<b>No</b>
<b>Executive summary</b>	<p>The Overview and Scrutiny Committee manages and coordinates scrutiny at the council, with scrutiny task groups carrying out the detailed work and reporting back to the main committee.</p> <p>Under these arrangements the Overview and Scrutiny Committee produce an annual report for Council and this is contained in Appendix 2. This report sets out the achievements of scrutiny over the last 12 months and in particular highlights the outcomes of the scrutiny task groups, as well as detailing 'what's next'.</p> <p>Scrutiny endorsed the annual report at their meeting on the 10 September 2018 and welcomes the opportunity for Council to debate this report and give its views on the success or otherwise of the scrutiny arrangements.</p>
<b>Recommendations</b>	<b>Council is asked to note the Annual Report of Overview and Scrutiny 2017-18.</b>

<b>Financial implications</b>	<p>There are no direct financial implications arising from this report. The annual budget proposals and the scrutiny of financial performance and other budgetary issues are reviewed throughout the year by the Budget Scrutiny Working Group, as detailed in Appendix 2, section 4.0.</p> <p><b>Contact officer: Sarah Didcote, sarah.didcote@publicagroup.uk, 01242 264125</b></p>
<b>Legal implications</b>	<p>There are no legal implications arising from the recommendation within this report.</p> <p><b>Contact officer: Peter Lewis, peter.lewis@teWKesbury.gov.uk, 01684 272012</b></p>
<b>HR implications (including learning and organisational development)</b>	<p>There are no direct HR implications arising from this report.</p> <p><b>Contact officer: Julie McCarthy. julie.mccarthy@publicagroup.uk Tel: 01242 264355</b></p>

<b>Key risks</b>	The original risk assessment which accompanied the report to Council in December 2011 has been updated with an assessment of the current risks affecting the effectiveness of the O&S arrangements and is attached as Appendix 1.
<b>Corporate and community plan Implications</b>	An effective overview and scrutiny process can contribute to positive outcomes on any of the objectives in the Corporate Strategy.  Increased public involvement in Overview and Scrutiny will support the council's objective to listen and respond to local communities and their issues.
<b>Environmental and climate change implications</b>	None

<b>Report author</b>	<b>Contact officer: Rosalind Reeves, Democratic Services Manager, Rosalind.reeves@cheltenham.gov.uk, 01242 26 4129</b>
<b>Appendices</b>	<ol style="list-style-type: none"> <li>1. Risk Assessment</li> <li>2. Annual Report</li> <li>3. Current workplan</li> </ol>
<b>Background information</b>	Overview and Scrutiny committee meeting 10 September 2018



The risk				Original risk score (impact x likelihood)			Managing risk		
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-4	Likelihood 1-6	Score	Control	Action	Comments as at September 2018
	If O&S does not take an active role in the major change programmes it may lose its opportunity to influence the scrutiny arrangements in any new proposed ways of working	Chair of O&S	21/09/15	3	2	6	Accept	O&S to include scrutiny of change programmes in its workplan and ensure it is consulted on any future scrutiny arrangements	Member seminars continue to be held at appropriate times and the relevant Cabinet Members have been invited to discuss particular programmes and projects as necessary and additional information can be requested.
	If any scrutiny arrangements are not supported by a change in culture across members and officers they may not be successful in delivering the outcomes required.	Rosalind Reeves	27/9/11	3	3	9	Reduce	Ensure we take every opportunity to review and enhance our scrutiny arrangements. The LGA peer review may provide some opportunities for comment.	There is now a much better understanding of the scrutiny arrangements by officers and members who have been involved in scrutiny task groups and the relationship between Cabinet and scrutiny has been developed. Further training is planned for 2019 for members to enhance their skills.  Officer training is offered on a regular basis.
	If the council cannot dedicate resources to support the scrutiny process then the O&S	Rosalind Reeves	1/12/11	3	2	6	Accept	Optimise the use of existing resources within the scrutiny arrangements	It is acknowledged that facilitation support from Democratic Services for scrutiny task groups is important and all task groups have been supported. Resources are limited across the council so members will need to

	process will not be fully effective.									carefully prioritise all scrutiny task group reviews to ensure they make optimum use of the resources available. In 2015, the LGA peer review team suggested that the scrutiny work plan should focus on high priority areas given the limited resources available and the committee have had to consider resources when deciding what to scrutinise and how.
	If the task groups operate outside of the democratic process, then scrutiny could become disjointed and progress difficult to control and track.	Rosalind Reeves	1/12/11	3	2	6	Accept	Guidance to officers supporting task groups on keeping documentation and reporting back to Democratic services.		See note above. In the past, task groups facilitated by officers outside of democratic services have on occasion been less well documented and more difficult to track progress of. A scrutiny guide was produced and officers are encouraged to adopt standard procedures and good practice. All task groups in the last 12 months have been supported by Democratic Services.
	If members do not put themselves forward for task groups the workload could be unevenly shared across members and be a source of potential conflict or result in task groups not having the right skill mix.	Groups Leaders	1/12/11	3	3	9	Reduce	Utilise the skills audit Group Leaders to manage, monitor and encourage participation  Task groups to maintain records of attendance		Only one task group was established during 2017-18 and this provided an opportunity to introduce members, who had not previously participated in a review, to how task groups operate. It is hoped that other members will put themselves forward should a topic of interest arise.
	If scrutiny does not have any dedicated budget it will be difficult to promote public involvement and	Council	1/12/11	2	3	6	Accept	Utilise relevant project budgets Consider allocating small budget to O&S as part of budget		Scrutiny does not have a dedicated budget but this has not been a significant issue to date. It could become an issue if O&S wanted to buy in some outside expertise at any point.

	engagement							round	
	If scrutiny is not carrying out the full extent of its role i.e. pre and post decision scrutiny and overview, there is a risk of a democratic deficit.	Rosalind Reeves	25/7/17	3	2	6	Accept	Ensure new member and staff inductions cover the full extent of the role of scrutiny.	Further training is planned for 2019 for members and officers training is arranged on a regular basis.

**Explanatory notes**  
**Impact** – an assessment of the impact if the risk occurs on a scale of 1-4 (4 being the greatest impact)  
**Likelihood** – how likely is it that the risk will occur on a scale of 1-6 (6 being most likely)  
**Control** - Either: Reduce / Accept / Transfer to 3rd party / Close

This page is intentionally left blank

# Scrutiny Annual Report 2017 – 2018 (A summary of highlights)

## Contents

- 1 Foreword from the Chair of O&S
- 2 Pat Pratley – Chief Executive
- 3 Scrutiny Structure
- 4 Scrutiny Task Groups 2017-18
- 5 Cabinet Member Working Groups 2017-18
- 6 Overview and Scrutiny– what’s next?
- 7 Contacts
- 8 Scrutiny Registration Form for new topics



## 1. Foreword

Chair of Overview and Scrutiny Committee from May 2018:  
Councillor Chris Mason



As the newly elected Chairman of the Overview and Scrutiny Committee, I am pleased to present the Annual Report for 2017/18.

I would like to thank Councillor Tim Harman, former Councillor Jon Walklett and Councillor John Payne for their contributions to the work of the committee during the year and I look forward to working with Councillor Payne and my new vice-chair Councillor Klara Sudbury during the coming year.

The committee is responsible for co-ordinating the Overview and Scrutiny function within the authority. It commissions scrutiny task groups to carry out the detailed work ensuring that they have clear terms of reference. It is also responsible for receiving and determining how call-ins of Cabinet decisions should be dealt with.

My vision for the future is that scrutiny should be a powerful tool to enable all members of the Council who are not part of the Executive to hold the Cabinet to account on behalf of the electorate but also to act as a critical friend in helping to develop new policies and ideas. Most important to me is that scrutiny makes a difference and achieves positive outcomes for the people of Cheltenham.

Councillor Harman as the outgoing chair had this to say about the past year for O&S:

*"As well as ongoing monitoring of performance across the council, the committee has played a key role in providing input to the developing Place Strategy and Corporate Strategy. We have also requested regular updates on important projects such as North Place, West Cheltenham, Gloucestershire Airport, the Public Realm planting strategy and Leisure@ redevelopment, Waste and Recycling, and the cremators. We are providing input at key stages and holding the Cabinet and officers to account, a key part of our overview and scrutiny role.*

*Call-in is an essential part of the democratic process which ensures that any decisions taken by Cabinet are taken in accordance with the rules set out in our Constitution. Call-in should not be seen as a failure of decision making but rather a robust challenge to ensure high standards of decision making are maintained. We had two call-ins this year – the first in June 2017 was a call-in of the decision on the application for designation of a neighbourhood area and neighbourhood forum by the Springbank neighbourhood forum. The second was a call-in of the revised taxi and private hire licensing policy approved by Cabinet in March 2018. Both call-in meetings considered all the evidence and heard from a variety of witnesses before reaching our conclusions. The first call-in resulted in asking Cabinet to reconsider the Springbank application and Cabinet*

*subsequently upheld their original decision. Regarding the taxi policy the committee concluded that Cabinet's decision had been properly taken but requested that Cabinet initiated further discussions with taxi drivers regarding mitigation measures. Cabinet approved our recommendation and a report on this consultation is due to come back to the committee in October.*

*Again this year, the committee has given focus to people and organisations that play a key role in the Town, having welcomed, Martin Surl, Police and Crime Commissioner, the Cheltenham Guardians and we have regular updates from our representatives on health and social care scrutiny and economic growth scrutiny in Gloucestershire.*

*The committee continued to play a key role in shining a light on issues of concern for the Town. Amongst them, the task group which reviewed the issue of 'street people' and culminated in the recommendation that the authority adopt an integrated, coordinated, multi-agency approach with close partnership working.*

*As a result of a scrutiny request raised by Councillor Parsons the committee devoted their August meeting to considering the impact of race meetings on local residents and a number of positive steps were taken as a result.*

*Councillor Willingham raised a topic on the town wide parking strategy and the committee had a wider ranging debate on the issues for Cheltenham at their April meeting and a number of members of the public gave their views."*

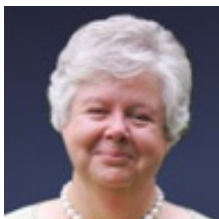
Thanks to Councillor Harman and I am sure you will agree that the committee covered a lot of ground last year. During my time as chair I want to reinforce the role of O&S committee as a planning and co-ordinating body and I would like to see more work carried out in scrutiny task groups where they can adopt more informal ways of working. We already have a task group set up on the impact of Urban Gulls which have been meeting over the summer.

I would also like to strengthen the role of O&S so that they are viewed by Cabinet and Officers as an essential part of the democratic process. These are challenging times for the council and we have big ambitions for Cheltenham so the check and balance that O&S can add will be invaluable going forward.

I would like to take this opportunity to invite all members to contact me and the other lead members with regard to any suggested areas of activity or of issues of concern to Cheltenham and its people and which are appropriate for scrutiny.

Finally special thanks go to Democratic Services who support all our meetings and continue to work behind the scenes to make scrutiny happen and we could not achieve what we have done without all their support.

## 2. Pat Pratley Chief Executive



The role that the committee plays in local democracy in holding to account both members and officers is as important as ever, as the authority, the town, and in fact the whole country, continues to experience a period of significant change. It will therefore be important for the overview and scrutiny committee to continue to question, challenge and probe and provide that challenge which adds so much value to our democratic decision making process and the decisions taken by members.

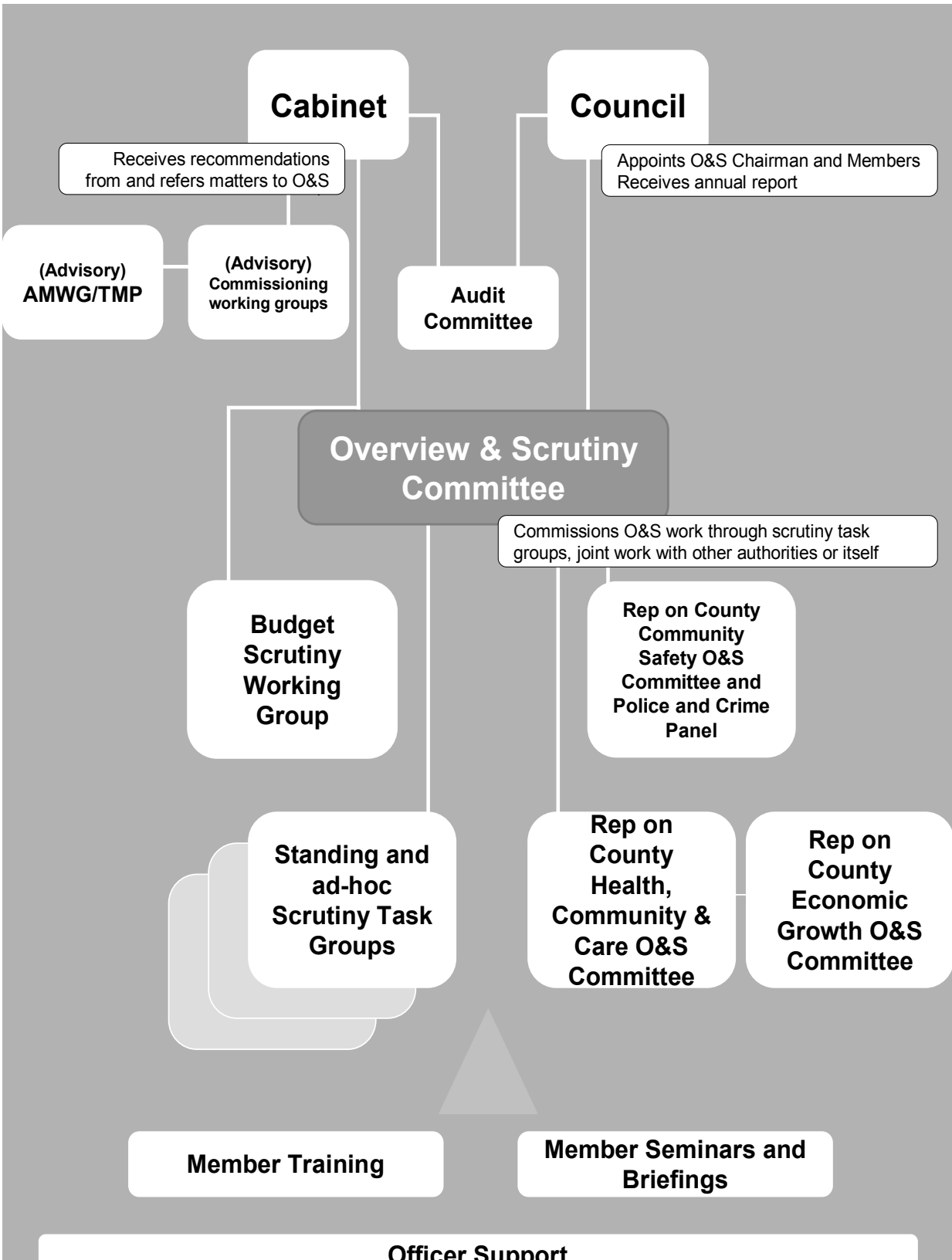
Last December I was interested to read the report from the Communities and Local Government Select Committee following an inquiry into whether the overview and scrutiny model was meeting its objectives and how decision-makers could be best held to account. The Committee's report on overview and scrutiny in local government felt that scrutiny was often not held in high enough esteem, leading to a lack of constructive challenge to improve services for residents. It recommended measures to strengthen the independence of overview and scrutiny committees and I asked our Democratic Services team to reflect on how our O&S arrangements in Cheltenham matched up to these recommendations. I am pleased to say that our arrangements stood up very well in the following areas:

- We do regularly review our scrutiny arrangements - following recommendations from the LGA peer review of 2014, O&S has played a more important role in scrutinising key projects and prioritising its work plan.
- O&S welcomes attendance of Cabinet Members at O&S meetings and their involvement in task groups
- Our Constitution already requires us to have an opposition chair
- Confidential items are shared with O&S when relevant
- We have a designated officer in Democratic Services to support the committee and relevant Members of Exec Board attend to give support when required
- We organise regular officer training and include an introduction to O&S as part of our new Members induction
- We have had Members of the public along to our scrutiny meetings - though we would always welcome more
- We have a protocol in place which underpins any requests we make for officers from other decision making bodies to attend scrutiny to give evidence with regard to the impact decisions made in other places have on Cheltenham

In conclusion it is always good to review the way we do things and I am sure the new chair will be keen to make some changes. I really value the work that scrutiny has done over the past year and as Chief Executive, myself and my Exec Board team will continue to give the members our full support.



### 3. Overview and Scrutiny Structure



## 4. Scrutiny Task Groups 201-18

### 4.0 Budget scrutiny working group

Chairman: Councillor Matt Babbage

**Task group members:** Victoria Atherstone, Martin Horwood, Nigel Britter, John Payne.  
**Officer support:** Sarah Didcote, Beverley Thomas

The Budget Scrutiny Working Group is a small but effective group that keeps a careful watch on in-year spend and the developing budget for the following year. During the year we took an active interest in all budget areas. We had our usual opportunity to scrutinise the budget proposals for 2017/18 and we concluded that the group were largely supportive of them and in particular welcomed future property investment as a means of generating a new income. Achieving a balanced budget will continue to be a challenge for this Council and therefore there is a continuing role for the budget scrutiny working group throughout the year.

The Chief Financial Officer commented that " this has been a valuable process which has given members an opportunity to input into the development of the budget proposals and key initiatives which has added value to the process. BSWG have also provided an independent review of the financial performance of the council during the year, as well as considering the final outturn position. The financial position remains challenging and it is both helpful and important to have a forum for deeper consideration of the issues facing the council and wider member influence over the strategy for dealing with it."

### 4.1 Street People Scrutiny Task Group

Chair: Councillor Louis Savage

**Task group members:** Councillors Colin Hay, Chris Nelson, Dennis Parsons, John Payne, Louis Savage and Simon Wheeler  
**Officer support:** Saira Malin

Set-up in response to concerns from members of the public and local businesses that there had been an increase in the number of 'street people' in Cheltenham, the group were tasked with: establishing the extent and nature of the problem in Cheltenham; understanding the responsibilities and powers of Cheltenham Borough Council and; assessing whether the existing support networks could be more effective.

The task group met on three occasions and spoke to Council Officers and representatives from other agencies and organisations. From the data that was presented it was evident that there had been an increase in the numbers of 'street people' and that a large proportion of these individuals were not in fact homeless. They were instead, begging to fund a drug addiction or to buy alcohol and/or causing a nuisance (littering, urinating and defecating).

Discussions had touched on some of the successes that Gloucester City Council had, had in addressing this very issue through Project Solace. Having met with representatives from Project Solace the group agreed that it represented a proven means of successfully

dealing with the issue, and one that Officers at Cheltenham Borough Council had voiced support for.

Prior to the task group submitting their final report to the Overview and Scrutiny (O&S) Committee, Cabinet resolved that Cheltenham Borough Council should join the Solace Partnership to tackle priority anti-social behaviour. This decision was welcomed by the task group, not only because it planned to make this very recommendation, but for the fact that the decision represented a solution to the issues that the task group had identified as part of its review.

Having considered the final report of the task group in June 2017, O&S Committee endorsed the recommendations and commended the task group for producing a report which they felt demonstrated the sensitive and measured approach that the task group had adopted when undertaking the review.

The STG recommendations were accepted by Cabinet on the 11 July 2017 and a briefing on progress came back to O&S in the autumn.

## 5. Cabinet Member Working Groups

Last year when our Annual Report went to Council, it was suggested that we also mention the work of non-Executive Members on Cabinet Member Working Groups. We would highlight that these are fundamentally different to scrutiny task groups in that they are set up and chaired by the Cabinet Member and their aim is to assist the Cabinet Member in formulating their final report to Cabinet. By contrast scrutiny task groups are scrutiny led and can only make recommendations to Cabinet or Council or another body. However what they do have in common is that very often Cabinet Member working groups are helping to formulate new policy and offer challenge which are both key parts of the overview and scrutiny function.

The working groups this year include:

Cemetery and Crematorium

Waste and Recycling

Asset Management Working Group – property and asset related issues

Planning and Liaison

Newly formed is the Members ICT Working group so we look forward to their report.

## 6. Overview and Scrutiny – what's next?

- Officers from Gloucestershire County Council are attending our October meeting to discuss the implementation of the Cheltenham Transport Plan.
- We will be following up on our recommendations regarding the taxi policy in October.
- We will be receiving the annual report from Publica in October and will have the opportunity to question the Managing Director and Chair.

- The scrutiny task group looking at Urban Gulls is already underway and aims to report in time for any costing implications of its recommendations to be considered as part of the budget process.

## 7. Contacts

**Rosalind Reeves**  
**Democratic Services Manager**

**Democracy Officers**  
**Saira Malin**  
**Beverly Thomas**  
**Sophie McGough**

**Postal address:**  
Democratic Services  
Cheltenham Borough Council  
Municipal Offices  
The Promenade  
Cheltenham  
GL50 9SA

**Email:** [Democratic.services@cheltenham.gov.uk](mailto:Democratic.services@cheltenham.gov.uk)

**SCRUTINY TOPIC REGISTRATION**

Do YOU have a topic that you think Cheltenham Borough Council should scrutinise? Please fill out the following form and return to Democratic Services.

<b>Date:</b>	
<b>Name of person proposing topic:</b>	
<b>Contact details: email and telephone no:</b>	
<b>Suggested title of topic:</b>	
<b>What is the issue that scrutiny needs to address?</b>	
<b>What do you feel could be achieved by a scrutiny review (outcomes)</b>	
<b>If there a strict time constraint?</b>	
<b>Is the topic important to the people of Cheltenham?</b>	
<b>Does the topic involve a poorly performing service or high public dissatisfaction with a service?</b>	
<b>Is it related to the Council's corporate objectives?</b>	
<b>Any other comments:</b>	

This page is intentionally left blank

Item	Outcome	What is required?	Report Author/Presenter
------	---------	-------------------	-------------------------

**Meeting date: 29 October 2018 (report deadline: 17 October)**

CTP	Review the implementation of Phases 1-3 and resultant changes made to enable phase 4 Update on phase 4 <i>(as agreed at June O&amp;S meeting)</i>	Presentation followed by Q&A	Scott Tompkins Lead Commissioner Highway Authority
Taxi policy	Update on the consultation requested following the call-in	Report	Louis Krog
Publica Annual Report	Review the annual report (and performance) of Publica	Discussion	Dave Brooks (Chair) and David Neudegg (MD))

**Meeting date: 26 November 2018 (report deadline: 14 November)**

Leisure@ Redevelopment	Update requested by O&S on review of lessons learnt	Report	Jane Stovell Cabinet Member Healthy Lifestyles
Urban Gulls Scrutiny task group	Report of the task group to endorse and recommend to Cabinet	Decision	Sophie McGough Chair of STG Cllr Sudbury
Events	Update on events following previous scrutiny task group and mitigation measures and update on the commercial expansion of events project and how the strategy will deal with some of these issues raised by O&S <i>(requested by O&amp;S at the June meeting)</i>	Report	Louis Krog/Jane Stovell
Cheltenham Spa Railway Station STG	Update requested by O&S	Report	Jeremy Williamson
Corporate Plan	Wider member input into operating context, organisational purpose, priority actions, performance framework	Report	Richard Gibson

Item	Outcome	What is required?	Report Author/Presenter
------	---------	-------------------	-------------------------

Quarter 2 performance	Consider performance and comment as necessary	Discussion	Richard Gibson
<b>Meeting date: 14 January 2019 (report deadline: 02 January 2019)</b>			
Draft Corporate Plan	Consultation on the draft Corporate Plan and comment as necessary	Report	Richard Gibson
Budget proposals (2019-2020)	Consider views of the BSWG on the budget proposals for the coming year	Discussion	Chair of BSWG
<b>Meeting date: 11 February 2019 (report deadline: 30 January 2019)</b>			
<b>Meeting date: 1 April 2019 (report deadline: 20 March 2019)</b>			
<b>Meeting date: 3 June 2019 (report deadline: 22 May 2019)</b>			
End of year performance	Consider performance and comment as necessary	Discussion	Richard Gibson
<b>Meeting date: 1 July 2019 (report deadline: 19 June 2019)</b>			

**Items for future meetings (a date to be established)**



Item	Outcome	What is required?	Report Author/Presenter
------	---------	-------------------	-------------------------

Public Health improvements	Update on public health issues	Presentation and questions	Director of Public Health Richard Gibson to arrange
North Place	Further update as necessary	Ongoing	Tim Atkins
Cycling and Walking STG recommendations	Review progress (further update will be delayed until further progress has been achieved in this area)	Update	TBC
Gloucestershire Airport Ltd	An update on the governance review and chance to meet the Board	As and when required	Tbc
Indices of Deprivation (work ongoing)	Raised as a possible STG. The committee have heard from CBH on the Masterplan and the Communities Partnership on their work and now need to decide if and how they want to scrutinise this issue	Tbc	CBH / Communities Partnership
Police and Crime Commissioner	Invite the P&CC along to give an overview of performance and highlight any issues	As and when required	Martin Surl, P&CC
CBH Masterplan	A <b>member seminar</b> arranged at the request of the O&S Committee	11 October 2019	Paul Stephenson and Peter Hatch (CBH)

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank